

General Terms and Conditions for Purchase Orders (version 2018)

RECITALS:

- A. These General Terms and Conditions (“GTC”) contain general conditions and terms that apply to each and all Purchase Orders (as defined below) issued by Buyer to each Supplier for purchasing various materials, products and services.
- B. These GTC shall constitute an integral part of The Purchase Orders issued by Buyer.
- C. The Supplier, by excepting the Purchase order, acknowledges its acceptance of the GTC and shall comply with these provisions when implementing each Purchase Order, explicitly future Purchase Orders included, received from the Buyer.

Article 1. Definitions

1) BUYER

means Buyer and all of its affiliated or related entities, including, but not limited to, its parent, subsidiary, affiliated companies, their officers, directors, employees and agents, individually and collectively.

2) EFFECTIVE DATE

means the date the Purchase Order has been excepted.

3) EVENT OF FORCE MAJEURE

means all events that are beyond the reasonable control of the Parties and which are unforeseen, unavoidable or insurmountable and which arise after the execution of these GTC, including earthquakes, typhoons, floods, fires or any other natural calamity, wars, political unrest and turmoil or other unforeseen events which cannot be predicted, or the happening or consequence of which cannot be prevented or avoided.

4) PARTY

means respectively either Buyer or Supplier (as defined below).

5) PARTIES

mean both the Buyer and Supplier.

6) PLACE OF DELIVERY

refers to the destination of delivery of the Products (as defined below) specifically indicated in each Purchase Order.

7) PRODUCTS

refers to various materials and/or products and/or services purchased by the Buyer from the Supplier under the Purchase Order, such as raw materials, forgings or castings, etc. “Products Reports and Technical Documents” refer to those reports, certificates and technical documents to be provided by the Supplier to the Buyer upon delivery of the Products.

8) PURCHASE ORDER

means the order issued by the Buyer to the Supplier for purchasing the Products under these GTC.

9) SUPPLIER

means the supplier that acknowledges the acceptance of these GTC by duly executing the Purchase Order(s) for supplies materials, products or services to the Buyer.

“Technical Specifications and Requirements” refer to those specifications and requirements that apply to the Products as set forth in Article 3.

Article 2. Purchase order

2.1 The Buyer will place the Purchase Order whose form is attached hereto as Annex 1 to the Supplier according to its needs from time to time and the Supplier shall produce and supply to the Buyer the Products in accordance with the provisions hereof and of the Purchase Order. The Supplier shall provide the Buyer copies of its Business License and Tax Registration Certificate for Buyer’s review at the time designated by the Buyer.

2.2 For efficiency, the Purchase Order shall be issued by the Buyer and confirmed by the Supplier through fax or email. Specifically, the Buyer shall issue the Purchase Order duly signed and/or stamped to the Supplier through fax or email, and when the Supplier receives such Purchase Order, it shall have it signed by its duly authorized representative and have - if available - its official corporate seal affixed on it and send it back to the Buyer through fax or email as confirmation within 5 days from the date of issue of the Purchase Order or within a shorter time period if this would be explicitly mentioned in the Purchase Order. The Purchase Order issued and confirmed as stated in the foregoing paragraph shall be deemed as legally valid and binding on both Parties as an original executed Purchase Order between the Parties.

However, an original copy of the Purchase Order that have been duly executed by the Supplier shall be returned to the Buyer within 1 week from the date of issue, failing which the Buyer shall reserve the right to cancel the relevant Purchase Order without assuming any liability to the Supplier.

2.3 The Purchase Order shall be written in the English language. In case of discrepancy between two languages, the English version shall prevail.

2.4 Each Purchase Order shall be executed in two (2) original copies that each Party shall hold one (1) copy.

3. Technical specifications and requirements

3.1 The chemical and mechanical properties of the Products shall conform to the specifications and requirements specified in the Material Data Sheet and ASTM Requirement (American Standard) attached hereto as Annex 2 and Annex 3. The quality of the Products shall comply with the Quality Control Plan attached hereto as Annex 4 and the Technical Drawings as Annex 5. Besides, the Products to be supplied by the Supplier shall also abide by other standard and specifications as required and provided by the Buyer from time to time, including but not limited to those specifications and requirements otherwise set forth in the specific Purchase Order.

3.2 As for those technical documents provided by the Buyer to the Supplier under specific Purchase Order, the Supplier shall sign a Note of Receipt as required by the Buyer.

3.3 The Parties acknowledge that the Technical Specifications and Requirements as provided in above Article 3.1 and 3.2 may require adjustment based on tests conducted

according to Article 4 hereof. The Buyer shall inform the Supplier of any modification in the Technical Specifications and Requirements for the Product by written notice.

3.4 The Supplier shall keep all these Technical Specifications and Requirements and other technical documents confidential in accordance with the provisions of Article 18.

4. Inspection, audit and test requirements

4.1 The Buyer shall have the right, upon prior written notice to the Supplier, to enter the Supplier's site or premises at any time during normal working hours and at other times by prior arrangement with the Supplier:

(a) to inspect all aspects of the Products, including but not limited to its production or processing as well as the compliance with all Technical Specifications and Requirements and other undertakings provided herein. The inspection of the Products shall be conducted in accordance with the Quality Control Plan; and

(b) to examine and audit the Supplier's books, records, and accounts etc. pertaining to the Products.

The Supplier shall provide the Buyer all necessary support and convenience for the above inspection and audit and provide the copies of those books, records and accounts etc. as required by the Buyer.

Should the Buyer discover any problem or incompliance of the Supplier during the above inspection and audit, the Supplier shall make rectifications as required by the Buyer to the satisfaction of the Buyer.

4.2 Raw Material: All test specimens of the Products shall be first tested in the Supplier's laboratory or by a qualified third party as agreed by the Parties. The Buyer shall have right to appoint an inspector to witness the cutting of test bar and mechanical test, and then the Buyer shall test the same specimens in its own laboratory. All specimens for tests shall be identified and agreed by both Parties in advance.

For some special Products, the following special requirements on test specimens shall apply:

(a) in case the Products are forgings, the test specimen shall be a required minimum one piece which has the extra-length 150mm of the material for each heat number, obtained(cut) from the production components objects of the Purchase Order.

(b) in case the Products are castings, all sand casting shall have two test bar attached on the casting for each heat number (if possible), and all investment castings require minimum two test bar for each heat number.

Complete components: if the Supplier provides the complete Products (the provision of raw material shall be handled by the Supplier), the Supplier is required to test the quality of material before the relevant manufacturing process. However, for interests of both Buyer and Supplier, the Supplier has right to conduct such test at the Buyer's laboratory without any fees charged on the Supplier.

Only after a positive result of the chemical and mechanical tests is confirmed by the Buyer, the Supplier is allowed to proceed with the relevant manufacturing process.

If the relevant test result is negative, and the Supplier still uses the non-conforming material for manufacturing, then the Buyer shall have right to reject the Products manufactured with said non-conforming material and require the replacement of the relevant Products at the Supplier's expenses.

If the Supplier does not follow the above-mentioned procedure, it shall take full responsibility and the Buyer shall have right to reject the non-conforming Products at Supplier's expenses.

4.3 The standards for the above-mentioned tests shall be the Technical Specifications and Requirements as set forth in Article 3 above.

4.4 The Supplier shall inform the Buyer about the date when the Products are ready for inspection and test under above Article 4.2 at least 5 working days before such date.

4.5 The Products left after the tests shall be stored at the Buyer's site in the event the Buyer may need to repeat the tests.

4.6 Should the tested Products fail to conform the Technical Specifications and Requirements, the Buyer shall have right to reject such unqualified Products and send a written notice to the Supplier specifying reason of rejection. The Supplier shall, upon receiving the notice of rejection, either replace the rejected Products or make alterations as necessary so that it meets the Technical Specifications and Requirements within the time limit as required by the Buyer.

4.7 The Buyer has the right at its site to destroy and test the material directly from the components provided by the Supplier at any time in order to ensure the quality. In case of a negative result of the test by the Buyer, the Buyer and the Supplier shall repeat the relevant test at an independent third-party laboratory. If the test result of such third-party laboratory is confirmed as negative, the Buyer has the right to reject the relevant Products or charge the Supplier with any cost and/or loss deriving from such the non-conformance.

4.8 Should the Buyer and Supplier have dispute in choosing a third-party laboratory, the Buyer shall have right to choose a third-party laboratory by itself as a third-party laboratory jointly chosen by both Buyer and Supplier. However, if no third-party laboratory in such List is available or exist anymore, the Supplier agrees that the Buyer shall have right to choose another qualified third-party laboratory as a third-party laboratory jointly chosen by the Buyer and Supplier.

4.9 In the event of rejection of Products by the Buyer or non-compliance of test requirement by the Supplier under this Article 4, the Buyer shall reserve the right to claim compensation against Supplier for all direct and indirect losses it suffers therefrom.

5. Labels and certification requirements

5.1 The Products supplied by the Supplier shall bear a code or label at the place as designated by the Buyer indicating that the Products complies with the Technical Specifications and Requirements as provided in Article 3 above, including but not limited to the Material Data Sheet and ASTM (American Standard).

5.2 The Supplier shall always strictly comply with the instructions, directions and specifications which the Buyer may give from time to time with regard to the packing appearance or label of the Products.

5.3 2 days before delivery, the Supplier shall provide the Buyer 1 copy of transportation document and 1 copy of Goods Delivery Note whose form is attached hereto as Annex. While upon delivery of the Products, the Supplier shall provide the Buyer with the following documents:

(a) 1 copy of pertinent Heat Treatment Report, Dimensional Inspection Report and other NDT Report according to the attached Quality Control Plan such as MT,UT,RT, PT etc.; and

(b) 1 copy of Quality Conformity Certificate and material certificate in accordance to EN 10204 3.1.

The Supplier of steel material shall additionally provide 1 copy of original material certification and mechanical report from the company providing the relevant steel material.

- (c) All certificates shall be delivered at certificates@maverickvalves.com.
- 5.4 All Products Reports and Technical Documents as set forth in above Article 5.3 shall:
 - (a) be in compliance with the requirements of the Quality Control Plan (Annex 4); in the absence of a Quality Control Plan, they shall comply with those requirements of the list of materials required by the Buyer, including but not limited to material datasheet and technical drawing;
 - (b) be made English language, unless otherwise required by the Buyer.

6. Delivery

6.1 The Supplier shall deliver the Products to the Buyer's factory in Tilburg with transportation expenses being included in the price under the specific Purchase Order. However, for some kinds of Products (such as raw material), the Buyer may request the Supplier to deliver such Products to another Supplier or a third party (hereinafter the "Third Party Recipient")'s warehouse that the Buyer indicates in the Purchase Order, the details of which is set forth in below Article 6.4.

The specific Place of Delivery shall be indicated in the Purchase Order.

6.2 The specific delivery schedule shall be set out in the "Scope of supply" of each Purchase Order issued by the Buyer to the Supplier. The Buyer shall have right to reject the early delivery of the Products unless such early delivery is required or approved by the Buyer in advance.

6.3 The Buyer shall have the right to dispatch an expeditor to the premises or manufacturing site of the Supplier for expediting. The expediting notice shall be informed to the Supplier at least one day prior to the expediting date.

6.4 If the Buyer requests the Supplier to deliver certain kinds of Products (such as raw material) to a Third-Party Recipient's warehouse as indicated by the Buyer in the Purchase Order, the delivery shall be made in accordance with the following provisions:

(a) After such certain Products have been made heat treatment (if applicable), the Supplier, before delivering them to the Third-Party Recipient as designated by the Buyer, shall inform the Buyer's purchase engineer responsible for the Purchase Order (as indicated in the Purchase Order) about the batch of the Products ready to be delivered and send a clear Goods Delivery Note to the Buyer.

(b) After receiving such Goods Delivery Note from the Supplier, the Buyer shall conduct inspection and tests as provided in Article 4, after which if the Products are qualified, the Buyer shall approve the Goods Delivery Note. Upon receipt of the approved Goods Delivery Note from the Buyer, the Supplier shall then send the Products to the Third-Party Recipient.

(c) Expenses for such delivery shall be borne by the Supplier and the Third-Party Recipient shall sign and provide the Buyer a written form as required by the Buyer to acknowledge the receipt of the Products within 5 days after the Products is actually delivered.

During the period when the Products are located at the Third-Party Recipient's site, the Third-Party Recipient shall take good care of such Products and shall bear all responsibilities and liabilities in case of any loss or damage to such Products, including but not limited to at its own expenses replacing damaged Products and/or compensating the Buyer for all direct and indirect losses caused thereby.

6.5 Should the Products delivered by the Supplier to the Buyer exceed the agreed quantity under the Purchase Order, the Buyer shall be entitled to choose either to accept the excess quantities or to reject them.

In case the Buyer decides to accept the excess quantities, the Buyer shall pay the Supplier for these excess quantities according to the price set forth in the corresponding Purchase Order; while in case the Buyer rejects to accept them, the Supplier shall take them back at the time as designated by the Buyer.

6.6 If the Supplier is unable to timely supply the required quantity of Products indicated in the Purchase Order, the Buyer may freely purchase the missing amount of Products from any other supplier. Should the price of missing Products be higher than that of timely delivered Products as indicated in the Purchase Order, the price to be paid by the Buyer to the Supplier for the timely delivered Products shall be calculated in accordance to the following formula:

$$PDP - (PPP - PMP)$$

where:

PDP means the price of the timely delivered Products, calculated based on the price indicated in the Purchase Order;

PPP means the price of the products purchased from another supplier;

PMP means the price of the missing Products, calculated based on the price indicated in the Purchase Order.

6.7 Both Parties acknowledge that the time indicated in the Purchase Order for the delivery of the Products is of substantial importance for the Buyer. If the Supplier is unable to deliver the Products on time as stipulated in the Purchase Order, the Buyer shall have the right to choose between the following two methods:

(a) the Buyer may cancel the Purchase Order and buy substitute products from another source and require the Supplier to reimburse the amount by which the price of the substitute product exceeds that of the Products as indicated in the Purchase Order as well as any additional expenses; or

(b) the Buyer may charge the Supplier a penalty in accordance with the provisions of Article 11.

6.8 After receiving Products delivered by the Supplier, the Buyer shall have right to make inspection on the delivered Products. If upon inspection the Buyer find any Products defective in quality or damaged or bearing any other problem, the Buyer can reject such problem Products by sending a Note of Rejection to the Supplier stating reason and consequences of such rejection. The Buyer can choose at its own discretion any of the following method for remedies:

(a) ask the Supplier to replace such problem Products with all expenses born by the Supplier; or

(b) ask the Supplier to make repair with all expenses born by the Supplier; or

(c) just reject problem Products without replacing or repairing, while deducting relevant price from the price payable to the Supplier as indicated in the Purchase Order. In this case, should the Buyer decide to buy substitute products from another source, it have right to require the Supplier to reimburse the amount by which the price of the substitute product exceeds that of the Products as indicated in the Purchase Order as well as any additional expenses.

Besides, the Buyer shall be entitled to deduct relevant inspection costs from the price payable to the Supplier and the Buyer shall also have right to claim compensation against the Supplier for any direct and indirect loss caused due to such problem Products.

7. Title and risk of damage

7.1 Title and risk of damage to the Products shall be transferred to the Buyer after the delivered Products pass the inspection conducted by the Buyer according to above Article 6.8.

8. Packaging requirement

8.1 The Supplier shall appropriately package the Products that it delivers to the Buyer. Packaging shall be suitable for the intended transportation, moisture proof, waterproof, shockproof, rustproof, resistant to rough loading and unloading, so as to prevent the Products from being damaged during transportation and ensuring them to arrive safely and in good order at the Place of Delivery. The Supplier shall bear liability for any damage caused by inadequate packaging.

9. Price and payment

9.1 The price payable by the Buyer for the Products to the Supplier pursuant to these GTC shall be set out in the Purchase Order. Such price shall be the total and entire price payable by the Buyer to the Supplier for purchasing the Products under the Purchase Order and except that the Buyer shall be not obliged to pay any other amount to the Supplier.

9.2 The price in the Purchase Order shall be net price excluding the value-added tax ("VAT").

9.3 The price shall be paid by the Buyer to the Supplier in full amount within 60 days after the following conditions are met, whichever is later:

(a) The Products have been duly delivered to the Place of Delivery as indicated in the Purchase Order with all required complete Products Reports and Technical Documents as set forth Article 5 above; and

(b) The Products delivered shall be free of defects, complying with the Technical Specifications and Requirements, completely new and unused, and reliable and stable; and

(c) The Buyer has received VAT invoice of 100% contract price issued by the Supplier in accordance with the requirements of below Article 10.

9.4 Payments for Products shall be made by the Buyer by means of bank wire transfer to the bank account indicated by the Supplier at the signing page.

9.5 The Parties agree that the Buyer shall be entitled to deduct any penalty and cash compensation that may be due by the Supplier to the Buyer under these GTC and/or the Purchase Order from the price indicated in any Purchase Order(s) confirmed by the relevant Supplier.

9.6 Payment term start from the fulfilment of "scope of supply" that include but is not limited to material and related documents.

10. Invoice

10.1 The price in the VAT invoice shall be divided into three columns: net price, VAT and total price.

10.2 The Supplier shall send the invoice to the following address:
mvmhq.accountspayable@maverickvalves.com

11. Penalty and default liabilities

11.1 In case of delay in delivery of Products, the Supplier shall pay to the Buyer a penalty of 2% of the value of the non-delivered Products per week delayed, with a maximum of 20 % of the total value of the Purchase Order.

11.2 If due to the Supplier's breach of its obligation under these GTC and/or the Purchase Order the Buyer cancels the Purchase Order, the Supplier shall pay a penalty equal to 20% of the value of non-delivered Products.

11.3 If for any reason the Supplier rejects or cancels the Purchase Order, after its confirmation by the Supplier, the Supplier must pay to the Buyer a penalty equal to 20% of total amount of the Purchase Order.

11.4 In case the Supplier breaches its confidentiality obligations under Article 18 below, including but not limited to misusing drawings provided by the Buyer for any purpose other than the scope of these GTC, it shall pay the Buyer a penalty of 20% of the total price of the relevant Purchase Order(s).

11.5 Notwithstanding the forgoing, in the event that any breach by the Supplier of any of its obligations under these GTC and/or the Purchase Order, the Supplier shall as required by the Buyer cease such breach and take the relevant appropriate remedies within ten (10) days to the satisfaction of the Buyer. Besides, if the penalty under this Article 11 cannot cover all direct and indirect losses suffered by the Buyer therefrom, the Supplier shall reserve the right to claim compensation against the Supplier for its excess direct and indirect losses caused thereby.

11.6 The rights of the Buyer described in this Article 11 shall be in addition to and not in substitution of any other remedy that may be available to the Buyer against the Supplier.

12. Warranty

12.1 The Supplier shall guarantee the Products:

- (a) to be manufactured complying with the Technical Specifications and Requirements; and
- (b) be free of defects, of good industrial quality, completely new and unused, and reliable and stable.

12.2 The warranty period shall be 12 months since the Products arrive at the Place of Delivery as indicated in the Purchase Order, unless otherwise stipulated in the Purchase Order. However, as set forth in Article 6.8, should the Buyer during inspection of delivered Products, find any Products defective in quality or damaged or bearing any other problem and require the Supplier to make replacement or repair, the warranty period of the problem Products shall start from the date when the replacement and repair has been made by the Supplier to the satisfaction of the Buyer.

12.3 Within the warranty period, should any Products or any part of it be found and proved any defect in workmanship or materials or inconformity with the required Technical Specifications and Requirements, the Supplier shall replace or repair it as required by the Buyer at the Supplier's own expenses. While, if due to any reasons, such defective Products are irreplaceable and irreparable, the Supplier, as required by the Buyer, shall compensate the all direct and indirect losses and damages suffered by the Buyer.

13. Traceability

13.1 The Supplier hereby acknowledges and confirms that the Supplier can ensure the correct identification of components during the stage of transformation of the Products from raw material to finished products as required by ISO and API standards. The traceability of the components is regulated and guaranteed by the Suppliers internal procedure.

For this purpose, the Supplier shall list the type of material and the heat number during the stage of mechanical processing.

13.2 Therefore, even after the Products have been processed and delivered to the Buyer's customers, in case of doubt or reports regarding the quality of Products by the Buyer's customers, the Buyer shall have right to verify the quality of Products by taking samples directly from the components of the Products or using test samples used during tests as provided in above Article 4 in order to carry out analysis. Should it is proved that such quality problem is attributable to the Products supplied by the Supplier, the Supplier shall take relevant liabilities, including but not limited compensating the direct and indirect losses suffered by the Buyer caused by customers' claim.

14. Mould

14.1 In some cases, the Buyer shall provide (free of charge) certain moulds to the Supplier for processing or producing special Products. The Supplier shall sign a Note of Receipt of the moulds as required by the Buyer.

14.2 The Buyer shall have the right, upon prior written notice to the Supplier, to inspect the moulds, at any time during normal working hours and at other times by prior arrangement with the Supplier.

14.3 The Supplier hereby acknowledges and undertakes to the Buyer that:

- (a) the moulds are exclusive property of the Buyer and it shall only use such moulds for the purpose hereof and of the Purpose Order and shall not use them for any other purpose like manufacturing products for any other third party;
- (b) it will keep and manage the moulds in good order and condition and at suitable area properly with best care;
- (c) it shall, at its own costs, arrange maintenance of the moulds according to the time schedule and manners as required by the Buyer from time to time;
- (d) in case of destruction or damages during the use by the Supplier, the Supplier shall bear the costs for repairing the damages or rebuild the same at its own expense. In case the time for repairing or rebuilding by the Supplier will cause incompliance with the term for delivery of the Products requested by customers, the Buyer will proceed to remake a same mould at the costs of the Supplier;
- (e) the Supplier shall at its own costs subscribe and maintain in force, for the entire period of using and storing the moulds, insurance policies approved by the Buyer with major insurance companies against fire, theft, loss, damage, liabilities for damages caused to third parties by the moulds. The beneficiary of such insurance shall be the Buyer. The Supplier shall provide the Buyer with all the information related to the insurance policies or any issue that may be relevant for such insurance policies or which the Buyer, each time, reasonably requests included, without limitations, an authentic copy of any executed policy;
- (f) the Supplier shall not have lien on the moulds under any kinds of situations, and if the Buyer requests the return of the moulds, the Supplier shall return the same within 5 (five) days from receipt of the notice from the Buyer. If the Supplier doesn't return the moulds requested within 5 (five) days from the notice, the Buyer shall have the right to re-order the new ones to another foundry and the costs shall be borne by the Supplier. In case the time for rebuilding the moulds will cause incompliance with the term for delivery of the products requested by costumers, the Supplier shall bear all the relevant costs, damages, and/or losses that the Buyer suffers directly or indirectly.

- (g) the Supplier shall ensure that the moulds are returned complete in all their parts, in good working order, free of any defects, damages or stains;
- (h) in case of any defects or damages of the returned moulds, the Buyer shall inform the Supplier and be entitled to at its own discretion carry out the reparation or rebuilding by charging Supplier the costs.

15. Subcontract

15.1 The Supplier is not allowed to assign or subcontract its rights and obligations under these GTC and/or the Purchase Order to any third party without obtaining the prior written permission from the Buyer, otherwise the Buyer shall have the right to terminate these GTC and reject the Products after receipt thereof, save the right of the Buyer to ask the Supplier to compensate any relevant direct and indirect losses and damages.

15.2 If the above-mentioned subcontract or assignment is approved by the Buyer, the Supplier shall guarantee that the supply of the Products by the subcontractor or assignee shall be in accordance with the provisions hereof and shall accept liabilities towards the Buyer for any incompliance or breach of any provision by such subcontractor or assignee.

16. Representations and undertakings

16.1 The Supplier represents and undertakes to the Buyer as follows:

- (a) it is a corporation duly organized, validly existing and in good standing under the laws of the Netherlands;
- (b) it has conducted and is conducting business in all respects in accordance with all application laws and regulations (including rules and measures and any regulatory or authorities' requirements) in the Netherlands;

17. Intellectual property infringement

17.1 The Supplier shall indemnify and hold Buyer as well as its successors, assignees, customers and users of the Products harmless from and against any and all damages, losses, costs, expenses, charges, demands, obligations, or liabilities, whether directly or indirectly, arising from or in connection with any litigation, proceeding, or claim by any third party relating in any way to the intellectual property infringement of the Products. The Supplier agrees to bear any and all defence obligations pertaining to the aforementioned claim or legal processes, pay all expenses and payments arising therefore and compensate any direct and indirect loss and damage the Buyer may suffer from.

18. Confidentiality

18.1 The Supplier shall keep confidential, shall not disclose to any third party without prior written consent of the Buyer and shall not use for any purpose other than the scope of these GTC or allow any third party to use or duplicate any information or document it may have or acquire in relation to the customers, business, assets, affair, products, manufacturing process and plans, intellectual properties of the Buyer, including but not limited to the Technical Specifications and Requirements, know-how, designs, drawings, processes, data and moulds of the Products.

18.2 The Supplier represents and warrants to the Buyer that it has adopted the appropriate precautions, including in respect of its own staff, consultant and subcontractor (if any), in order to ensure the fulfilment of the obligations set out in above Article 18.1.

18.3 The Supplier shall return immediately to the Buyer all documents, drawings, intellectual properties, material data and other information of the Buyer in its possession, upon request of the Buyer. The Supplier acknowledges that all such documents, drawings, intellectual properties, material data, moulds and other information belong exclusively to the Buyer.

18.4 The Supplier shall obtain prior written consent from the Buyer before making or issuing any public announcement, press release, or similar disclosure with respect to these GTC, the Products or any activity carried out under these GTC.

18.5 The confidential obligations of this Article 18 shall still be valid despite the term expiry or termination of these GTC.

19. Term and termination

19.1 These GTC shall be effective starting from the Effective Date, and shall be applicable to all future Purchase Orders as well.

19.2 Beside the other cases mentioned in these GTC, the Buyer shall be entitled to immediately terminate the Purchase Order by giving written notice to the Supplier in any of the following events, without assuming any liabilities to the Supplier:

(a) the Supplier commits any material breach of any of the terms and conditions of these GTC and/or the Purchase Order and fails to remedy that breach within thirty (30) days after written notice from the Buyer or such material breach is not capable of being remedied;

(b) the Supplier is prevented from performing all or part of its obligations hereunder by an event of Force Majeure more than thirty (30) consecutive days;

(c) the Supplier enters into liquidation whether compulsory or voluntary, or compounds with or makes any arrangement with its creditors or makes a general assignment for the benefit of its creditors, or if it has a receiver appointed over the whole or substantially the whole of its undertaking or assets, or if it ceases or threatens to cease to carry on its business, or makes any material change in its business, or if it suffers any analogous process under any applicable law;

(d) there is any change in the ownership or control of the Supplier;

(e) the Supplier engages in any conduct which the Buyer reasonably believes may be prejudicial to its business or the manufacture or sale of the Products generally; or

(f) if the delay in delivering the Products, at the Buyer's own discretion, endangers the relationship between the Buyer and its customers.

19.3 Termination of these GTC and/or any Purchase Order shall not affect or prejudice any right to damages or other remedies which the Buyer may have in respect of the event giving rise to the termination or any other right to damages or other remedies which the Buyer may have in respect of any breach of these GTC and/or any Purchase Order by the Supplier.

19.4 Article 11 (Penalty and Default Liability), Article 12 (Warranty), Article 13 (Traceability) Article 16 (Representations and Undertakings), Article 17 (Intellectual Property Infringement), Article 18 (Confidentiality), 21 (Governing Law) and Article 22 (Settlement of Dispute) shall remain in effect despite the termination of the Purchase Order.

20. Event of force majeure

20.1 If any Party is prevented from performing any of its obligations due to an Event of Force Majeure, the time for performance of the obligations under these GTC specifically

prevented from performance by such Event of Force Majeure shall be extended by a period equal to the period of delay caused by such Event of Force Majeure. A Party claiming inability to perform due to an Event of Force Majeure shall take appropriate means to minimize or remove the effects of the Event of Force Majeure and, within the shortest possible time, attempt to resume performance of the obligation(s) affected by the Event of Force Majeure. If an Event of Force Majeure occurs, the affected Party shall not be responsible for any damage, increased costs or loss which the other Party may sustain by reason of such a failure or delay of performance, and such failure or delay shall not be deemed a breach of these GTC.

20.2 The affected Party shall immediately notify the other Party within fifteen (15) days after the occurrence of any Event of Force Majeure, and shall present reasons, details and provide valid proof thereof.

20.3 During the period of an Event of Force Majeure, the Parties shall in all other respects continue their implementation of these GTC.

21. Governing law

21.1 The validity, interpretation and implementation of these GTC and the rights and obligations of the Parties created hereunder shall be governed by and be subject to the Law of the Netherlands.

21.2 Any dispute which arises from or relates to the Agreement(s) entered into between the parties, and their performance, shall be submitted to the empowered Judge in the Court in Breda.

22. Miscellaneous

22.1 Conflict of Terms

In the event that any term or condition prescribed in a Purchase Order conflicts with or contradicts any part of these GTC, the provisions of Purchase Order shall prevail.

22.2 Notices

Any notice or communication herein required or permitted to be given to any Party hereto shall be personally served or sent by facsimile or by traceable courier to the proper address as set out below, and shall be deemed to have been given as follows: if personally served, when served; if by facsimile, on the first business day following the day of transmission thereof on a facsimile machine to the proper address and facsimile number with confirmed answerback; if by traceable courier, on the date of receipt. For the purposes of this Article 22.2, the addresses of the Parties (until notice of a change thereof is given as provided above) shall be:

to Buyer:

Address: Kalundborg 10, 5026SE, Tilburg, Netherlands

Telephone: +31 (0) 133033600

to Supplier, refer to the address showed at signing page

22.3 Continuing Agreement

All provisions of these GTC shall so far as they are capable of being performed and observed continue in full force and effect except in respect of those matters then already performed, subject to bankruptcy exemptions under applicable law.

22.4 Waiver

Any waiver by any of the Parties of any of its rights under these GTC or of any breach by another Party shall not constitute or be deemed as a waiver of any other right or any other breach, whether of a similar or dissimilar nature of the right or breach being waived. Failure or delay by any of the Parties to exercise any right or ask the other Party for taking liabilities shall not constitute or be deemed as a waiver of its rights under these GTC.

22.5 Severability

The invalidity of any provision of these GTC shall not affect the validity of any other provision of these GTC.

22.6 Language

These GTC have been drafted in the English language.

23. Annexes

The Annexes attached hereto are hereby made an integral part of these GTC and are equally binding with the articles hereof. While in the event of any conflict between the terms and provisions of the main body of these GTC and the Annexes, the terms and provisions of the main body of these GTC shall prevail. The Annexes are as follows:

Annex 1 Form of Purchase Order

Annex 2 Material Data Sheet

Annex 4 Quality Control Plan or Inspection test plan

Annex 5 Technical Drawings

Annex 7 Form of Goods Delivery Note

Annex 8 Identification of Valve Components as per company procedure