

MORPAK B.V. GENERAL SALE AND DELIVERY CONDITIONS

Article 1 – Applicability

1. These general sale and delivery conditions (hereinafter referred to as: "general conditions") apply to all legal acts of the seller relating to the sale and/or delivery of items, goods and services. In these general conditions the "seller" is understood to mean Morpak B.V., listed in the commercial register of the Chamber of Commerce under number: 12058127 with its registered office and principal place of business in (6003 DG) Weert, at Celsiusstraat 2.
2. These general delivery conditions have been deposited at the Chamber of Commerce in Roermond under number: 12058127 (Morpak B.V.) and can be viewed and downloaded via the www.morpak.nl website.
3. Where references are made to "the other party" in these general delivery conditions, this is understood to mean all natural or legal entities who want to enter into a contract with the seller and/or entities on whose account the products are delivered.
4. The other party may not derive any rights for the future from any stipulations varying from these conditions that have been agreed in writing.
5. All other conditions of the other party or third parties are explicitly excluded, unless the seller has explicitly agreed to these other conditions in writing. Any deviations of or additions to these general conditions are only binding if and in so far as sellers [sic] have agreed to these in writing.
6. If the other party uses standard purchasing conditions, these do not apply if these are contrary to any stipulations in these general conditions, unless the seller has explicitly confirmed to be in agreement with these conditions.
7. These conditions apply to all countries.

Article 2 - Offers and confirmations of sale

1. All offers are without obligation, unless explicitly agreed otherwise in writing.
2. The seller is not under any obligation until he has confirmed a contract in writing.
3. If the other party has not made any complaint within 10 days after the date of the confirmation of sale, he agrees to the content of this confirmation, as well as the sale and delivery conditions of the seller.

Article 3 – Requirements of materials or goods

1. The other party must inform the seller, in writing, of any special requirements for materials or goods for the performance of a contract. Unless special requirements for the materials or goods are stated with the orders and these have been explicitly agreed to by the seller, the seller's selection must be accepted.
2. With regard to measurements/dimensions the seller relies on the fact that small variations customary/accepted in the market shall never constitute a reason for a claim.
3. Unless explicitly stipulated otherwise, samples only serve to reflect sizes.
4. Samples are invoiced at double the quoted price and sent not carriage paid. If printing proofs are made, the number of hours involved will be charged.
5. Special clauses varying from the conditions described in this article, are only binding, if they have been agreed in writing and only apply to contracts they relate to.

Article 4 – Delivery, purchase and risk

1. The seller undertakes to deliver and the other party undertakes to purchase the items, goods or services.
2. Delivery and purchase are ex-works or company location in accordance with the most recent version of Incoterms 2010, unless agreed otherwise. The seller and the other party agree that if the other party instructs the seller to assist in loading any vehicle, the seller shall acquire the obligation, which obligation the seller accepts, to perform legal acts on behalf and at the expense of the other party, which legal acts concern entering into contracts with third parties for loading the relevant goods (or having these loaded).
3. If delivery is not ex-works and no specific method of transport was agreed, the seller shall determine the method of transport and delivery is deemed to have taken place:
 - a. by shipment through the services of a haulier: by transfer of the goods to the transport company;
 - b. by shipment through the seller's own transport: by delivery or presentation to this end at the premises or warehouse of the other party or a receiving address specified by the other party in writing in advance.
4. The seller and the other party agree that if the other party instructs the seller to arrange transport of goods, the seller shall acquire the obligation, which obligation the seller accepts, to perform legal acts on behalf and at the expense of the other party, which legal acts concern entering into contracts with third parties for transporting the relevant goods (or having these transported).
5. The risk of purchased goods transfers to the other party from the moment of delivery, as referred to in article 4(2) of these general conditions.
6. If a specific period for shipment of the sold goods has been agreed, the seller is, in the case this agreed period is exceeded, not obliged to pay any compensation for any damages resulting from this.
7. The seller has, at all times, the right to deliver the contract in parts.
8. The other party is obliged to take receipt of the purchased goods within the agreed time. If the other party fails to do so, the seller is entitled, at his discretion, without any notice of default, to demand payment of the sale price of the part that was not accepted or to regard the contract, in so far as not yet executed, as dissolved, without prejudice to his right to demand full compensation for any damages he suffered. In the former case the goods are deemed to have been purchased by the other party ex-works, after which these are stored at the expense and risk of the other party and against payment to the seller of all costs resulting from this. If a period as referred to in this provision was not agreed upon, the seller shall be entitled to the aforementioned measures if the sold goods have not been accepted within 4 months after the confirmation of sale.
9. If the other party must make an advance payment or if he must make available information, instructions and/or materials for the execution of the contract, the delivery period will not start until the relevant payment has been received in full or the information, instructions and/or materials have been made available in full.

Article 5 Risk of goods being damaged or lost

1. The risk related to goods being damaged or lost and any consequential damage is, after delivery of the goods as referred to in article 4(2), transferred to the other party.
2. Without prejudice to the provisions in article 3 the other party is obliged to insure the goods against fire, explosion and water damage, as well as against theft, from the moment of the delivery and for the duration of the retention of title and must allow the seller to inspect the relevant insurance policies at his request.
3. All claims related to the purchase on the insurers of the goods in respect of the aforementioned insurance policies shall, as soon as the seller so requires, be transferred to him immediately.

Article 6 – Security

1. The seller is, at all times, entitled, before commencing delivery (or proceeding with a delivery already in progress), to demand security from the other party for compliance with the other party's obligations.
2. The security may, exclusively at the seller's discretion, be requested in the form of a mortgage security interest and/or pledge and/or bank guarantee.
3. If the other party refuses to provide the required security, the seller is entitled to consider the contract terminated after a default notice in writing, without being obliged to pay any compensation on his part, without prejudice to the seller's right to claim full compensation for any damages incurred.

Article 7 – Force Majeure

1. In the case of force majeure the seller has the right, at his own discretion, to either amend the delivery term or cancel the contract, in so far as this has not yet been completed, without being obliged to pay any compensation.
2. In these general conditions force majeure includes any circumstance beyond Mopak's control - even if this was anticipated at the time of forming the contract -, which prevents compliance of the contract temporarily or permanently, as well as, in so far as these are not included in this, war, war risk, civil war, riots, work strikes or lockouts in seller's company, in an affiliated company or at logistics service providers, transport problems, fire, storm, flooding and/or any resulting damage, breakdown in the supply of raw materials or semifinished goods required by the seller and any other serious breakdowns at the seller or his suppliers.
3. With regard to contracts, formed despite the existence or predictability of circumstances as referred to in art. 7(2) or (1), the seller is authorised to plead force majeure if there is a change or escalation, or such a circumstance as described in article 7(2) above.

Article 8 – Prices

1. All prices are exclusive of VAT at the rate current at the time of concluding the contract. If the other party requests to have goods delivered free of VAT and/or excise duty, then the other party is responsible for having the necessary licences and he shall fully indemnify the seller against any (additional) assessments of VAT and/or excise duty and/or any other government levies.
2. The stipulated prices are ex-works or company location of the seller, unless agreed otherwise.
3. In so far as the agreed price between the seller and the other party takes into account the seller's costs for transport, insurance and such, these are based on the rates known to the seller at the time the contract is concluded and on normal circumstances. An increase in these costs and any newly incurred costs, duties or taxes, by whatever name, as well as costs caused by a change in the normal circumstances, are at the expense of the other party.
4. If, in connection with delivery of important quantities during a specific period, price discounts are stipulated by the other party, these discounts will only apply if the agreed quantities have in actual fact been purchased in full by the other party during the agreed period.
5. If, during the execution of the contract or part thereof, wages, raw material prices and/or other cost price factors have increased, the seller is entitled to increase the agreed price. The seller is also entitled to do so in the case of currency devaluations.

Article 9 – Payment

1. Payments must be made without any deductions within 30 days after delivery, as referred to in art. 4, took place. Claims etc. regarding the delivered goods do not give the other party the right to suspend payments or set these off against any other outstanding amounts.
2. Payments must be made in Euros, unless a different currency has been agreed.
3. If the outstanding amount has not been paid to the seller within the period stated in sub art. 9(1), the other party is deemed to be in default by operation of law and the seller will have the right, without any notice of default, to charge interest from the expiry date of the invoice at a percentage rate of 3 points above the statutory interest rate valid in the Netherlands. The seller also has the right to charge all administrative expenses at 5%, judicial and extrajudicial cost related to the collection of the debt.
4. As a result of non-payment on the expiry date the guarantee as referred to in article 11 shall lapse; furthermore, by operation of law all other invoices or outstanding amounts to the seller for any other reason will immediately become due and payable, including claims against group companies.
5. The place of payment is the seller's location in Weert.
6. For everything the other party owes the seller, the seller has a right of retention in respect of all the seller holds on behalf of the other party. This applies both to outstanding debts and any future debts. This also applies to compensation with regard to dissolution or termination of contracts concluded between parties, without it being important which party has called for termination of a contract. This also applies to all debts whether or not connected to the contract agreed between parties.
7. In the case of late payment all the seller holds on behalf of the other party will serve as security for what the seller can claim from the other party, for whatever reason, including any claims against group companies.

Article 10 – Retention of title

1. Any goods delivered by the seller shall fully remain the seller's property, until these have been paid in full by or on behalf of the other party.
2. Without prejudice to any other rights he is entitled to, the seller is irrevocably authorised by the other party, in case of the other party's failure to fulfil his payment obligations towards the seller or fulfil these by the stipulated date, for whatever reason, without any notice of default or judicial intervention, to dismantle and take possession of goods delivered by the seller which are attached to movable or immovable property when first requested. The other party must render every assistance the seller deems necessary.
3. If goods are made available to the other party for treatment or processing, or to be included or mixed in with goods that are not property of the seller, the seller shall remain owner or the seller shall become owner of the goods so created. The seller will also acquire a right of pledge on the entire lot so created. The other party is obliged to hold all the goods as described above clearly marked as having originated from the seller.
4. Any claims of the other party relating to the onward sale of goods delivered under retention of title are hereby assigned to the seller, irrespective of the fact whether the items delivered under retention of title have been used or sold on to several customers in the widest sense of the word. The assigned claim referred to in this paragraph serves as security of the items delivered under retention of title.

Article 11 – Warranty

1. The seller guarantees both the reliability of the goods delivered by him and the quality of the materials used and/or supplied for this purpose, all in such manner that any defects that have occurred exclusively or predominantly as a direct result of an inaccuracy in the construction designed by the seller - in so far as the seller has actually designed the construction - or as a result of faulty workmanship or use of faulty materials, shall be repaired by the seller free of charge.
2. In the case that the other party supplies raw materials or goods for processing or treatment, any guarantees only apply to the reliability of the execution of the processing or treatment.
3. Goods and materials are supplied in a quality specified in writing in advance. All other requirements must be agreed in writing in advance.
4. Goods and materials for which a guarantee is claimed, are returned to the seller by and at the expense of the other party.

Article 12 – Claims

1. All claims because of defects that are externally visible or can be identified immediately, can be submitted at the time of purchase of the products as referred to in art. 4.2 at the risk of forfeiting rights.
2. Claims do not give the other party the right to suspend his payments fully or partly, nor can the other party claim any compensation.
3. The onus is on the other party to prove that the claim is justified. Claims considered justified, contrary to the provisions in the Dutch Civil Code, only give the other party at the most a right to free re-delivery of the product, which free delivery will, at the same time, serve as full settlement of any claim for compensation of the other party against the seller for whatever reason.

Article 13 – Liability

1. Liability is explicitly limited to compliance with the obligations described in article 11 and 12 of these general conditions; all claims for compensation, with the exception of those relating to non-compliance of the obligations referred to in article 11 and 12, are excluded. The seller is not liable for costs, damages and interest that may occur as a direct or indirect consequence of:
 - infringement on patents, licences or any other rights as a result of use of information supplied by or on behalf of the other party;
 - acts and omissions of the seller, the seller's employees or any other persons engaged by or on behalf of the seller, with the exception of intent or gross negligence of persons that are part of management;
 - damage or loss, by whatever cause, of the raw materials, semifinished goods, designs, tools and/or any other items made available by the other party.
2. If and in so far as any liability rests with the seller, for whatever reason, this liability is, at all times, limited to the invoice value of the performance that resulted in the damage, on the understanding that the seller shall never be liable for an amount that is higher than the maximum amount of his insurance cover.
3. If an event occurs which results in the other party incurring damage or of which it is reasonably expected that it will result in damage for which the seller may be held liable, the other party must, with reasonable speed, but in any case within five days after this event, notify the seller of this event in writing. If the other party fails to issue a timely written notification, then his right to compensation in relation to the relevant event shall lapse. Any claims for compensation of damages of the other party shall lapse after ninety days after the event that caused the damage, unless it concerns damage that was notified to the seller in a timely manner as indicated above.
4. In all cases where the seller relies on the provisions in this article, any challenged employee(s) may also rely on these as if the provisions in this article were stipulated by the relevant employee(s).
5. The other party is obliged to indemnify the seller against any damage the seller may suffer as a result of third party claims relating to goods or services provided by the seller.
6. The other party is obliged to protect and indemnify the seller against any third party claims for compensation of damage that are in any way related to the execution of the contract between the seller and the other party.
7. The seller is not liable for any damage as a consequence of shortcomings that resulted from circumstances that are not attributable to the seller, including the provisions in article 6 of these general conditions.

Article 14 – Suspension and dissolution

1. If the contract cannot be executed as a result of force majeure, the seller is entitled, without any judicial intervention, to either suspend the execution of the contract for a maximum period of 6 months, or to dissolve all or part of the contract, without the seller being obliged to pay any compensation. During the suspension the seller is authorised and at the end of it the seller is obliged to elect either execution or full or part dissolution of the contract.
2. In the case of both suspension and dissolution under article 14(1) the seller is entitled to demand immediate payment of raw materials, materials, components and other items reserved, being processed and/or manufactured by the other party, such for the value that can reasonable be attributed to these. In the case of dissolution under article 14(1) the other party is obliged to, after payment of the outstanding amount by virtue of the preceding sentence, to take receipt of the items included in this, in the absence of which article 14(4) shall apply.
3. If the other party does not fulfil an obligation arising for him from the contract with the seller or a contract related to this, or does not do so properly or in a timely manner, or if there are proper grounds for expecting the other party not being able to fulfil his contractual obligations towards the seller, as well as in the case of bankruptcy, suspension of payments, cessation of the activities of the other party's company, insufficient (to be determined to the satisfaction of the seller) credit limits or exceeding these, liquidation or part transfer - whether or not for security purposes - of the other party's company, including the transfer of (a part of) his debts or (a part of) his shares, the seller is entitled to, without any notice of default or any judicial intervention, either suspend the execution of any of these contract for a maximum of 6 months, or dissolve it fully or partly, such without the seller being obliged to pay any compensation and without prejudice to any other rights the seller is entitled to. During the suspension the seller is authorised and at the end of it the seller is obliged to elect either execution or full or part dissolution of the contract(s).
4. In the case of suspension under article 14(3) the agreed price is payable immediately, with deduction of any paid instalments and costs saved by the seller as a result of the suspension, and the seller is authorised to take possession, for the purposes of security, of raw materials, materials, components and other items reserved, being processed and/or manufactured by the seller at the expense and risk of the other party. In the case of dissolution under article 14(3) the agreed price - if no prior suspension took place - is payable immediately, with deduction of any paid instalments and costs saved by the seller as a result of the dissolution and the other party is obliged to pay the amount described above and take possession of the items included in this.
5. The other party is not entitled to demand dissolution of the contract retrospectively.

Article 15 – Drawings, calculations, descriptions, designs, tools, etc.

1. Any information stated in catalogues, images, drawings, size and weight specifications etc. are only binding if and in so far as these have been explicitly included in a contract signed by parties or in an order confirmation signed by the seller.
2. The offer issued by the seller, as well as drawings, calculations, software, descriptions, designs, tools etc. produced or provided by the seller remain the seller's property, irrespective of whether any costs have been charged for these. The information, that is contained in or is the basis of the manufacturing and construction methods etc., remain exclusively reserved to the seller, even if costs have been charged for this. The other party shall guarantee that the aforementioned information, unless for the purpose of executing the contract, will not be copied, shown to third parties, published or used other than after a written permission from the seller.

Article 16 – Inspection and acceptance tests

1. The other party shall inspect the product within 14 days at the latest after delivery as referred to in article 4(2) or - if assembly/installation has been agreed - within 14 days after the assembly/installation. If this period has expired without any written and specified notification of any reasoned complaints, the product is deemed to have been accepted.
2. If acceptance tests have been agreed, the other party shall, after receipt of or, if assembly/installation was agreed, after the assembly/installation give the seller the opportunity to carry out the necessary tests, as well as make any improvements and modifications the seller deems necessary. The acceptance tests will be carried out immediately after the seller's request in the presence of the other party. If the acceptance tests have been carried out without any specified and reasoned complaint, as well as if the other party does not fulfil his aforementioned obligations, the product is deemed to have been accepted.
3. Without prejudice to the seller's obligation to fulfil his guarantee obligations, acceptance according to the aforementioned paragraphs shall exclude any claim of the other party with regard to a failure in the performance of the seller.

Article 17 – Packaging

1. Packaging is included in the price, unless agreed otherwise.
2. Packaging not included in the price is provided on loan and consequently remains the seller's property.
3. The seller shall make every effort, within reasonable limits, to use the packaging on the basis of the information and/or instructions provided.
4. The seller is not liable for any damage which could have been prevented if the other party had provided more or better information and/or instructions to the seller.
5. Without prejudice to the provision in the previous paragraph the seller is only liable for damage - provided the other party demonstrates that the damage was the immediate consequence of the serious failure attributable to the seller - to the machine(s) or item(s) themselves.

Article 18 – Competent court

1. Any disputes (including those which are regarded as such by only one of the parties) that may arise as a result of this contract or any resulting further contracts, will only be submitted to the Roermond court.

Article 19 – Applicable law

1. The contract and any contracts resulting from this are exclusively governed by Dutch law. The provisions of the Vienna Convention dated 11 April 1980, Treaty Series 1981.84 and 1986.61 are excluded.

Drawn up and signed in triplicate in Weert on ____ - ____ - ____

Morpak BV

D.A.H. Romeijnders

Name (I have authority to bind the Corporation)

***Morpak BV Initials:
Company sub 2 Initials:***