

Twence Holding B.V. General Terms and Conditions of Purchase

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SECTION I GENERAL

ARTICLE 1 DEFINITIONS

- 1.1 Services: Activities carried out by third parties on contract basis without a transfer of ownership of goods.
- 1.2 Purchase order: the Written confirmation for the execution of the order, with a unique order number.
- 1.3 Supplier: the seller, supplier or contractor with whom Twence enters into a contract.
- 1.4 Delivery: the goods or services to be delivered by the supplier as stipulation in the Contract.
- 1.5 Approval of the definitive Delivery: the Written acceptance of the goods or services delivered to Twence as stipulated in the Contract.
- 1.6 Contract: the agreements documented in Writing between the Parties regarding the Delivery of goods or services, including also framework or on-call contracts.
- 1.7 Parties: Supplier and Twence together.
- 1.8 Written / in Writing: by letter or by e-mail.
- 1.9 Twence: the private company with limited liability Twence Holding B.V., with its registered office in Enschede and/or its subsidiary or subsidiaries as defined in Article 2:24a of the Dutch Civil Code.

Article 2 Applicability

- 2.1 Stipulations deviating from these Terms and Conditions of Purchase shall only apply if and in so far as Twence has accepted said deviations in Writing.
- 2.2 In the application of these Terms and Conditions of Purchase, the personnel of the Supplier shall be understood to also mean third parties hired by the Supplier for the implementation of the Contract. The Supplier shall undertake to declare these Terms and Conditions of Purchase to be applicable to all third parties involved in the implementation of the Contract.
- 2.3 In the case of conflicts, the stipulations of the Contract shall prevail above these Terms and Conditions of Purchase.

ARTICLE 3 ORIGINATION

- 3.1 Only the Written purchase order sent by Twence to the Supplier, whether or not based on a tender submitted by the Supplier, shall be valid as an offer to enter into a Contract. This offer holds until the acceptance of the purchase order reaches Twence. Until that time, Twence has the right to rescind its offer.
- 3.2 The Supplier shall accept the purchase order in Writing. In the absence of a Written confirmation of the order, the Supplier accepts the purchase order sent by Twence by executing the purchase order.

- 3.3 Specifications including, but not limited to, drawings, models, instructions and inspection regulations that have been approved or made available to the Supplier by Twence constitute an indivisible part of the Contract.
- 3.4 If one or more of the stipulations from these Terms and Conditions of Purchase and/or from the Contract turns out to be annulled, nullified or otherwise to have lost its legal validity, the other stipulations shall remain valid. Parties shall confer with each other to replace the invalid stipulation by means of a new stipulation, whereby the purpose and the tenor of the invalid stipulation shall be taken into consideration as much as possible.

ARTICLE 4 PRICES

- 4.1 The agreed prices are fixed, expressed in euros, and do not include value added tax.
- 4.2 The prices are valid for DDP (delivered duty paid) Delivery at the stipulated place of Delivery in accordance with 'Incoterms 2010', unless otherwise agreed in Writing. The Supplier is not authorised to charge any extra costs.
- 4.3 The agreed compensation for the services comprises all of the costs to be incurred by the Supplier for an expert execution of those services, with the exception of the value added tax.

ARTICLE 5 DELIVERY

- 5.1 Delivery shall occur DDP at the agreed place, promptly at the agreed time, or within the agreed period. The 'Incoterms 2010' are applicable to the interpretation of the Delivery conditions.
- 5.2 As soon as the Supplier knows or should know that the Delivery will not occur, not occur in a timely fashion or not occur properly, it shall immediately notify Twence in Writing, stating the circumstances that give rise to this non-compliance.
Without prejudice to the rights that Twence can derive from these Terms and Conditions in such situations, including the provisions of Articles 17, 18 and 19, the Parties shall confer on whether, and if so, how, the situation can be rectified to Twence's satisfaction.
- 5.3 Without prejudice to Twence's right in accordance with the provisions of Article 17, in the event of non-compliance by the Supplier with the provisions set out in paragraph 1 of the present article, Twence has the authority to claim a penalty from the Supplier to a maximum amount of five per cent (5%) of the total value of the Contract. This penalty shall not take the place of the right to compensation of damages to Twence.
- 5.4 If Twence should ask the Supplier to postpone Delivery, Twence shall not be in default as a result. Upon Delivery of goods, the Supplier

shall store the goods, properly packaged and recognisably intended for Twence, secure them and insure them, all for a competitive price that is to be agreed in advance.

- 5.5 Delivery shall also be understood to mean Delivery of all accompanying materials, being the materials that are indivisibly required for the use or disassembly or assembly of the goods, or for the performance of the service, as intended in Article 8 and all accompanying and required documentation, including but not limited to drawings, quality, inspection and guarantee certificates and instructional books with manuals. All documentation that forms part of the Delivery shall be provided in the Dutch language.
- 5.6 The Supplier is not authorised to make partial Deliveries, unless Twence has granted advance permission in Writing for that. In that case, for application of these Terms and Conditions, Delivery shall also be understood to mean partial Delivery.
- 5.7 The inspection, checking and/or functional testing of goods entails neither Delivery nor purchase nor transfer of risk nor any payment obligation.
- 5.8 If the inspection, checking and/or functional testing of goods has been agreed, Delivery shall only be deemed to have occurred after Twence has approved the received goods and confirmed this approval in Writing to the Supplier. Only after this confirmation of approval has occurred shall Twence have a payment obligation.
- 5.9 The Delivery of goods shall take place whenever possible on generally customary working days from 8:00 am to 4:30 pm. In consultation with Twence, incidental exceptions are possible.
- 5.10 All agreed periods must be regarded as deadlines with the exception of the periods mentioned in Article 11.1.

ARTICLE 6 PACKAGING AND SHIPMENT

- 6.1 The goods must be properly packed so that they will reach their destination by normal transport in undamaged condition. The Supplier is liable for damage resulting from insufficient packaging, among other things, for damage caused during or as a result of transport, as well as for damage resulting from a failure to comply with laws and regulations valid in the country of manufacture, shipment, transit and/or destination.
- 6.2 Twence is entitled at any time to return (transport) packaging to the Supplier, unless the Supplier has requested Twence to take care of its processing or destruction, for the Supplier's account and at its risk. Returnable packaging must be clearly marked as such by the Supplier, and the return shipment by Twence shall be for the account and at the risk of the Supplier.
- 6.3 The Supplier must provide the goods to be delivered with a clearly visible packing list

stating in each case no less than the name and address of the Supplier, Twence's order number and position number, the country of origin, and the delivery location.

- 6.4 If the Supplier does not satisfy the provisions of Article 6, paragraph 3, the Delivery cannot be accepted and Twence shall not be obligated to make any payment.

ARTICLE 7 OWNERSHIP AND RISK

- 7.1 The ownership of and the risk for goods shall transfer to Twence upon Delivery, as soon the goods have been received by Twence at the agreed place of Delivery, without prejudice to the provisions of Article 13, paragraph 8, unless the goods are also mounted or installed by the Supplier, in which case the ownership and risk shall transfer to Twence after the definitive Delivery on the Twence site or the work site has been approved.
- 7.2 In the event of a postponed Delivery in accordance with the provisions of Article 5, paragraph 4, the ownership of the goods in question shall transfer and the Delivery shall occur on a *constituto possessorio* basis. In that case, the goods must be stored separately and clearly marked as being destined for Twence, and must be secured and insured for an amount to be agreed upon in advance.
- 7.3 Also in other cases besides those set out in paragraph 2 of the present article, Twence is authorised to request that transfer of ownership of the goods and/or materials and parts intended for those goods should occur at a different time. In the cases mentioned in both paragraph 2 and the present paragraph, the Supplier shall mark the goods and/or the materials and parts intended for those goods as the recognizable property of Twence and indemnify Twence against loss, damage and third-party rights.
- 7.4 Goods belonging to the Supplier and work activities in relation to those goods, even if those take place on locations belonging to Twence, are at the Supplier's expense and risk.

ARTICLE 8 SECONDARY MATERIALS

- 8.1 Materials, drawings, models, instructions, specifications and other secondary materials that are made available by Twence or purchased or manufactured by the Supplier at Twence's expense, being materials that are indivisibly required for the use or disassembly or assembly of goods, or for the performance of the service, shall remain the property of Twence or become the property of Twence the moment they are purchased or manufactured.
- 8.2 The Supplier is obligated to mark the secondary materials referred to in paragraph 1 of the present article as Twence's property, to keep these in good condition and to insure them and keep them insured against all risks, at its

expense, as long as the Supplier is acting as keeper of said secondary materials.

- 8.3 The secondary materials shall be made available to Twence at Twence's first request or otherwise concurrently with the final Delivery of the goods to which the secondary materials pertain.
- 8.4 Secondary materials that are used by the Supplier in the implementation of the Contract shall be presented to Twence, at its first request, for approval.
- 8.5 Changes to or deviation from the secondary materials that Twence has made available or has approved shall only be permitted with advance Written permission from Twence.
- 8.6 The Supplier shall not use the secondary materials (nor allow them to be used) for or in connection with any other purpose besides the Delivery to Twence, unless Twence has granted advance Written permission to that end.
- 8.7 At Twence's first request, the Supplier must inform Twence, by means of a status overview, of the quantity and quality of the secondary materials belonging to Twence that the Supplier has in its possession.
- 8.8 Twence is authorised to have the Supplier sign ownership statements in respect of the secondary materials. The Supplier will lend its unconditional cooperation at the first request.

ARTICLE 9 SPARE PARTS

- 9.1 If and in so far as the Contract stipulates that the Supplier is obligated to provide Delivery of spare parts, the Supplier must be able to continue to deliver these spare parts for a reasonable period, with a minimum of two (2) years after Approval of the definitive Delivery.
- 9.2 If the production of spare parts will be changed or halted, the Supplier is obligated to notify Twence to that effect in Writing as quickly as possible, and in any case at least six (6) months in advance. In that case, Twence is entitled to terminate the Contract with immediate effect by sending a Written notice to the Supplier, without the Supplier having any claims against Twence for damages.

ARTICLE 10 CHANGES

- 10.1 Twence is authorised to demand that the scope and/or capacity of the goods to be delivered shall be changed. Twence is authorised to make modifications to the drawings, models, instructions, specifications and the like in respect of the goods to be delivered. Twence shall make a timely Written specification of the demanded and/or effected changes and/or modifications.
- 10.2 If, in the judgement of the Supplier, this has consequences for the agreed fixed price and/or Delivery time, it will inform Twence in Writing hereof as quickly as possible before carrying out the change, but in any case within five (5) working days after the announcement of the

demanded change. If, in the judgement of Twence, these consequences for the price and/or Delivery time are unreasonable in respect of the nature and scope of the change, Twence has the right to terminate the Contract with immediate effect by means of a written notice to the Supplier. Termination on the grounds in the present paragraph shall not entitle any of the Parties to compensation of any damages.

- 10.3 The Supplier may not make any changes to the scope and/or capacity of the goods to be delivered without a Written order or Written permission from Twence.

ARTICLE 11 INVOICING AND PAYMENT

- 11.1 Unless otherwise agreed in Writing, the term of payment of thirty shall be 30 days after receipt of the invoice, provided complete receipt and approval by Twence of the Delivery and receipt of all accompanying documentation, drawings, quality and guarantee certificates has occurred in accordance with the Contract. The Supplier is only entitled to send an invoice after Twence has received the Delivery. The term of payment does not concern a deadline.
- 11.2 Travel expenses, board and lodging expenses and travel time will only be compensated by Twence if and in so far as those have been agreed in Writing.
- 11.3 Before payment is made, Twence is authorised to demand in addition to or instead of ownership transfer, that the Supplier provide, at its own expense, an unconditional and irrevocable bank guarantee from a banking institution acceptable to Twence as security for compliance with its obligations. The costs of the bank guarantee are for the account of the Supplier.
- 11.4 Payment by Twence in no way constitutes any waiver of rights.
- 11.5 Twence is authorised at all times to set off claims of any kind whatsoever from the Supplier in respect of Twence against claims that Twence has in respect of the Supplier or of companies/firms that belong to the same concern as the Supplier. The Supplier is not authorised to set off such claims.
- 11.6 Deliveries deviating in terms of quantity or capacity shall only be paid by Twence if and in so far as the deviation has been agreed in writing in advance.

ARTICLE 12 QUALITY AND GUARANTEE

- 12.1 The Supplier guarantees that the Delivery will be in compliance with the Contract and that the Delivery will possess the agreed properties, is free of flaws, be suitable for the purpose for which it is intended and satisfy the legal requirements and other government regulations as well as the requirements of the safety and quality standards customary in the industry, in

each case as valid at the time the Contract is concluded.

- 12.2 If and in so far as the aforementioned conditions are applicable, as part of good quality assurance and quality management, the Supplier shall execute the Contract in accordance with these regulations, unless a legal regulation opposes this.
- 12.3 If the goods specified, purchased and/or carried out by the Supplier, regardless of the results of any inspection, should turn out not to comply with the provisions of paragraph 1 of the present article, the Supplier shall either repair or replace the goods at its own expense, at the choice and upon the first Written notice of Twence, unless Twence states a preference for terminating the Contract, in accordance with the provisions of Article 19.
- 12.4 In urgent cases and if after consultation with the Supplier it must be reasonably assumed that the Supplier will not or cannot provide for repair or replacement, or will not or cannot do so in a timely or satisfactory fashion, Twence shall be entitled to perform the repair or replacement itself or have a third party perform such repair or replacement at the expense of the Supplier. This does not release the Supplier from its obligations under the Contract.
- 12.5 The Supplier shall put into effect for the Delivery a guarantee period of two (2) years starting from the moment the definitive Delivery has been approved by Twence. The expiry of the guarantee period shall leave intact any rights that Twence can derive from the Contract. The agreed guarantee in that period shall mean in any case that the Supplier shall rectify any shortcoming that Twence reports within the period of the guarantee, as soon as possible and at no expense to Twence. If the Supplier has performed activities and/or altered, repaired or replaced items or component parts of those on the basis of this obligation, the entire period of guarantee shall go into effect again with regard to those activities, items or component parts, starting from the moment the definitive Delivery of the contractual activities performed in connection with the guarantee has been approved.

ARTICLE 13 INSPECTION, CHECKING AND FUNCTIONAL TESTING

- 13.1 Inspection, checking and/or functional testing by Twence or by persons or agencies designated by Twence can occur prior to, during or following the (approval of the definitive) Delivery.
- 13.2 For this purpose, the Supplier shall grant any necessary cooperation, access, documentation and information, at its expense.
- 13.3 The Supplier shall notify Twence in a timely fashion in advance of the time at which an

inspection, check and/or functional test can occur.

- 13.4 The Supplier is authorised to be present during the inspection, check and/or functional testing.
- 13.5 The costs of inspection, checking and/or functional testing are for the account of Twence, unless otherwise agreed in Writing or unless the inspection, check or functional testing constitutes part of the Contract. The costs of reinspection or rechecking or reperforming functional testing are for the account of the Supplier.
- 13.6 Inspections shall take place in accordance with the applicable procedures of Twence. A Written report shall be made of each inspection.
- 13.7 If, upon inspection, checking and/or functional testing, the goods are rejected in part or full before, during or after Delivery, Twence shall notify the Supplier as quickly as possible in Writing, which notification must be regarded as a notice of default as defined by law.
- 13.8 In the event of rejection of the goods during or after the Delivery, the risk regarding the rejected goods shall remain with the Supplier.
- 13.9 If the goods, regardless of the results of any inspection, check and/or functional test, turn out not to satisfy the provisions of paragraph 1 and/or paragraph 2 of the present article, all rights of Twence remain in full force.
- 13.10 If inspection, checking and/or functional testing is done by an independent body, the result of the inspection, checking and/or functional testing shall be binding upon the Parties. The same applies to reinspection or rechecking and/or reperforming functional testing.
- 13.11 At Twence's request, the Supplier must provide to-be-specified information to Twence during the implementation of the Contract to enable Twence to evaluate the safety, quality and Delivery reliability, as well as the general status of the business of the Supplier.
- 13.12 The Supplier will grant its cooperation for supplier evaluations to be conducted by Twence or by third parties on behalf of Twence.

ARTICLE 14 CONFIDENTIALITY

- 14.1 The Parties guarantee the confidentiality in respect of third parties of all business information that in any way comes to their knowledge and of which they can and could reasonably assume that it concerns confidential matters. The confidentiality obligation for the Supplier also applies to the content of the Contract(s) to which these Terms and Conditions of Purchase applies. This confidentiality obligation shall remain in effect throughout a period of three (3) years following the end of the term of the Contract.
- 14.2 All data, documents and other business information provided by Twence to the Supplier as part of the Contract shall always remain the property of Twence and must be returned at

- Twence's first request and in any case no later than at Delivery.
- 14.3 Without advance Written permission from Twence, the Supplier is not permitted to give any form of publicity to the implementation of the Contract or to maintain direct or indirect contact with any clients or other relations of Twence.
- 14.4 The Supplier is not permitted to copy documents pertaining to the Contract including, but not limited to, drawings, schemes and other business information or to provide third parties access to those except as necessary in connection with the implementation of the Contract and after Written approval from Twence.
- 14.5 The products and/or services brought about on the basis of mutual developments by both Twence and the Supplier may not be used for the purposes of third parties without advance Written permission from Twence.
- 14.6 The Supplier shall also impose, in Writing, the obligations stated in the present article on its personnel and on any third parties hired.
- 14.7 In the event of the violation of one or more provisions of the present article by the Supplier, Twence is entitled to an immediately payable fine of EUR 25,000 per violation, without prejudice to its right to full payment of damages.

ARTICLE 15 INDUSTRIAL AND INTELLECTUAL PROPERTY

- 15.1 The Supplier guarantees that the goods it has supplied and/or the services it has performed do not infringe upon any rights of third parties, including, but not limited to, patents, brand rights, model rights and copyrights.
- 15.2 The Supplier indemnifies Twence for claims that arise from any kind of infringement of the rights referred to in paragraph 1 of the present article and shall reimburse Twence for any and all damage resulting from such infringement.
- 15.3 Twence holds all intellectual property rights that originate by or as a result of the implementation of the Contract by the Supplier. In so far as required, the Supplier shall grant its full cooperation, unconditionally and at the first request, for all actions necessary for the transfer of said intellectual property rights.
- 15.4 All intellectual property rights to goods made available by Twence to the Supplier for the benefit of implementation of the Contract shall be exclusively vested in Twence.

ARTICLE 16 TRANSFER

- 16.1 The Supplier shall neither transfer nor contract out its rights and obligations under the Contract, whether entirely or partially, to third parties without advance Written permission from Twence.

- 16.2 Twence is entitled to subject said permission to conditions.

ARTICLE 17 LIABILITY

- 17.1 The Supplier is liable to pay compensation for any and all damages suffered by Twence or by one of Twence's employees or by third parties hired by Twence as a result of or in connection to the implementation of the Contract.
- 17.2 The Supplier's obligation to pay compensation for damages to goods that Twence owns and bears the risk amounts to at most:
- €2,500,000 per claim for Contracts with a total price less than or equal to €100,000 and
 - €5,000,000 per claim for Contracts with a total price greater than €100,000.
- in both cases with a maximum of three claims per calendar year.
- 17.3 Unless expressly stipulated otherwise, the Supplier and Twence are not liable to each other for any indirect damages they suffer in connection with the implementation of the Contract unless the Supplier is insured against such damage. Indirect damage is exclusively understood as being lost profits, loss of production and/or loss of income.
- 17.4 The Supplier indemnifies Twence against third-party claims for reimbursement of damage on the grounds of liability and, at Twence's first request, shall make arrangements with those third parties, or defend itself by law, in place of or jointly with Twence – all at Twence's discretion – against claims as referred to above. All costs incurred by Twence in connection with a legal and/or arbitration procedure in this context shall be for the account of the Supplier.
- 17.5 For the application of paragraph 4 of the present article, the personnel of Twence shall be deemed third parties.
- 17.6 The Supplier is obligated to insure itself sufficiently against its liability and shall allow Twence to review the insurance policy if it should so desire.
- 17.7 If there are multiple Suppliers, they are each severally and individually liable for the obligations by virtue of this Contract.
- 17.8 Twence is not liable for damage on the part of the Supplier and its personnel, unless the damage is the result of gross negligence and/or a conscious act on the part of Twence.

ARTICLE 18 FORCE MAJEURE

- 18.1 Force majeure refers to a situation in which a shortcoming cannot be ascribed to a Party because it cannot be attributed to the Party by any fault of its own, nor by virtue of law, legal action or generally accepted practices.
- 18.2 In the event of force majeure, the Party that can invoke force majeure shall inform the other Party in Writing as soon as possible, but no later than five (5) working days after the moment the unforeseen circumstances arise,

stating the reasons and the anticipated duration of the force majeure.

- 18.3 Force majeure is in any case understood as not including the following: a lack of personnel, strikes, absenteeism due to illness, the late Delivery or insuitability of materials or software, failures of third parties hired in by the Contractor and/or problems of liquidity or solvency on the part of the Contractor.
- 18.4 In case of force majeure, the obligations of the Parties shall be postponed.
- 18.5 Parties shall confer with each other about neutralising the force majeure situation as soon as possible after the force majeure situation arises.
- 18.6 In the event the duration of the force majeure exceeds thirty (30) days, the other party gains the right to terminate the Contract immediately.

ARTICLE 19 TERMINATION OF THE CONTRACT

- 19.1 Twence is entitled at any time to terminate the Contract prematurely by means of a Written notification to the Supplier, provided that sufficiently significant reasons are supplied. Immediately after receipt of the Written notification, the Supplier shall discontinue the implementation of the Contract. Twence and the Supplier will confer with each other on the consequences of such a cancellation.
- 19.2 If the Supplier fails to comply with one or any of its obligations under the Contract or under other contracts ensuing therefrom or fails to do so in a timely or satisfactory fashion, or if it is declared bankrupt or granted a suspension of payments or in the event of stoppage, liquidation or takeover or any other comparable situation of the company of the Supplier, it shall be legally in default and Twence shall have the right to

unilaterally terminate the Contract in part or in full, without notice of default and without any legal intervention required, by means of a Written notification to the Supplier and/or to discontinue payment obligations and/or to transfer implementation of the Contract in part or in full to third parties, without Twence being obligated to pay any damages, without prejudice to any other rights Twence may have coming to it, including the right of Twence to complete payment of damages and restitution of payments already made.

19.3 All claims that Twence may have or receive upon termination by virtue of the present article from the Supplier shall be immediately and fully claimable.

19.4 Without prejudice to all other rights, Twence can terminate the Contract in part or in full if the Supplier or one of its subordinates or representatives offers or supplies any benefit to a person who is part of Twence.

Article 20 Applicable law and disputes

20.1 The Contract and all contracts ensuing therefrom shall be governed exclusively by the laws of the Netherlands with the express exception of international sales laws.

20.2 All disputes, including those that only one of the Parties deems as such, that might arise between the Parties as a result of this Contract or contracts ensuing from it shall be brought solely before the competent court in the district of Overijssel, the Netherlands.

Article 21 Translation

21.1 In the event of ambiguities or differences in interpretation and/or explication of these Terms and Conditions of Purchase, the Dutch original shall prevail over the translations.

SECTION II CONTRACTING OF WORK, IMPLEMENTING OF CONTRACTUAL ACTIVITIES, TEMPORARY HIRING OF PERSONNEL

Additional Terms and Conditions in respect of Contracts for the contracting of work, the implementation of contractual activities and the temporary hiring of personnel

ARTICLE 22 APPLICABILITY AND DEFINITIONS

- 22.1 The Terms and Conditions of Section II apply to all Contracts whereby Twence acts as principal for the performance of services, the implementation of contractual activities the or contracting of work (hereinafter referred to as "the work") by the Supplier, whether or not in combination with the Delivery of goods, as well as Contracts regarding the hiring of temporary personnel.
- 22.2 In addition to these Terms and Conditions, the Terms and Conditions of Section I also apply to the Contracts mentioned in paragraph 1 of the present article, unless the Terms and Conditions of Section II deviate from those; the same holds if other stipulations deviate from those expressly and in Writing or as a result of the nature of the articles.

ARTICLE 23 REPRESENTATION OF THE PARTIES

- 23.1 Before commencing with the work, the parties must notify each other in Writing of the persons who will be involved in implementing the Contract on their behalf and who will be authorised to represent the Parties in all matters pertaining to the implementation of the Contract.

ARTICLE 24 RULES

- 24.1 Twence will inform the Supplier of the circumstances at the Twence sites where the work is to be done and of the content of the locally applicable rules, including the Safety and Site Regulations of Twence. The Supplier, in turn, will notify its personnel and its subcontractors of these circumstances and regulations.
- This concerns in particular the relevant information regarding the rules and regulations relating to safety within the Twence complex. When carrying out the contractual activities, the Supplier must be in possession of a valid VCA */** certificate (Safety, Health and Environment Checklist for Contractors), or other equivalent certificate (e.g. OHSAS 18001). If the Supplier is a self-employed person without personnel ('ZZP'), he or she must be in possession of a 'VOL VCA' certificate.
- 24.2 The Supplier, its personnel and any third parties it hires are obligated to comply with any regulations relating to safety, health and the environment imposed by the government and

otherwise to comply with any regulations, instructions and directions in relation to order, safety, the environment and control that hold in whatever location the work is carried out.

- 24.3 If the Supplier violates the rules mentioned in paragraph 1 and 2 of the present article, Twence has the authority to:
- deny the person or persons involved access to the site, effective immediately;
 - suspend execution of the work, effective immediately;
- unless Twence prefers to terminate the Contract, in accordance with the provisions of Article 19.

ARTICLE 25 DOCUMENTS MADE AVAILABLE

- 25.1 The Supplier must check documents including, but not limited to, specifications, drawings and other documentation it has received from Twence for the implementation of the Contract for completeness and accuracy.
- 25.2 The Supplier must notify Twence as quickly as possible in Writing of possible inaccuracies or incompleteness in the documentation, including, but not limited to, those mentioned in paragraph 1 of the present article. The Supplier shall make proposals for improvements or adjustments to Twence. After approval by Twence, these will constitute part of the Contract.
- 25.3 If the Supplier has not notified Twence in writing of its objections to the documentation, including, but not limited to, those mentioned in paragraph 1 of the present article, within two (2) weeks of entering into the Contract, it shall be deemed to have approved of the documentation and can no longer make claims regarding the inaccuracy or incompleteness thereof.

ARTICLE 26 PREPARATION AND IMPLEMENTATION

- 26.1 The Supplier shall ensure that the work is prepared and executed in accordance with the general requirements of craftsmanship and expertise, in accordance with the Contract and all corresponding rules and documents, as well as in accordance with the directions and instructions of Twence, such that the work will yield the agreed result.
- 26.2 Within yet-to-be agreed period after entering into the Contract, the Supplier must submit to Twence a detailed time plan for the execution of the work.

- 26.3 The time plan must be approved by Twence and, after approval, will constitute part of the Contract. Approvals by Twence leave unaffected the Supplier's responsibility for the accuracy or feasibility of the time plan.
- 26.4 Without prejudice to the provisions of Article 27 regarding delay, the Supplier must provide Twence with a Written progress report by a period to be determined by Twence and shall continually keep Twence abreast in Writing of whether or not the milestones specified in the time plan are achieved during the implementation of contractual activities.
- 26.5 Unless otherwise agreed in Writing, the Supplier shall, at its expense, take care of applying for, receiving and complying with any permits, exemptions and other government documents that are required in order to implement the contract.
- 26.6 Any goods supplied by third parties, which Twence has supplied to the Supplier, shall be used at the risk of the Supplier. A list drafted by Twence specifying those goods shall be signed by both Parties for approval.
- 26.7 If, in the judgement of Twence, the implementation of the Contract does not comply with the provisions of paragraph 1 of the present article, the Supplier shall, at its expense, repair or redo the work, or a portion thereof, upon Twence's first request, with due observance of the provisions of paragraph 1 of the present article, unless Twence prefers to terminate the Contract, in accordance with the provisions of Article 19. Work in addition to that which was agreed shall only qualify for compensation by Twence if a Written order to that effect has been issued by Twence.
- 26.8 If, in the opinion of the Supplier, additional work (i.e. supplemental activities that are not part of the Contract) should influence the agreed term for the definitive Delivery, the Supplier must notify Twence of that in Writing. The Parties must then confer with each other as quickly as possible regarding the possibility of rescheduling the term for the definitive Delivery and the consequences that would have for the agreed penalty for a late definitive Delivery. This is without prejudice to the claims Twence may have to said Contractual penalties from the Supplier.
- 26.9 The hiring of third parties (e.g. subcontractors, etc.) in connection with the implementation of the Contract can only occur after Twence has granted its advance Written permission.
- 26.10 The Supplier is obligated to ensure proper coordination of the work and of deliveries by third parties involved in the implementation of the Contract.
- 26.11 After conclusion of the work, the Supplier is obligated to leave the workplace clean and tidy, including removing any remaining materials and packaging. Twence will be the judge of that.
- 26.12 With the exception of the materials that by law must be turned in to Twence, the Supplier is obligated to remove any waste that results from the contractual activities. The Supplier must deliver the waste materials to an officially recognised waste transporter or waste processor. Upon simple request by Twence the Supplier must provide Written proof of the removal of the waste.

ARTICLE 27 DELAY

- 27.1 If it can be anticipated that the implementation of the Contract will not progress or be completed according to the time plan, the Supplier is obligated to inform Twence as soon as possible and to take the initiative to make proposals to prevent or limit the delay.
- 27.2 In urgent cases and if, after consultation with the Supplier, it must be reasonably assumed that the Supplier will not or cannot comply with the obligation mentioned in paragraph 1 of the present article within the set time period, Twence is authorised to call upon third parties, at the expense of the Supplier, to prevent or limit the delay. This does not release the Supplier from its Contractual obligations.

ARTICLE 28 PRICES AND RATES, INVOICES, PAYMENT

- 28.1 Supplementary to Article 11, the agreed prices and rates include all activities to be performed under the Contract by the Supplier and third parties, including all additional costs, including, but not limited to, those of inspections, tools and equipment. Additional and/or deviating work may only be executed after Twence has issued a Written order to that effect.
- 28.2 The submission of the invoice, stating Twence's order number and position number, shall occur following completion of the work, after the fact, with submission of the documents in which the costs are specified according to categories outlined in the Contract.
- 28.3 Payment shall take place with a term of payment of thirty (30) days after receipt of the invoice under the condition of approval of the invoice amount and approval by Twence of the progress of the work (or relevant portion thereof).

ARTICLE 29 VERIFICATION

- 29.1 The Supplier is obligated to keep an accounting of the implementation of the Contract so that the costs incurred and the obligations entered into are always evident.
- 29.2 Twence has the right to enter the business of the Supplier at any time, to review the accounting of the Supplier and to consult the personnel of the Supplier, all if and in so far as this has relevance for the Contract.
- 29.3 At Twence's first request, the Supplier shall provide copies of the documents having relevance to the Contract.

ARTICLE 30 SUPPLIER'S PERSONNEL

- 30.1 The personnel of the Supplier must satisfy both the general requirements of craftsmanship and expertise and the specific ones pertaining to the execution of the work, and in that connection Twence requires that the Supplier be in possession of a valid VCA certificate or its equivalent. Operational personnel are required to have a B-VCA certificate. Operational managers are required to have a valid VOL VCA certificate. All employees who have to do with the work-permit system and company-specific procedures of Twence must have watched the Twence safety film and have passed the accompanying exam with a satisfactory result. The personnel of the Supplier must be able to show proof of their possession of the above-mentioned VCA certificate at any time and at Twence's first request.
- 30.2 If, in the opinion of Twence, any personnel are insufficiently qualified, Twence is authorised to order the removal of said personnel and the Supplier is obligated to effect their immediate replacement, with due observance of the provisions of paragraph 1 of the present article.
- 30.3 The Supplier must provide accommodation for its personnel, at its expense.
- 30.4 Twence is authorised to request that the personnel of the Supplier, including subcontractors, identify themselves.
- 30.5 For those employees of the Supplier who are nationals of non-EEZ (European Economic Zone) countries, a work permit must be on hand with the supervisor at the time of their presence on the premises of Twence, as issued by the Centre for Work and Income (CWI), as referenced in the Foreign Labour Act (WAV). The employees concerned must also be in possession of a valid proof of identification, which they must be able to show at Twence's first request.
- 30.6 If an employee does not have a command of the Dutch, German or English language, the Supplier shall provide an on-site interpreter during the execution of the work.
- 30.7 The employment of children (15 years of age and younger) is not permitted on the premises of Twence. Juveniles (age 16 to 17) may only be deployed in places for which the Twence safety expert has given advance permission and that meet the minimum requirements of relevant legal provisions, including supervision by the Supplier at the place of work. Under no circumstances may juveniles be deployed in the Slag-reprocessing Unit (SOI). If the safety expert is not present, the Staff Manager shall replace him/her.
- 30.8 The personnel of the Supplier are obligated to wear personal protective equipment (PPE) while carrying out the work designated by Twence and/or in places designated by Twence. If non-compliance with this obligation is observed, the Twence sanction policy in respect of protective

equipment shall be used. The valid obligations and the sanction policy for non-compliance shall both be communicated to the supervisor(s) and/or personnel of the Supplier upon commencement of the work. Upon request, the Supplier can receive a written copy of these.

ARTICLE 31 MATERIALS, PPE, TOOLS

- 31.1 The Supplier shall provide, at its own expense, materials, personal protective equipment (PPE) and tools that satisfy all legal requirements and other government regulations.
- 31.2 Twence has the authority to inspect all materials and tools to be used by the Supplier in the implementation of the Contract.
- 31.3 If Twence should reject materials and/or tools of the Supplier in part or in full, the Supplier is obligated to immediately replace the rejected materials and tools, with due observance of the provisions of paragraph 1 of the present article.
- 31.4 The Supplier must provide storage space for materials and tools at its expense.

ARTICLE 32 FUNCTIONAL TESTING

- 32.1 When the work, or an agreed portion thereof, is ready to be put into commission, a functional test will occur.
- 32.2 The functional test will be performed by the Supplier in the presence of Twence or of persons or agencies designated by Twence.

ARTICLE 33 APPROVAL OF THE DEFINITIVE DELIVERY

- 33.1 As soon as all conditions stipulated in the Contract have been met, the Supplier will formally request Twence to approve the definitive Delivery of the work.
- 33.2 Approval of the definitive Delivery shall occur when, in the judgement of Twence, all conditions set out in the Contract have been met.
- 33.3 Approval of the definitive Delivery shall occur by means of an acceptance inspection, carried out by Twence, of the goods or services delivered, which inspection shall occur as quickly as possible after the request mentioned in paragraph 1 of the present article.
- 33.4 Twence shall receive a report of this acceptance inspection for the approval of the definitive Delivery, if applicable, from the Supplier no later than two (2) weeks after the inspection has taken place. This report shall in any case state whether Twence accepts the work, pursuant to paragraph 2 of the present article. If that is not the case, it shall also state which work has yet to be carried out by the Supplier within a reasonable period, so as to arrive at an approved definitive Delivery.
- 33.5 The day on which the Delivery can be considered definitive shall be the day on which Twence has approved and accepted the

delivered goods and services as stipulated in the contract.

ARTICLE 34 CHAIN LIABILITY

- 34.1 Twence will always have the right to pay to the Supplier, in respect of the work carried out, the social-insurance contributions, VAT and wage taxes, including the income-related contribution towards the healthcare insurance scheme, for which the Supplier as 'self-constructor' (*eigenbouwer*) could be individually liable under the Chain Liability Act, by transferring payment to the Supplier's 'G-account' (blocked bank account) as defined by the Dutch 'Chain Liability Act'.
- 34.2 Without prejudice to the provisions of the paragraph 1 of the present article, Twence is always authorised to withhold the amounts of the social-insurance contributions, VAT and wage taxes, as referenced in the paragraph 1 of the present article, including the income-related contribution towards the healthcare insurance scheme, from the contracting amount and to pay these directly on behalf of the Supplier to the relevant business association or recipient of direct taxes.
- 34.3 In the cases referenced in paragraphs 1 and 2 of the present article, Twence is discharged in respect of these amounts by payment hereof vis-à-vis the Supplier.
- 34.4 In the event that Twence is held liable as part of a chain and thus has to pay the payroll taxes and the VAT that the Supplier, in its capacity as subcontractor/tax payer is obligated to pay, the Supplier shall indemnify Twence against the financial consequences of said liability.
- 34.5 Twence has the right to demand, if it so desires, that the Supplier have an unconditional and irrevocable bank guarantee issued, at the Supplier's expense, by a banking agency acceptable to Twence.

ARTICLE 35 TEMPORARY HIRING OR LEASING OUT OF PERSONNEL

- 35.1 The aforementioned articles also apply in the event the Supplier temporarily hires or leases out its own or a third party's personnel to Twence for the execution of the work under the supervision and responsibility of Twence.
- 35.2 The Supplier declares to have satisfied its registration requirements in compliance with the Dutch 'Placement of Personnel by Intermediaries Act' (Waadi).
- 35.3 The Supplier indemnifies Twence against the financial consequences for Twence (including any fines imposed) in the event that the Supplier fails to comply with the above-mentioned registration requirements.

ARTICLE 36 DISASTERS /ACCIDENTS

- 36.1 In the event of a disaster or accident, the Supplier is obligated to follow and comply with the in-house emergency and first-aid service provision as specified in the disaster / emergency plan of Twence. This plan shall prevail above that of the Supplier.
- 36.2 The Supplier undertakes to have any communication with third parties regarding and during a disaster/accident take place via the channels created by Twence for that purpose. The Supplier shall also impose this obligation on its own personnel and on any third parties it has hired in.

ARTICLE 37 INTEGRITY

- 37.1 The personnel of the Supplier or any third parties the Supplier has hired in are not permitted to take or use goods that have been offered to Twence for processing unless they have received Written permission to do so from the management of Twence.

ARTICLE 38 COMPETENT AUTHORITIES

- 38.1 If there are any matters the Supplier needs to coordinate with, inspect with, report to or otherwise communicate with enforcers, governments or other competent authorities in connection with the work it has carried out or that has been carried out on its orders, it must first coordinate that with Twence.
- 38.2 Paragraph 1 of the present article has no effect on the obligations that the Supplier has in respect of laws and regulations to which it is subject.