I General Terms and Conditions of Purchase 1 March 2018

These general terms and conditions of purchase apply to:
- Rood Wit Blauw Holding BV (Chamber of Commerce number 08100063), also acting under the name RWB Holding, and
- Rood Wit Blauw Water Services BV (Chamber of Commerce number 08189295), also acting under the names RWB Water Services and RWB Water Products & Services, and
- Rood Wit Blauw Water Systems BV (Chamber of Commerce number 08130205), also acting under the name RWB Water Systems and
- Rood Wit Blauw Water Solutions BV (Chamber of Commerce number 08226818), also acting under the name RWB Water Solutions

Hereinafter referred to as RWB.

Article 1 - Applicability

These General Terms and Conditions of Purchase apply to all of RWB’s legal actions regarding the purchase of goods and services (hereinafter referred to as “the supply”). The applicability of any General Terms and Conditions applied by the Contractor is hereby expressly rejected. Deviations from and/or additions to these General Terms and Conditions of Purchase shall only be binding if and insofar as they have been confirmed by RWB in writing. The Dutch version of these terms and conditions is always leading.

Article 2 - Agreement

a. All offers made by the Contractor shall be final and shall remain valid for 90 calendar days, unless otherwise agreed.

b. All negotiations can be ended by RWB at any time, without reason and without obligation to pay damages.

c. If provisions have been included in the agreement between RWB and the Contractor that deviate from the provisions in the terms and conditions of purchase, the specific provisions in the agreement shall take precedence.

d. All of our orders and change orders must be confirmed by the Contractor by return of a signed copy of our order or change order within 14 days, unless the order specifies a different term. RWB can withdraw an order as long as the Contractor has not confirmed it. The latter also applies when a validity period is included in the order.

e. RWB’s acceptance of deliveries or performances, as well as payments made by RWB in this context, does not imply any acknowledgement of deviations.

Article 3 - Guarantee of the quality and capacity of the supply

1. The Contractor guarantees:

a. that the supply is complete and suitable for the purpose for which it is intended;

b. that the supply is in full compliance with the requirements as stated in our order, specifications, drawings, calculations and/or other documents provided by RWB;

c. that the supply at least meets the legal requirements and government regulations that apply in the Netherlands and, if applicable, other (international) government regulations; bears the CE marking and has the EC conformity certificate for machinery / safety components or “declaration by the manufacturer” in accordance with the legal European guidelines; The Contractor will supply the declaration of CE conformity.

d. that, if the delivery is made in a place outside the business premises and/or sites of the Contractor, the laws and government regulations that apply to that place, as well as the regulations stated by RWB or by our Client for this place, will be complied with;

e. that the supply is of a high quality and is free of design, implementation and/or material defects, and that new materials are used and skilled staff is employed to carry out the activities related to the supply;

f. that, in the event that the supply partly consists of the provision of a workforce, this provision must comply with the statutory requirements and the workers will meet the agreed or (if no specific agreements have been made) general requirements of competence.

g. that the agreed number of workers will be available at any time throughout the agreed period.

2. If the agreement and/or its annexes refer to technical, safety, quality and/or other regulations that are not included in the agreement, the Contractor is deemed to know these, unless he has immediately made RWB aware of the contrary in writing. RWB will inform the Contractor further about these regulations.

3. The Contractor must ensure that he obtains the permissions, permits or licences required for the implementation of the agreement and for compliance with the terms and conditions set therein in good time and at his own expense.

Article 4 - Interim inspections, examinations, tests

a. RWB has the right to carry out interim inspections or examinations and/or tests and to exercise progress control on the supply or any matters and/or activities pertaining to this, or to have this done on their behalf. The Contractor shall provide the necessary human and material assistance for this, within reasonable limits, shall provide the persons or bodies appointed by RWB with access to the area where the work is being carried out at all times, and shall provide a suitable space for the interim inspection, examination or testing.

b. If interim inspections, examinations or tests have been agreed to take place at the initiative of the Contractor, he will always inform RWB of the proposed time of inspection, examination or testing in writing, so that RWB can attend these or send a representative, should RWB wish to do so.

c. If and insofar as it has been agreed that interim inspections, examinations or testing will take place at the initiative of the Contractor, paragraph a applies.

d. All interim inspections, examinations or testing will take place on the basis of the requirements, regulations and documents in referred to in Article 3.

Article 5 - Final inspection, final testing, acceptance

a. Written approval of the supply by RWB constitutes the acceptance thereof, without prejudice to the provisions of paragraph d.

b. If the supply is subjected to a final inspection or final testing, then the provisions of Article 4 shall apply mutatis mutandis, with the exception of the provisions of Article 4, paragraph g.

c. If and insofar as the supply must have certain properties, the presence of which can only be established after set-up, assembly or installation of the supply, then the final inspection or final testing will take place as soon as the supply or the object for which the supply is intended is ready for this.

d. If and insofar as the delivery of certificates, assembly instructions, maintenance and operating instructions, drawings and/or other documents, or the provision of training and instruction has been agreed, these will form part of the supply and acceptance will not take place before the delivery or provision of these has taken place.

e. The Contractor gives RWB the right to use the supply even before acceptance.

f. If the supply is rejected, RWB shall inform the Contractor of this in writing, RWB may choose to demand the replacement or repair, or move to the dissolution or cancellation of the agreement. This shall not affect RWB’s right to damages.

Article 6 - Packaging and dispatch

a. The Contractor will package and/or secure the supply in such a way that this will safely reach its destination by normal transport and can be safely unloaded upon arrival. Any special requirements from RWB regarding packaging and/or protection will be carefully considered by the Contractor, provided that RWB has notified the Contractor in good time. Packaging must meet the relevant legal requirements and may not be harmful or suspected to be harmful to the environment.

b. The Contractor will follow our instruction regarding the preservation, marking, dispatching, insuring the transport risk and delivering shipping documents scrupulously.

c. Shipments that fail to meet the provisions of paragraph a and/or paragraph b may be refused by RWB.
d. For packaging, RWB reserves the right to return this to the Contractor at his expense and risk, for the crediting of the sum that the Contractor has charged RWB. The returnable packaging provided by RWB will be handled with due care by the Contractor and will be insured.

Article 7 – Transfer of ownership and risk

a. If RWB makes the goods available to the Contractor for changes or further processing, or for combining or mixing them with goods that do not belong to RWB, then RWB will remain or become the owner of the resulting products.

b. The Contractor is obliged to keep the goods belonging to RWB clearly marked and bears the risk for these until the time of delivery of the goods to RWB.

Article 8 – Delivery time

1. The supply is DELIVERED DUTY PAID (FRanco) at the address indicated by RWB, in accordance with the version of the Incoterms that is valid at the time of the order, without prejudice to the provisions of these terms and conditions.

2. The agreed delivery date(s) or term shall be construed as punctual and final and apply to the entire supply, including any accompanying drawings or other documents. In the event that circumstances arise based on which the agreed delivery dates or term can be expected to be exceeded, RWB must be notified of this immediately.

3. In the event that the Contractor exceeds any agreed delivery date(s) or term, RWB has the authority to impose on the Contractor a fine of 3% of the price of the supply per calendar week or part of the calendar week, up to a maximum of 10% without prior notice, which will be payable immediately on the date of imposition.

4. Imposing, collecting or settling this fine does not affect RWB’s right to performance, damages and dissolution.

5. In the event that, due to force majeure, a failure by its buyers, delayed delivery to or part of the calendar week, up to a maximum of 10% without prior notice, which will be payable immediately on the date of imposition.

6. Imposing, collecting or settling this fine does not affect RWB’s right to performance, damages and dissolution.

a. In case of a fault or failure in the supply, a fault in the equipment or materials used in the execution of the agreement or as a result of the action or failure to act by the Contractor or his assistants in relation to the supply.

b. This liability of the Contractor is limited to a sum of EUR 2.5 million per loss event, except in case of bodily injury or intent or gross negligence on the part of the Contractor or his executives. The Contractor will fully indemnify RWB for claims by third parties for damages as a result of the above circumstances.

c. In respect of his liability under the law and/or the agreement with RWB, the Contractor will take out adequate insurance and remain covered by insurance and will cover all insurable risks in his operation under normal conditions at all times. At the request of RWB, the Contractor will present RWB with a (certified copy of) the policies and proof of payment of the premiums without delay. The Contractor hereby assigns all claims for payment of insurance proceeds to RWB in advance, insofar as these relate to damage for which the Contractor is liable towards RWB.

d. In the event that the Sequential Liability Act applies, the Contractor shall indemnify RWB for any further liability towards the client or third parties due to the Contractor’s and/or his subcontractor’s non-compliance with his obligations under the Sequential Liability Act.

Article 11 – Ownership of risk and responsibility for tools, drawings, etc.

a. All tools, such as drawings, calculations, models, moulds, jigs or specific tools, needed to carry out the supply, which are made available to the Contractor by RWB or that are manufactured or purchased at RWB’s expense, shall remain or become the property of RWB.

b. The Contractor will keep these tools, which will be clearly marked as RWB’s property, on loan, will keep them in good condition and will bear all risks until they are returned to RWB.

c. The Contractor will only use these tools or have them used for the implementation of the agreement. He will not use these tools for other purposes, copy or multiply them, nor give them to third parties or make them available to third parties in any way without written consent from RWB.

Article 12 – Transfer of rights and obligations and subconracting

a. The Contractor will not transfer his rights and obligations under the agreement, fully or in part, to third parties without RWB’s prior written consent. This consent does not affect any of the Contractor’s obligations under the agreement.

b. The Contractor will not hire (sub)contractors to carry out the job without RWB’s consent.

Article 13 – Dissolution and termination

a. In the event of a failure on the part of the Contractor to fulfill his obligations under the agreement and in the event of bankruptcy or suspension of payment or liquidation of the company of the Contractor, RWB has the right to fully or partially dissolve the agreement without prior notice and without judicial intervention, without being liable for any damages and without prejudice to RWB’s other rights.

b. Without prejudice to the provisions in the previous paragraph, RWB is entitled to fully or partially cancel the order at any time. In this event, RWB will only compensate the Contractor for the costs incurred prior to the cancellation.

c. All claims of RWB towards the Contractor in these cases, will be payable immediately and in full.

Article 14 – Price, invoicing and payment

a. The agreed price is fixed and binding in Euros, excluding VAT.

b. Invoices must state the order number and be submitted in accordance with the order and specified per position, stating position number(s). As long as this information is missing, RWB has the right to suspend its payment obligation.

D. The agreed price is fixed and binding in Euros, excluding VAT.

f. RWB will make the payment within 60 days of accepting the supply and following a correct invoice. By paying, RWB by no means distances itself from any right to reconsider the implementation of the order.

Article 15 – Settlement

RWB is entitled to settle monetary value claims from the Contractor by deducting equivalent claims from RWB and other third parties for amounts due to the Contractor. RWB is entitled to use any payment towards the Contractor that is due at the request of RWB for any purpose and shall be, in its discretion and without prejudice to the Contractor. The Contractor is obligated to take all necessary measures to acquire and safeguard these rights at RWB’s first request.

g. The provisions in the previous paragraphs of this Article and/or in the other Articles of these General Terms and Conditions of Purchase do not relieve the Contractor from his other liability under the law.

h. The Contractor guarantees that parts of the Supply and the maintenance required in order to ensure that the Supply will remain in good condition for a period of 10 years can be obtained from him by RWB at market prices.

Article 16 – Intellectual property rights; licences

a. If intellectual property rights apply to the supply or to accompanying documentation, RWB will obtain free user rights by means of a non-exclusive, worldwide, perpetual licence.

b. All intellectual property rights arising as a result of the implementation of the supply by the Contractor, his staff or third parties hired by the Contractor to carry out the agreement belong to RWB. The Contractor is obligated to take all necessary measures to acquire and safeguard these rights at RWB’s first request.
c. The Contractor guarantees that the supply will not infringe upon the intellectual property rights of third parties. The Contractor indemnifies RWB for claims by third parties as a result of (alleged) infringements in this respect and will compensate RWB for all consequential damage suffered.

Article 17 – Force Majeure

a. In the event of temporary force majeure, the Contractor may suspend the fulfilment of his obligations under the agreement for a reasonable term of up to four (4) weeks, provided that the Contractor notifies RWB of this immediately after the circumstances causing force majeure occurs, stating the cause of the force majeure. If, after these four (4) weeks, the Contractor is unable to fulfil his obligations, RWB is authorised to dissolve the agreement, without compensation of damages and costs being due.

b. In the event of permanent force majeure, the Contractor must notify RWB of this immediately and RWB is authorised to dissolve the agreement immediately, without compensation of damages and costs being due.

c. The Contractor shall bear the costs of events including but not limited to strikes, lockouts, shortage of manpower, illness, shortage of raw materials, transport problems, non-fulfilment of the obligations by suppliers and failures in the production of the Contractor.

Article 18 – Confidentiality

The Contractor must observe absolute confidentiality towards third parties regarding all knowledge of RWB’s business matters in the broadest sense, including information regarding regulations, models, drawings, diagrams, designs and the like. The Contractor is not authorised to disclose the existence of the agreement to third parties in brochures, advertisements or otherwise in media or letters, etc. without prior permission from RWB.

Article 19 – Arbitration

a. Subject to the applicability of paragraph b of this article and without prejudice to the possibility to request provisional interim measures from the President of the competent court, all disputes that may arise following an agreement to which these general terms and conditions of purchase apply, fully or in part, or following further agreements as a result of such an agreement, shall be settled either by the court in Almelo or by a tribunal, such at RWB’s choice. If a tribunal is chosen, this will be appointed in accordance with the statutes of the Council of Arbitration for Metal Industry and Trade in The Hague, and decisions will be made in accordance with the Statutes of this Council.

b. Insofar as the disputes described in the previous paragraph in accordance with the rules of Dutch civil procedural law belong to the absolute competence of the subdistrict court judge, only the competent subdistrict court judge can settle the dispute.

Article 20 – Governing Law

This agreement and any resulting agreements are exclusively subject to Dutch law. The provisions of the Vienna Treaty of 11 April 1980, Treaty Series 1981.84 and 1986.61 do not apply.
II PROVISIONS FOR THE DELIVERY OF SERVICES, IMPLEMENTATION OF ORDERS AND ACCEPTANCE OF WORK

In addition to the General part (I), the delivery of services, implementation of orders and acceptance of work are subject to part (II).

21 - Provision of data
1. If and insofar as required or applicable, in the quotation and/or immediately after receipt of the agreement, the Contractor will present RWB with the following documents:
   a. a current extract from the register of the Chamber of Commerce - no more than three months old;
   b. a photocopy of the G-account agreement;
   c. a photocopy of a valid registration for a business association;
   d. an explanation regarding the payment of payroll taxes (employee insurance contributions, national insurance contributions, income-dependent contributions to care insurance and payroll taxes) of the Tax and Customs Administration - no more than three months old;
   e. a photocopy of the applicable SSC certificate;
   2. The documents referred to under paragraphs d, e and f must be submitted to RWB as soon as possible after the end of each quarter without any reminder.

3. All changes in the information referred to under Article 21, paragraph 1, subparagraphs a to f, must immediately be reported to RWB in writing.

22 - Implementation schedule
a. If requested by RWB, the Contractor must submit an implementation schedule. This will include the start and completion dates of the subsequent parts of the activities and the staffing. If it has been agreed that RWB will provide materials, the implementation schedule will also state the times of their use. After approval from RWB, the implementation schedule will form part of the agreement.

b. RWB has the right to make changes to the implementation schedule during the implementation. The consequences of any changes will be reasonably regulated by RWB and the Contractor. If necessary, changes will be made to the agreement.

c. The Contractor must report regularly about the progress of the activities and all aspects relating to this, in accordance with the wishes of RWB.

23 - Contractor Staff
a. The Contractor is obliged to register its employees with RWB. Required information includes: surname, first name(s), address, date and place of birth, nationality, tax number, and number and nature of identification. In addition a SSC certificate and (if applicable) residence permit and work permit must be submitted.

b. The Contractor is responsible for the daily management and supervision of the execution of the work. The number of competent and skilled supervisors that the Contractor makes available for this, must correspond with the size and nature of the activities and the requirements of RWB. Supervisors must be fluent in Dutch, unless otherwise agreed.

c. The Contractor warrants that the services performed by employees are carried out competently, professionally and without interruptions. The employees meet and will continue to meet the agreed qualities with regard to training, expertise and experience.

d. The Contractor shall provide the employees with manual tools and personal protection equipment.

e. The Contractor will only occasionally temporarily or permanently replace employees and only following the prior approval of RWB. RWB will not withhold its approval on unreasonable grounds. RWB may attach conditions to its approval. Paragraph a applies to the replacement of employees.

f. RWB and the Contractor may agree on a trial period for employees. If during this trial period it appears that employees are not carrying out the work to RWB's satisfaction, the Contractor must replace these employees immediately. No additional costs may be charged to RWB for this.

g. If it appears that employees do not have the required qualifications or expertise, the Contractors must immediately replace the employees with other employees who do meet the requirements, at RWB's first request. The same applies for employees who do not observe the relevant regulations or who otherwise misconduct themselves. No costs can be charged to RWB for the replacement of employees.

h. The activities are performed in accordance with the working hours and code of conduct in force at RWB at that time. The Contractor must instruct employees to observe this.

i. Additional costs that arise because work has to be done outside normal working hours in order to be able to meet the date of completion set in the agreement, shall be borne by the Contractor. In case of force majeure, the additional costs of any measures shall be borne by RWB. Measures must be agreed in advance.

j. RWB has the authority to perform regular checks of staffing levels. The Contractor is obliged to cooperate with these checks. The Contractor must also cooperate with (other) reasonable administrative arrangements that have been or will be made by RWB in order to check staffing levels at work or for the activities. For example, on day the Contractor may be asked to provide an overview of the staff planning at the site, divided into all the work that the Contractor is carrying out. RWB may also ask the Contractor to provide time sheets signed by RWB for each employee.

24 - Health, safety, welfare and environment
a. The Contractor is responsible for the health, safety, welfare and good environmental circumstances for his share of the work. The Contractor must observe all applicable legal requirements, standards and the safety and environmental regulations at the site.

b. The materials, equipment and tools used by the Contractor (such as hoisting and lifting equipment, and climbing and scaffolding materials) must at least meet the legal requirements and be in perfect condition. This is also for the assessment of RWB and subject to the rules of RWB and/or its client.

c. Employees who, in RWB's opinion, conduct themselves in a way that is unsafe at work must be removed from the workplace at RWB's first request. The Contractor must ensure that these employees are replaced immediately, without any costs being charged to RWB.

d. Upon becoming aware of an unsafe situation caused by the Contractor, RWB has the right to cease the work. RWB will not be liable to pay damages in this case, and such delay shall never be classed as force majeure.

25 - Intervening in operations
a. RWB will notify the Contractor in writing if the activities, in RWB's opinion, are performed as such that the specific duration for the completion of the activity, or a portion thereof, is exceeded. The same applies if, in RWB's opinion, the activities have not been or are not being carried out in accordance with the provisions of the agreement and/or according to the requirements of good workmanship.

b. Within two weeks following the receipt of a notification as referred to in paragraph a of this article, the Contractor must take the necessary measures to ensure that, in the opinion of RWB, the backlog will be made up within a short space of time and the above provisions and requirements will be met. If this is not achieved, RWB may take all measures it deems necessary, without judicial intervention. For example, RWB, or third parties acting on its behalf, may take over the activities of the Contractor. In this event, the Contractor shall lend RWB and these third parties all cooperation required.

All external and internal costs that must be incurred by RWB in connection with the provisions of paragraph b will be borne by the Contractor. The Contractor shall reimburse RWB for the costs immediately, including a reimbursement for supervision and overhead costs.

e. Even outside the circumstances referred to in paragraph a, RWB may immediately intervene in the activities if this is necessary in view of the operating conditions, safety and/or legal requirements. This does not relieve the Contractor from his liability. RWB will always notify the Contractor of such an intervention as soon as possible.

26 - Transfer of rights and obligations and outsourcing
a. The Contractor may not transfer, pledge or under whatever title transfer ownership of the agreement, any part of the agreement, rights or claims under the agreement to third parties without the written consent of RWB, nor may the Contractor have any work performed by third parties without the permission of RWB.

b. Without the written consent of RWB, the Contractor will not [1] outsource or [2] hire third parties for the agreement or any part thereof. An exception to this is the part of an agreement for which outsourcing or hiring third parties is stated in the agreement or specification. Third parties include, but are not limited to: "Sale Traders", managing directors, subcontractors and employment agencies. In the event that RWB has given permission in writing, the Contractor will include the same risk-reducing measures in his agreements with the third party/parties as those included in the general terms and conditions of purchase and in the construction contract with RWB.

c. Without the written consent of RWB, the Contractor will not hire any staff from third parties.

d. The permission as referred to in paragraphs a, b and c does not mean that any obligation under this agreement expires.

27 - Sequential Liability Act
a. The Contractor must comply with the legal obligation to remit payrolls taxes from its employees.

b. The Contractor shall indemnify RWB against any claim by the Tax Administration of payroll taxes owed for his employees. This includes interest, fines and costs, as well as the costs of legal aid to oppose any liability.

c. Without prejudice to paragraphs a and b, the Contractor must keep records in a way that allows the labour costs to be determined for each project. RWB has the right to check these records at any time. The Contractor will state the labour costs on every invoice.

d. RWB may pay the Contractor's payroll taxes for the work, for which it is jointly and severally liable under the Sequential Liability Act, by depositing it into his escrow account for the purposes of the Sequential Liability Act (the G-account). RWB may also transfer the payroll taxes directly to the Tax Administration. In the latter case, RWB therefore has no payment obligation for payroll taxes to the Contractor.

e. Unless otherwise agreed, RWB will make a direct transfer for the payroll taxes owed of an applicable percentage of the wage component - and 30% if this is
unknown. The amount is deposited into the account of the relevant Tax Administration or into the Contractor’s G-account.

f. RWB can change this percentage if it appears that the agreed percentage does not correspond with the actual payroll taxes owed by the Contractor.

g. A direct transfer or G-transfer counts as a release settlement.

h. If the "reverse charge VAT mechanism" applies to the agreement, the Contractor shall state this on every invoice.

III SPECIAL DEFINITIONS FOR THE PROVISION OF A WORKFORCE

In addition to the General Part (I), the Special Provisions of part (II) and this part (III) also apply for the provision of a workforce.

28 - Permit
a. The Contractor must, insofar as necessary, have a licence for the provision of a workforce. He must also have a valid NEN 4400-1 certificate or NEN 4400-2 certificate respectively.

b. Employees who are deployed must carry valid identification, an SSC certificate and (if applicable) valid work and residence permits.

29 - Personal protection equipment and manual tools
a. The Contractor must provide employees with safety goggles, safety shoes and manual tools.

b. If necessary, RWB will provide employees with a safety helmet and safety workwear with the RWB logo. The Contractor must ensure that the employees actually wear this protection equipment.

c. The protection equipment referred to in paragraph b must be handed in to a designated RWB employee within a week of finishing the activities. For every set of protection equipment that is not handed in, an amount of € 250 will be deducted from the Contractor’s final invoice.

30 - Time accounting
The Contractor must fully cooperate with (other) reasonable administrative arrangements that have been or will be made by RWB in order to check staffing levels at work or for the activities signed off by RWB. This includes time sheets for every employee.

31 - Billing and payment
a. Invoices must comply with the 1968 Turnover Tax Act. On the dated and numbered invoices, the Contractor must at least state the following information clearly and concisely:

b. the purchase numbers of RWB and the Contractor relating to the work;

c. the work and place(s) of implementation to which the invoice relates;

d. the time period and the performance to which the invoice relates;

e. the labour costs;

f. the time sheets signed by RWB.

g. For hiring staff, the Contractor must indemnify RWB against any claim of the Tax Administration for VAT owed.

h. For hiring staff, the full invoiced VAT amount can be transferred directly to the account of the relevant Tax Administration or to the Contractor’s G-account.

i. A direct transfer or G-transfer counts as a release settlement.

32 - Termination of the agreement/giving notice to staff
RWB may end the agreement of the workers’ employment in the interim. In the event of a normal completion, RWB will report this to the Contractor at least three working days in advance.