

Article 1.- Application of general terms and conditions by KLF

1.1. The present terms and conditions ("KLF Terms and Conditions") apply to all offers, communications and transactions by KLF in relation to the sale and supply of products.

1.2. The application of all other conditions than the KLF Terms and Conditions is hereby explicitly excluded, unless the other party has notified KLF in writing to reject the KLF Terms and Conditions in order to substitute them by its own general terms and conditions and KLF explicitly has agreed in writing to the aforementioned substitution.

Article 2.- Offers and formation of agreements

2.1. All offers communicated by KLF are without obligation and only constitute an invitation by KLF to third parties to make an order, both in relation with the price quoted and the availability of the products.

2.2. Any sample, model, drawing or example shown or supplied by KLF shall always be considered to be shown and supplied as an indication of the characteristics of the relevant product. The characteristics of the products supplied may differ from the aforementioned samples, models, drawings, or examples.

2.3. An agreement between KLF and the other party shall only be concluded on the condition that KLF has confirmed its acceptance of this order in writing within 14 days after receipt of the other party's order.

Article 3.- Prices

3.1. Prices expressed in KLF's offers and invoices are exclusive of any turnover taxes, all other taxes, excises duties, transportation and handling costs and any insurance premiums.

3.2. Products will be invoiced at prices indicated in KLF's price list, published at the moment of communication by the other party of its written order to KLF.

3.3. Should the costs of manufacturing of the products ordered increase between the date of KLF's offer or, as the case may be, KLF's acceptance of the order and the date of delivery, due to circumstances beyond the control of KLF, KLF will be entitled to charge these costs to the other party.

3.4. Should KLF charge substantial additional costs to the other party in conformity with art. 3.3. the other party may dissolve the agreement by sending a letter by registered mail to KLF to that effect within one week after receipt of KLF's written communication that such additional costs will be charged. Should the other party fail to send such letter, it will be deemed to have accepted such additional costs.

Article 4.- Delivery

4.1. Unless explicitly agreed otherwise in writing, delivery of the products takes place at one of the warehouses to be indicated by KLF.

4.2. If the parties have agreed that delivery shall take place "carriage paid" to the destination indicated by the other party, the risk in relation to the products passes on to the other party at the moment at which KLF shall hand over the products to the first carrier. "Delivery carriage paid to destination" ("Franco") does not include the costs of unloading of the products.

4.3. For all other terms of delivery the risk in relation to the products shall pass on from KLF to the other party as regulated by the relevant term of delivery in the most recent version of the Incoterms.

4.4. In the event of "delivery carriage paid to destination" KLF will decide on the manner of transport, without any liability of KLF towards the other party, unless in case of gross negligence of KLF.

4.5. Upon written request by the other party KLF shall arrange for insurance cover against transport risks, of which the costs will be borne by the other party.

4.6. All costs related to the unloading of the products will be for the account of the other party. The other party shall arrange for the availability

of sufficient man force and appropriate equipment in views of unloading.

4.7. Late or early delivery by KLF shall not release the other party of its obligation to take delivery, if and to the extent that this can reasonably be required from the other party.

Article 5.- Term of delivery

5.1. KLF shall respect the agreed periods of delivery as much as possible. If no starting date of a delivery period is agreed, this period will be deemed to start at the moment at which KLF has reached agreement with the other party on all details of the transaction.

5.2. Late delivery can only result in KLF's liability for damages incurred by the other party, when such liability had previously been agreed between KLF and the other party in writing. In all other instances KLF may only be held liable for later delivery, if the other party has given KLF written notice of default, allowing KLF an additional term for delivery of at least half of the originally agreed term of delivery.

5.3. KLF is entitled to deliver ordered products instalments, unless the other party has reasonable grounds for refusing to accept such delivery.

Article 6.- Rights of Intellectual Property

6.1. Unless otherwise explicitly agreed in writing, any intellectual property rights (such as copyrights, trademark rights, design rights, patent rights) as well as all other rights of intellectual of industrial property and similar rights, in relation to the products, shall exclusively remain the property of KLF.

Article 7.- Reservation of Title

7.1. The products supplied by KLF remain the property of KLF until the other party has fully complied with all of its obligations resulting from all agreements concluded with KLF.

7.2. The obligations referred to in art. 7.1. include:

- The obligations of the other party relating to the products themselves which are the object of the reservation of title;
- Obligations by the other party to KLF not related to the products which are the object of the reservation of title;
- All other claims by KLF against the other party related to the obligations sub a) and b)

7.3. The other party shall only be entitled to sell on the products, which are subject to reservation of title under article 7, to third parties, during the course of its normal business. The other party shall not vest any right of pledge, or any lien or charge or any similar right on these products.

7.4. The other party shall store the products in such a way that they always can be identified by third parties as products which are the property of KLF. The other party shall comply, if necessary on behalf of KLF, with all formalities applicable in any relevant jurisdiction, in order to make KLF's reservation of title clause enforceable under the law of the relevant jurisdiction.

7.5. Should the other party fail to comply with its obligations towards KLF or in the event of a serious ground for KLF to believe that such failure may arise, KLF is entitled to take possession of and to remove the products from the other party or any third party, which keeps the products for and on behalf of the other party or to make arrangements for the removal of the products. The other party is obliged to full cooperation in this respect and shall forfeit a fine of EUR 5.000,00 for each day it refuses such cooperation.

7.6. Should a third party wish to vest a charge, lien, pledge or similar security rights on the products which are subject to reservation of title, or should any third party claim such security or similar right on the products, the other party shall immediately inform KLF thereof.

7.7. Upon first request of KLF the other party shall:

- arrange for and maintain appropriate insurance cover against the risks of fire, explosion, flooding, as well as theft and to give access to KLF to the corresponding insurances policies;
- assign to KLF all claims, which the other party has or might have in the future against the

insurance companies or all other parties, in relation to the products, and to vest appropriate security rights on the products, in accordance with the laws of the relevant jurisdiction in order to safeguard KLF's property rights in the best possible way.

Article 8.- Terms of Payment

8.1. Unless explicitly otherwise agreed in writing, payment shall take place in EURO within thirty days after the date of the corresponding invoice.

8.2. If doubts arises with KLF as to the solvability of the other party, KLF is entitled to require that the other party submits proof of its solvability or to require from the other party additional securities in relation to its contractual obligations. If the other party fails to comply with such request, KLF is entitled to suspend (further) delivery of the products until the moment that the other party has complied with such request and/or to declare void the agreement (or the part of the agreement which it has not executed yet).

8.3. Should the other party fail to comply with the terms of payment as referred to in article 8.1., KLF shall be entitled to a default interest of 1.5 % per month on the invoiced amount whereby a part of a month will be considered as a full month.

Article 9.- Costs of debt recovery

9.1. Should the other party be in default to comply wholly or partly with the terms of payment, KLF will be entitled to all reasonable costs in the event of out of court recovery of the outstanding amount

9.2. In such case KLF shall always be entitled to a compensation of 10 % of the outstanding amount of the invoice. Should KLF submit proof, that it has incurred higher costs then 10 % of the outstanding amount, it shall also be entitled to compensation of this higher amount.

Article 10.- Complaints

10.1. The other party shall give notice in writing to KLF of any complaint in relation to the quality and quantity of the products supplied as well as in relation to damages to the packaging, within three days after the moment of delivery of the products.

10.2. After receipt of such notice, KLF shall as soon as possible arrange for inspection of the corresponding products.

10.3. The other party shall keep the correspondent product(s) available for inspection by KLF during eight working days after receipt of the notice of complaint. Should the product(s) not be available during such period, the other party shall be deemed to have accepted the products.

10.4. When the complaints are justified, KLF shall at its choice replace the products or shall issue a credit note in relation to any already invoiced amount for the products to which the complaint applies. When it is not possible for KLF to supply the other party with identical products, KLF shall be entitled to supply similar products in substitution, meaning products which the other party cannot refuse within all reasonableness.

10.5. Should article 10.4 apply, all costs in relation to the returning of the products and any redelivery are for the account of KLF.

Article 11.- Modification of the products

KLF is entitled to modify design, colour, form, and size of the products to be supplied as long as the product does not substantially differ from the product originally ordered, in which case the other party will not be entitled to declare the agreement void nor will it be entitled to damages.

Article 12.- Guarantees

12.1. During a period of five years after the date of delivery, KLF guarantees that the products supplied are fit for purpose in relation with the materials used, unless KLF was not free to choose these materials, and guarantees absence of production defects during such term.

12.2. Should production defects appear during the term of guarantee, KLF shall at its choice repair or replace the relevant products, or send the other party a credit invoice in relation to

already invoiced amounts for the aforementioned defective products. For the sake of clarity, KLF shall never be liable for any labour costs incurred by the other party in relation to the removal, replacement and / or installation of defective products.

12.3. The abovementioned guarantee only applies if and to the extent that the other party proves that the products were installed, used and maintained in conformity with the indications and guidelines provided by KLF.

12.4. The guarantee does not apply to stains, scratches and damages to the products which occurs after delivery.

12.5. KLF shall never be liable for any consequential damages.

Article 13.- Force Majeure

13.1. KLF is entitled to suspend performance of its obligations and will not be in default, if it is temporarily prevented from complying with its obligation as a result of a change of circumstances, which at the time of conclusion of the agreement, could reasonably not be expected and which are beyond its control.

13.2. KLF shall not be entitled to a suspension of its obligations, when performance thereof is permanently impossible or the temporary impossibility has lasted for more than three months, in any of which cases either party is entitled to dissolve the agreement without any compensation due by one party to the other.

13.3. Should KLF have already complied with part of its obligations, KLF will be entitled to a proportionate share of the price agreed, taking into account the products supplied and the costs incurred.

Article 14.- Liability

14.1. KLF is only liable for damages incurred by the other party which are the direct and exclusive result of the fault of KLF with the understanding that such liability shall always be limited to the obligations of guarantee of KLF as defined in article 12.

14.2. KLF's liability shall in any case be limited to the amount that is paid out in the particular case under the liability insurance policy(ies) KLF has entered into under the conditions of this policy or to the amount for which KLF reasonably could have contracted insurance cover.

14.3. The other party shall keep KLF free and harmless from any claim by any third party against KLF for damages in relation with goods or data supplied by KLF as well as in relation with any costs incurred by KLF in connection with such claim.

14.4. With the exception of claims arising from article 12.1., 12.2 and 12.3., any claim against KLF which has not been submitted to the competent courts or, as the case may be, in arbitration, within one year after the date of delivery, expires. The running of such term is suspended during the time that KLF is investigating such claim.

Article 15.- Governing law and jurisdiction

15.1. Dutch law shall apply to all legal relations between KLF and the other party. In the event of an international sale of movable goods, Dutch law equally applies to the exclusion of the 1980 Vienna Sales Convention.

15.2. Any dispute between KLF and the other party shall be submitted to the Assen District Court ("Rechtbank Assen"), which shall have exclusive jurisdiction, except for the right of KLF to submit, at its choice, any claim to any other court, which shall have jurisdiction on the basis of applicable national, international or European rules of jurisdiction.

15.3. In the event that the other party is domiciled in a country which is not a member state of the European Union, or with which country the Netherlands has not signed a convention regarding the recognition of judicial decisions, any dispute shall be submitted to arbitration under the rules of the Netherlands Arbitration Institute ("NAI"). The arbitration proceedings shall take place in the Netherlands and shall be conducted in the English language.