

**Article 1 Definitions**

For the purpose of these Terms and Conditions, the following definitions apply:

Contractor: VSL B.V.

Client: the natural person or legal entity who places an order with the contractor.

Article 2 General

- 2.1 Unless explicitly agreed otherwise in writing by both parties, all offers, orders, and purchases (hereinafter: "order" or "agreement") resulting from such orders between the contractor and the client are subject to these General Terms and Conditions.
- 2.2 The contractor shall be bound by an order only if and insofar as it has been explicitly accepted and confirmed in writing by contractor.
- 2.3 All offers are without obligation. Written offers shall be kept open for a period of four weeks, unless otherwise stated.
- 2.4 All the contractor's offers are issued subject to the approval of its Board of Management.

Article 3 Prices and Payments

- 3.1 Orders shall be accepted either on a fixed price basis or on a subsequent costing basis.
- 3.2 If a fixed price is agreed, a separate charge may be made for costs or cost increases which could not reasonably have been foreseen at the time when the agreement was concluded, if the term of the agreement or the duration of the work involved exceeds three months.
- 3.3 If the agreed completion date for the order is exceeded by more than three months through no fault of the contractor, the price shall be fixed on a subsequent costing basis, using the original agreed amount as a basic price.
- 3.4 If no fixed price is agreed, the amount payable shall be determined on a subsequent costing basis in accordance with the contractor's usual methods and rates. If the contractor has stated a basic price, this shall constitute no more than a non-binding estimate of the costs.
- 3.5 For orders of EUR 12.000 and higher, with an expected term for the duration of more than three months, the contractor can, at the client's request, set a limit on the price which, once reached, automatically relieves the contractor of any obligation to continue the work, if and in so far as this would entail spending more on the execution of the order than the set limit.
- 3.6 The contractor reserves the right to invoice the client periodically for work already performed and is entitled to receive advance payment or security for payment.
- 3.7 In the event of failure to pay by the due date, or to provide the required security for payment, the contractor cannot be held to its obligation to continue the work, without prejudice to contractor's remaining rights.
- 3.8 The client shall pay an invoice within 30 days of the invoice date, in euros, without deductions or retainment of any amounts owed by the contractor. If the client fails to pay within this term, he shall be legally in default, with no notification of default being required, and shall be obliged to pay interest at the official rate, calculated from the final payment date, as well as legal and extra-judicial debt collection costs.
- 3.9 Unless otherwise agreed, all payments for work performed, prices and other costs shall be exclusive of value added tax (VAT) and other taxes and levies.
- 3.10 If in relation to the work performed, the contractor or its personnel should become involved as expert-witness or in any other capacity in legal, arbitration or other proceedings, the client shall pay the contractor for the work and costs pertaining to this involvement, on the basis of the contractor's rates at that moment.
- 3.11 All agreements shall be deemed to have been concluded in euros.

Article 4 Cancellation, Postponement or Extensions

- 4.1 Orders shall be fulfilled within the stated or estimated period in the order, unless this proves impossible. If it becomes clear that completion is likely to be late, the contractor shall consult the client as soon as possible.
- 4.2 The period within which the work must be completed shall commence after the agreement has been concluded, but not before the contractor has received all the necessary information and data, and all the required permits, approvals and/or exemptions have been granted.

- 4.3 In the event of any postponement or extension of the work entailed in the order, the client shall be charged for any additional expenses in so far as the contractor cannot be held responsible for such postponement or extension.
- 4.4 The client shall pay compensation for all costs and damages suffered by the contractor resulting from any entire or partly cancellation or postponement of the agreement by the client, if and in so far as the cause of such cancellation or postponement cannot be attributed to the contractor.

Article 5 Guarantee

- 5.1 Without prejudice to the provisions of Article 12, the contractor guarantees the effectiveness of the design and the quality of the materials used in the goods it supplies for a period of 1 year from the date of delivery. If a third party from whom the contractor acquired all or part of the goods concerned offers a more limited guarantee, the contractor's guarantee to the client shall be adjusted accordingly. The contractor is not bound to offer any other indemnity or guarantee with respect to the goods supplied.
- 5.2 Without prejudice to the provisions of Article 12, the contractor guarantees to use its best efforts to perform the services conforming to the agreed quality, accuracy and traceability, however, without guaranteeing the achievement of any specific result envisaged by the client.
- 5.3 All of client's claims with respect to the agreement will lapse when one year as from the date of execution of the order has expired.

Article 6 Transport, Storage and Return Deliveries

- 6.1 Goods should be delivered to and collected from the contractor's offices, unless otherwise agreed.
- 6.2 The costs of loading, unloading, packaging and transportation of goods mentioned in the agreement are not included in the price and shall be charged separately.
- 6.3 Loading, unloading and transportation of goods covered by the agreement shall take place at the client's risk and expense, even if transports of goods dispatched by the contractor require transport documents to state that the sender bears the risk for all damages occurring during transportation.
- 6.4 The contractor shall, if possible, keep goods supplied for tests, or the remains thereof, for two weeks following the date of the final invoice. Any costs incurred as a result are included in the price stated in the order. The client shall supply the goods under the agreement, including but not limited to equipment to be tested, in such state that the contractor can, under the testing- and other conditions indicated in writing to him, execute the agreement without causing damages to goods or people.
- 6.5 If the client fails to arrange for the return of goods made available to the contractor under the order within two weeks of the date of the final invoice, the contractor is at liberty to take appropriate action. Any costs incurred as a result shall be payable by the client.
- 6.6 The contractor is entitled to retain goods, documents and the like as securities for as long as the client fails to meet his commitments.

Article 7 Confidentiality

- 7.1 The contractor is, except in so far as determined differently by law, obliged to maintain the confidentiality of any knowledge acquired in the execution of the order, if he knows or could reasonably assume that this is necessary.
- 7.2 If misunderstandings arise, or threaten to arise, because the client informs third parties of the results of a study, the contractor shall be relieved of its confidentiality commitments to the extent that can reasonably be considered necessary to explain the results to such third parties. The contractor shall notify the client accordingly.

Article 8 Subcontracting

- 8.1 The contractor is authorised to employ third parties and guarantees their compliance with the confidentiality provisions of Article 7.
- 8.2 Third parties as referred to in article 8, par. 1 and the contractor's employees are covered mutatis mutandis by all provisions of these General Terms and Conditions relating to the exclusion or limitation of the contractor's liability and to indemnification by the client from third party claims.

Article 9 Availability of Equipment

- 9.1 The client shall be charged for the use of machines, equipment, research areas and other materials and/or facilities of or by third parties.
- 9.2 The client shall be liable for any damage to materials and/or facilities during the period in which these are made available, or before they have been received in return.
- 9.3 The contractor is not liable for damages to or by persons, machines, equipment, research areas and other materials and/or facilities made available by the client to the contractor or to a third party employed by the contractor, and client holds contractor harmless from all claims in this respect.

Article 10 Power of Disposal and Copyright

- 10.1 Without prejudice to the provisions of the Copyright Act ('Auteurswet'), and with the exception of the provisions of Article 7 of these General Terms and Conditions, the client holds sole power of disposal over the reports, advisory reports etc. supplied to her by the contractor under the agreement.
- 10.2 The client may only publish such reports verbatim and in full, quoting the name of the contractor as author. Publication in any other form may take place only with the written permission of the contractor.
- 10.3 The results of the agreement and the name of the contractor may be used for commercial purposes only with the separate, written permission of the contractor.

Article 11 House Rules/Safety Regulations

The client and its personnel undertake to comply with the "house rules" and safety regulations which apply to the use of buildings or sites of the contractor, when on such premises. The client shall ensure that its personnel conduct themselves in accordance with these rules.

Article 12 Liability

- 12.1 The contractor's liability for damages suffered by the client as a result of default, tort or other acts or omissions of the contractor, is limited to an aggregate maximum of the price owed by the client for the order.
- 12.2 The contractor, and persons employed or subcontracted by the contractor in the execution of the order, is respectively, are not liable for damages suffered by the client in the application or use of the results of the contractor's work.
- 12.3 The client shall indemnify and hold harmless the contractor and all persons used or contracted by contractor for the performance of the agreement against all claims by third parties in so far as these relate to the application or use of the results of the contractor's work by client or by any other party who has obtained these results directly or indirectly from the client.
- 12.4 The client is liable for damages suffered by the contractor, and by persons employed or subcontracted by the contractor in the execution of the order, during time spent on the client's premises, or the premises of third parties in connection with the order. Other provisions do not apply and are not recognised by the contractor.
- 12.5 The contractor is not liable for damages suffered by the client or its personnel when on the contractor's premises.
- 12.6 The contractor is not liable for damages resulting from defects in items supplied to the contractor and sold to the client.
- 12.7 The client is liable for damages or extra work resulting from incorrect or incomplete information or data supplied to the contractor. The client indemnifies the contractor in full in this respect.

Article 13 Force Majeure

- 13.1 Without prejudice to the other provisions of these General Terms and Conditions, the contractor can never be held liable for failure to meet its obligations to the client or failure to do so in time, as a result of force majeure. All circumstances which obstruct the normal performance of the contractor's work, such as war, fire and other destruction, operational stoppages of any kind whatsoever, strikes, illness of employees, government measures and the like are regarded as force majeure.
- 13.2 If third parties on which the contractor is dependent for the execution of the order fail to meet their commitments to the contractor or fail to do so on time due to circumstances which would have constituted force majeure for the contractor under the provisions of Clause 1 of this Article 13, such failure on the part of these third parties to meet commitments or to meet them in time shall also constitute force majeure for the contractor with respect to the client.

- 13.3 The contractor shall nevertheless do everything in her power to avoid, remove or reduce such conditions leading to force majeure in order to continue normal operations if at all possible.

Article 14 Transfer of risk and ownership of goods produced by the contractor

- 14.1 At the moment of delivery of the goods made by contractor or the main parts thereof, the client shall bear the risk of all direct and indirect damages which may be caused to or by such goods or parts thereof.
- 14.2 Without prejudice to the provisions of Clause 1 of this Article, ownership of the goods shall not be transferred to the client until all amounts owed to the contractor with respect to the delivery - with or without mounting or assembly - including interests and costs, have been paid.

Article 15 Suspension and Termination

Without prejudice to the provisions of the other Articles of these General Terms and Conditions, the client shall be considered to be in legal default if he fails to meet any commitment under this agreement, or fails to do so properly or in good time, as well as in the event of bankruptcy, a moratorium on payments, liquidation, or if he is placed under trust or receivership, and the contractor shall have the right, without any notification of default or legal intervention being required, to suspend the execution of the agreement or to terminate it in full or in part, at the contractor's choice without any liability for damages on the contractor's part and without prejudice to the contractor's right to compensation for damages suffered as a result of such default, suspension or termination. In such cases, all amounts due from the client to the contractor become payable with immediate effect.

Article 16 Amendment of these Terms and Conditions

- 16.1 These General Terms and Conditions, including the rates stated, are subject to amendment by the contractor. Alterations shall take effect 30 days from the date on which they are announced, unless a later effective date is stated in the announcement.
- 16.2 Agreements which have not yet been executed shall be subject to the amended Terms and Conditions from the date on which these take effect.
- 16.3 If a client does not wish to accept an amendment to the Terms and Conditions, she has the right to cancel the agreement within 30 days of the announcement of the amendment.

Article 17 Applicable Law and Jurisdiction

- 17.1 All agreements with the contractor are subject solely to the laws of the Netherlands.
- 17.2 Any disputes arising from this agreement shall be submitted exclusively to the competent court of the district of The Hague.

Article 18 Final Provisions

- 18.1 These General Terms and Conditions have been filed with the Chamber of Commerce Haaglanden, Netherlands, are available for inspection at the offices of the contractor and can be obtained from there on request.
- 18.2 These General Terms and Conditions are severable. If any provision hereof would be entirely or partly invalid or ineffective for whatever reason, the remaining part shall nevertheless remain in full force. The invalid part of these General Terms and Conditions shall be deemed to be replaced by provisions which will as nearly as possible approximate the effect of the invalid part.