Terms of Purchase and Delivery of goods and services

Article 1. Definitions
The terms and expressions used in these Terms of Purchase and Delivery are defined as follows:
Commissioning Party: Nedmag Holding B.V. Or Nedmag B.V., depending on which of these companies presents itself as user of these Terms of Purchase and Delivery.
Supplier: the other party from whom the Commissioning Party receives an offer or with whom the Commissioning Party concludes an Agreement
Agreement: the written Agreements between the Commissioning Party and the Supplier concerning the delivery of goods
Goods: all physical objects and services to be delivered

Article 2. Applicability
a. In case of conflict, specially agreed commitments take precedence over these Terms of Purchase and Delivery.
b. These Terms of Purchase and Delivery apply to all requests, offers and orders regarding the delivery of Goods by the Supplier to the Commissioning Party.
c. The invalidity of one or more of the provisions of the Terms of Purchase and Delivery does not affect the validity of the other provisions.
d. Insofar as the Supplier would refer to other Terms and Conditions, the applicability thereof is explicitly rejected.

Article 3. Offer, conclusion of the Agreement
a. An offer made by the Supplier is final, unless agreed otherwise in writing.
b. If a written assignment follows the Supplier’s offer the Agreement is concluded at the time of shipment of the order by the Commissioning Party to the Supplier.
c. At the request of the Commissioning Party the Supplier will confirm the order in writing.
d. In the execution of framework agreements the Agreement is concluded each time the Commissioning Party sends the order for a (partial) delivery within the context of the framework agreement.

Article 4. Changes
a. The Commissioning Party is entitled at all times to change the number of the Goods to be delivered.
b. If, at the discretion of the Supplier such change affects the agreed fixed price and/or the time of delivery he is obliged before giving effect to the change to inform in writing the Commissioning Party about the requested change as soon as possible at the latest within 8 weekdays after the notification of delivery. If these consequences for the price and/or delivery time are according to the Commissioning Party unreasonable the parties shall consult about this.
c. The Supplier is not allowed to make any changes to the order without the written consent of the Commissioning Party.

Article 5. Transfer of obligations
a. The Supplier is not entitled to transfer any obligation under the Agreement to a third party, without the written consent of the Commissioning Party. This does not include the execution of work by a third party.
b. If the Supplier commissions a third party (subcontractor), the Supplier shall notify the Commissioning Party in advance. These Terms and Conditions shall apply to the Agreement between the Supplier and this third party.

Article 6. Price and price revision
a. Unless agreed otherwise in writing the prices are in Euros excluding VAT and include all costs associated with the fulfilment of the Supplier’s obligations. Any taxes and levies that are due regarding the delivery shall be borne by the Supplier.
b. The prices are fixed, unless the Agreement states circumstances that may lead to a price amendment as well as the manner in which the amendment takes place.

c. If the prices generally charged by the Supplier for the Goods to be delivered to the Commissioning Party are reduced during the term of the Agreement the price for the Commissioning Party shall be lowered accordingly. Such a price reduction will not be deducted from any agreed discounts.

Article 7. Invoicing and payment

a. Invoicing will take place, indicating the order number, to crediteuren@nedmag.nl, simultaneously with or immediately after the delivery of the Goods, in accordance with the order sent by the Commissioning Party.

b. Shared invoices or installment invoices as well as invoices without order number are not accepted and returned immediately, unless agreed otherwise in writing.

c. Payment of the invoice including VAT takes place after deduction of a possible credit restriction within the period stated on the order after receipt of the invoice and approval of the Goods.

d. The Commissioning Party is entitled to suspend the payment if he finds a shortcoming in the Goods and any installation / assembly thereof.

e. The Commissioning Party has the right to reduce the amount of the invoice by the amount that the Supplier owes to the Commissioning Party.

f. Payment by the Commissioning Party does not constitute a waiver of rights in any way.

g. The Supplier’s claim for payment of the delivery shall expire after a period of 1.5 years after acceptance of the Goods.

Article 8. Time of delivery

a. The agreed time of delivery must be considered to be fatal.

b. The Supplier must immediately notify the Commissioning Party in writing about any imminent delivery delay. This does not affect the possible consequences of this delay pursuant to the Agreement or to legal provisions.

c. Without prejudice to Article 14 the Supplier is liable for any damage that the Commissioning Party suffers due to the delay as well as late notification of (probable) delay.

Article 9. Delivery

a. Delivery will take place in Veendam at the address specified by the Commissioning Party in accordance with the applicable INCOTERMS Delivered Duty Paid (DDP) unless agreed otherwise in writing.

b. The Commissioning Party shall, at the expense and risk of the Supplier in this case store, preserve, protect and insure the Goods in a properly packed, separated and identifiable manner. Delay of delivery will be a maximum of 90 days.

c. Without prejudice to Article 21 the Supplier is obliged to take out sufficient insurance against the risks of the during the transport to the Commissioning Party’s satisfaction.

Article 10. Shortcoming

a. In the event of an attributable failure on the part of Supplier other than intended under Article 8 Paragraph a the Supplier shall be given notice of default in writing and a further period for performance is set. Failure to observe this further period shall automatically lead to the Supplier being in default.

b. The statutory interest on amounts that the Commissioning Party has paid in advance will be set off against the invoices payable over the period of the default.

Article 11. Warranty

a. By accepting the order the Supplier acknowledges to be sufficiently informed about application of the Goods desired by the Commissioning Party and ensures that the Goods and any installation / assembly thereof are appropriate for that application.

b. With due observance of the provisions in the Agreement, the Goods to be delivered must:

- be in accordance with what is stated in the contract with regard to quantity, description and quality;
- be manufactured properly;
- be appropriate for the purpose of the Commissioning Party.
c. The Supplier ensures that the Goods are complete. He will ensure that all relevant items, such as but not limited to: all parts auxiliary materials, attachments, tools, source codes, spare parts, user instructions and instruction manuals, required for the realisation of the objective indicated by the Commissioning Party are included even if not explicitly mentioned.
d. The Supplier ensures that the Goods delivered meet all relevant legal provisions concerning, among other things, quality, environment, safety, health and standards.
e. A warranty period of at least one (1) year after commissioning will apply to the Goods, unless the Commissioning Party can derive a longer term from the law or the Agreement. The agreed warranty shall in any case imply that the Supplier will repair any defect notified by the Commissioning Party as soon as possible at the expense of the Supplier including additional costs. If the Supplier has amended, repaired or replaced Goods or parts based on this obligation the full warranty period will become effective again in respect of these Goods or parts.

Article 12. Intellectual and industrial property rights
a. The Supplier guarantees that the use of the products, including resale, does not infringe any third-party rights (including industrial and/or intellectual property rights).
b. The Supplier shall indemnify the Commissioning Party against any claims arising from an infringement (claimed or otherwise) of the rights referred to in the previous Paragraph and compensate the Commissioning Party for all costs and damages, direct or indirect, arising from such an infringement.
c. The industrial and/or intellectual property rights on the models, drawings, designs, features and/or products and all related documents provided by the Commissioning Party or made by the Supplier at the instruction of the Commissioning Party shall at all times be the property of the Commissioning Party.
d. Without the prior written consent of the Commissioning Party the Supplier is not entitled to make use of or refer to trademarks, trade names, domain names, patents, designs, copyright or other intellectual property rights of the Commissioning Party.

Article 13. Documentation
a. The Supplier is obliged to make the corresponding documentation available Commissioning Party prior to or simultaneously with the delivery.
b. The Commissioning Party is free to use this documentation including the multiplication thereof for his own use.

Article 14. Liability
a. The Supplier is liable for damage suffered by the Commissioning Party or third parties as a result of:
   - a defect in a product supplied by the Supplier such that the product does not meet the safety standards or does not have the characteristics that the Commissioning Party or third parties could expect;
   - non, late or incomplete fulfilment by the Supplier of one or all of his obligations under the Agreement;
   - incorrect or incomplete information provided by the Supplier;
   - actions or omissions by the Supplier, his employees and/or people representing him in the execution of the Agreement.
b. The Supplier shall indemnify the Commissioning Party against third-party claims for compensation of damage based on the liability referred to in Article 14 Paragraph a or claims based on chain liability for wages and salaries, tax and social security contributions. For the purposes of this Article the employees of the Commissioning Party and other people employed by the Commissioning Party are regarded as third parties.
c. The Supplier’s liability is not limited by the scope or the amount of any insurance policy.

Article 15. Risk and transfer of ownership
a. The ownership of the Goods shall be transferred to the Commissioning Party upon actual delivery thereof at the specified address provided by the Commissioning Party.
b. In the event that the Commissioning Party makes materials available to the Supplier such as raw materials, auxiliary materials, tools, drawings, specifications and software for the fulfilment of his obligations these remain the property of the Commissioning Party. The Supplier shall keep these separated from the items belonging to himself or to third parties. The Supplier will mark them as the property of the Commissioning Party.
c. When materials such as raw materials, auxiliary materials, and software of the Commissioning Party are processed in Goods of the Supplier there shall be a question of a new item belonging to the Commissioning Party. This applies without prejudice to Article 17f.
d. The risk of the Goods is transferred to Commissioning Party when the approval of the Goods has taken place in accordance with Article 17 of these Terms of Purchase and Delivery.
e. The Commissioning Party is entitled to require before payment is made in addition to or instead of the transfer of ownership that the Supplier gives an unconditional and irrevocable bank guarantee at his expense by a banking institution that is acceptable to the Commissioning Party or another provision that is adequate to the discretion of the Commissioning Party in order to ensure compliance with the Supplier’s obligations.
f. Notwithstanding the provisions in Paragraph a the ownership of various Goods to be delivered shall pass at the time of the deposit of the Goods or at the moment that the Commissioning Party requires the transfer of ownership and that precedes the actual delivery. In that case, the Supplier is obliged to store separately and protect the Goods as recognisable property of the Commissioning Party.
g. No retention of title may be made by the Supplier on the Goods after delivery.

Article 16. Confidentiality and prohibition disclosure

a. The Supplier shall keep the existence, the nature and the contents of the Agreement as well as any other information confidential and not disclose anything about it without the written consent from Commissioning Party. The Supplier guarantees that his personnel and any other auxiliary persons also comply with this command.
b. The Commissioning Party has the right to terminate the Agreement without notice of default and without judicial intervention unilaterally in whole or in part in case of breach of Paragraph a.
c. Termination takes place by means of a registered letter or bailiff’s writ to the Supplier.

d. The article name, the article number, the delivery date, the instructions of the Commissioning Party are clearly indicated on the outside of the packaging in accordance with the instructions of the Commissioning Party in which case will be indicated the order number of the Commissioning Party the article name, the article number, the delivery date, the quantity and the name of the contact person of the Commissioning Party.

Article 17. Inspection

a. Examination, inspection, control and/or testing by or on behalf of the Commissioning Party may take place both prior to delivery as well as during or after delivery, within a reasonable period of time.
b. At the first request the Supplier shall provide access to the Commissioning Party or his representative to the place of production, processing or storage. The Supplier shall cooperate with the inspection free of charge.
c. If an inspection as referred to in this Article cannot take place at the intended time due to the actions of the Supplier or if an inspection has to be repeated the costs arising for the Commissioning Party shall be borne by the Supplier.
d. In the event of rejection of the delivered Goods the Supplier shall immediately arrange the repair or replacement of the delivered Goods. If the Supplier does not fulfil this obligation the Commissioning Party shall be entitled to purchase the required Goods from a third party or to take measures himself or through a third party and the Supplier shall be liable for the damage suffered by the Commissioning Party.

e. If the Supplier does not take back the rejected delivered Goods within 30 days the Commissioning Party has the right to return the Goods to the Supplier at his expense.
f. If the Goods regardless of the results of any examination, inspection, control and/or testing do not appear to comply with the conformity requirement the Commissioning Party shall retain all rights that the Law and the Agreement offer for this shortcoming.

Article 18. Packaging and shipment

a. All Goods for which no specific requirements have been set with regard to packaging and/or shipment must be properly packed in commercial packaging suitable for transport, storage and transhipment and marked on the outside of the packaging in accordance with the instructions of the Commissioning Party in which case will be indicated the order number of the Commissioning Party the article name, the article number, the delivery date, the quantity and the name of the contact person of the Commissioning Party.
b. The Commissioning Party may oblige the Supplier to take back the packaging.
c. Loan packaging and packaging of which the Commissioning Party does not wish the property is at the expense and risk of the Supplier and must be picked up again by the Supplier. If the Supplier fails to do so the Commissioning Party has the right to return the packaging at the expense and risk of the Supplier.
d. The Supplier is liable for damages caused by or associated with the fact that the packaging does not comply with the provisions in the first Paragraph.
Article 19. Termination
If the Supplier is in default under the Agreement, or:

1. is bankrupt or is in suspension of payments;
2. transfers his property to a third party in whole or in part;
3. a substantial part of the assets of the Supplier is seized and this attachment will not be lifted within one month after attachment;
4. by or on behalf of Supplier a person who is part of the company of the Commissioning Party is offered or provided a discount;

the Commissioning Party is entitled to:

1. terminate the Agreement unilaterally in whole or in part by means of a written notification to the Supplier;
2. suspend all payment obligations towards the Supplier insofar as the Commissioning Party has any counterclaim against the Supplier;
3. transfer the execution of the Agreement to third parties in whole or in part at the expense and risk of the Supplier all without the Commissioning Party being obliged to pay any compensation and without prejudice to any further rights belonging to the Commissioning Party including the right of the Commissioning Party to full compensation.

Article 20. Order, safety and environment
a. The Supplier and his employees as well as third parties commissioned by him are obliged to comply with statutory legal health, safety and environmental regulations. Any company rules and regulations in the field of health, safety and environment of the Commissioning Party must also be followed observed. A copy of these rules and regulations is available free of charge for the Supplier on request.

b. By giving an offer, the Supplier binds itself before the order is given, either at first request of the Commissioning Party or on its own initiative, to provide as complete information as possible about environmentally harmful aspects of the Goods.

c. The Supplier may be held liable for demonstrable damage caused by or in connection with the non-compliance or failure to observe the foregoing.

Article 21. Insurances
a. The Supplier is required to take out adequate insurance against his liability and risks as described in Article 14. To this end, the Supplier will at least adequately insure himself and keep himself insured against the risks of:

1. Liability towards third parties; and
2. Liability for professional errors.

b. Professional errors are understood to mean: each shortcoming, including mistakes, negligence, omissions, defaults, incorrect recommendations that a competent and careful Supplier, his personnel and/or subcontractors should avoid under the given circumstances with a due observance of normal attention and with normal professional knowledge and practice.

c. Upon request of the Commissioning Party the Supplier must provide (certificates of) the policies for inspection of insurances that the Supplier is obliged to take out on the basis of the aforementioned provisions.

d. Insofar as the Supplier can assert claim to a payment under an insurance contract in connection with his possible liability towards the Commissioning Party the Supplier must ensure that these payments are made directly or indirectly to the Commissioning Party;

to this end Commissioning Party may require that:

- the Supplier takes out the insurance contract for the Commissioning Party; or
- the Supplier transfers any possible insurance claim to the Commissioning Party, at the discretion of the Commissioning Party. In this case the Supplier will give the Commissioning Party an irrevocable power of attorney to receive a damage payment.

e. Insurance by the Supplier does not limit his liability nor joint liability of the Commissioning Party.
Article 22. Tools

a. The materials, drawings, models, instructions, specifications, software, tools and any other resources made available by the Commissioning Party to the Supplier or purchased or manufactured by the Supplier for the Commissioning Party that in any way have a supporting function for the Supplier for the Goods to be delivered, remain or are owned by the Commissioning Party at the time of purchase or manufacture.

b. The Supplier is obliged to mark the tools referred to in the previous Paragraph as recognisable property of the Commissioning Party to keep them in good condition and to insure them at the expense of the Supplier against all risks as long as the Supplier acts as the Holder for the Commissioning Party in respect of those resources. In addition the Supplier will do everything to maintain the rights of the Commissioning Party with regard to the tools and the Supplier shall inform the Commissioning Party immediately about all that may be of interest with regard to the tools and the enforcement of the rights of the Commissioning Party. The tools are at the Supplier’s risk from the moment of delivery to the Supplier.

c. The method of using tools is entirely at the Supplier’s risk.

d. The Supplier makes the tools available to the Commissioning Party at the first request of the Commissioning Party yet at the latest at the time of delivery of the Goods to which the tools relate.

Article 23. Spare parts

a. The Supplier is obliged to keep spare parts, parts, special tools and/or measuring equipment in stock for a reasonable period of time even if the production of the Goods has since been terminated. The Supplier shall inform the Commissioning Party on the first occasion of the termination of the production.

Article 24. Disputes and applicable law

a. This Agreement and all Agreements arising from it are governed exclusively by Dutch law.

b. All disputes (including those which are only considered as such by one of the parties) that may arise between the parties in connection with this Agreement or agreements will be tried by the District Court of the Northern Netherlands, location Groningen unless the law specifically requires otherwise.

These Terms shall take effect as of 1 February 2018. From that date the Terms applicable up to that point shall expire.
Additional Terms with respect to orders and the acceptance of work
(belonging to the Terms and Conditions for delivering Goods and services)

Article 25. Additional definitions
The terms and expressions used in these Additional Terms of Purchase and Delivery are defined as follows:
- **materials**: Goods as stated in Article 15b, that are processed in the physical objects to be created, or are used in the execution of the work, with the exception of the **equipment** to be used;
- **equipment**: all vehicles, equipment, cranes, scaffolding and parts thereof, consumables and the like, that the **Supplier** uses in the execution of the Agreement, but with the exception of the **Goods** that must be processed in the material objects to be created.
- **work**: all work other than by virtue of an employment contract with the Commissioning Party

Article 26. Applicability
a. These Additional Terms apply to all requests, offers and **Agreements** relating to the execution of orders and/or the acceptance of work by **Supplier**.

b. In addition to these additional Terms, the Terms of Purchase and Delivery of the Commissioning Party (Art. 1 - 24) apply to the aforementioned requests, offers and **Agreements** unless stated otherwise in the additional Terms or by the nature of the **Goods**.

c. For the application of these Terms the **Supplier’s personnel** also include third parties engaged by the **Supplier** in the execution of the Agreement(s).

Article 27. Personnel, equipment and materials
a. Any personnel commissioned by the **Supplier** to execute the Agreement shall meet the special requirements set by the **Commissioning Party** and in the absence thereof the general requirements of professional competence and expertise, such as VCA.

b. If at the discretion of the **Commissioning Party** there are insufficiently qualified personnel the **Commissioning Party** is entitled to order the removal of this personnel and the **Supplier** shall be obliged to replace this personnel immediately with due observance of the provisions of Paragraph a of this Article.

c. The **Commissioning Party** is entitled to examine and inspect all **materials** and **equipment** to be used by the **Supplier** in the execution of the Agreement and to identify personnel commissioned by the **Supplier** to execute the Agreement.

d. The **Supplier** shall ensure adequate supervision and management.

e. If requested, the **Supplier** shall use time record account or other means of inspection at the **Commissioning Party’s** choice to determine the hours worked by the people referred to in the first Paragraph. In the event of cost-plus work, hourly account statements must be submitted for inspection and signed for approval. A copy of these signed overviews must be added to the invoice before payment is made.

f. The **Commissioning Party** may refuse the people referred to in this provision access to his sites and/or buildings, or the premises, or require the **Supplier** to have them removed from those sites or from those buildings immediately if they:
   - are apparently not up to the task according to the **Commissioning Party**;
   - misbehave in such a way that in the opinion of the **Commissioning Party** it appears that they cannot be maintained on the premises or in the buildings;
   - otherwise appear to be in breach of an obligation under the **Agreement**;
   - are under the influence of alcohol or drugs.

Upon first request of the **Commissioning Party** shall arrange for a replacement immediately without delay.

Article 28. tools
a. Insofar as not agreed otherwise in writing, the **Supplier** shall supply all tools required to carry out the work himself, such as personal protective equipment, safety tools, welding equipment, ladders, scaffolding, work tools and the like; these must comply sufficiently with the requirements set by law.

Article 29. Site and buildings of the **Commissioning Party**
a. The Supplier shall inform himself before commencing the execution of the Agreement of the circumstances at the premises and in the buildings of the Commissioning Party where the work must be carried out.
b. The costs of delay in the execution of the Agreement due to circumstances such as referred to above shall be at the expense and risk of the Supplier.

Article 30. Work at the premises/in the buildings of the Commissioning Party
a. The Supplier shall ensure that his presence and the presence of his personnel on the premises and in the buildings of the Commissioning Party do not constitute an impediment to the undisturbed progress of the work of the Commissioning Party and third parties.
b. The Supplier and his personnel must inform themselves before commencing the execution of the Agreement of the contents of the rules and regulations applicable at the premises and in the buildings of the Commissioning Party among other things with respect to health, safety and environment, and behave accordingly.

Article 31. Payment
a. The Commissioning Party shall pay as soon as the work by the Supplier is delivered or executed to the Commissioning Party’s satisfaction with due observance of what stipulated in Article 27 Paragraph e.
b. The Commissioning Party shall at all times be entitled to pay the social security premiums, VAT and payroll tax due by the Supplier including premiums for national insurance concerning the work performed, for which the Commissioning Party as owner-builder could be jointly and severally liable pursuant to the Sequential Liability Act to the Supplier by payment to his blocked account within the meaning of the Sequential Liability Act. Upon first request of the Commissioning Party the Supplier shall provide a copy of the participation to the Sequential Liability Act.
c. Without prejudice to the provisions of the previous Paragraph the Commissioning Party is at any time entitled to withhold the amounts of the premiums for social insurance referred to in the previous Paragraph, VAT and payroll tax including premiums for national insurance from the contract price and pay this directly to the respective business association involved or the direct beneficiary of direct taxes on behalf of the Supplier.
d. In the cases as referred to in the Paragraphs b and c of this Article the Commissioning Party shall be discharged towards the Supplier by payment thereof insofar as these amounts are concerned.

Article 32. Fees
a. Unless agreed otherwise in writing the fees agreed for the work include all costs incurred by the Supplier for an expert performance thereof, including trip and accommodation costs of the Supplier as well as those of the people charged with the implementation and the supervision by the Supplier costs of insurance, costs of the tools as referred to in Article 22 and 28, as well as the taxes and premiums due with regard to the execution by the Supplier excluding turnover tax.

Article 33. Extra work and reduced work
a. The Commissioning Party is only obliged to pay him extra work commissioned in writing. The settlement of the reduced work will be determined by mutual agreement unless otherwise agreed in writing.

Article 34. Obligations of the Supplier
a. The Supplier is responsible for carrying out the work to a good result independently and under his own responsibility with due observance of the prevailing regulations with respect to, among other things, safety and environment.
b. The work and/or the order must be performed properly and in accordance with the provisions of the Agreement, the industrial standard and the statutory obligations.
c. The Supplier must be in possession of a valid registration certificate with the business association to which he is registered and to have a location permit, as far as this is required. Upon first request of the Commissioning Party the Supplier shall show him the aforementioned documents.
d. The Supplier shall indemnify the Commissioning Party for liability towards third parties for failure by the Supplier to comply with his obligations under the Agreement or by law.
e. The Supplier will independently perform the Agreement according to the latest standards of technology and is also responsible for this.
f. Waste and packaging materials shall be returned by the Supplier after fulfilment of his obligations.

g. The Supplier shall be VCA certified or equivalent and must be able to show a valid copy to the Commissioning Party during the execution of the order.

These additional Terms shall take effect as of 1 February 2018. From that date, the conditions applicable up to that point shall expire.