

MELSPRING INTERNATIONAL B.V., VELP

General Purchasing Conditions

1. *General*
 - 1.1 These General Purchasing Conditions apply to all offers and contracts whereby Melspring purchases goods of any nature whatsoever from the supplier, unless the parties have explicitly agreed otherwise in writing. Any sales or other conditions of the supplier do not apply unless Melspring has explicitly accepted such in writing.
2. *Making of the contract*
 - 2.1 The contract between Melspring and the supplier will first be deemed to be made if Melspring places a written purchase order with the supplier and the supplier will confirm the purchase order in writing.
3. *Payment*
 - 3.1 Melspring will pay the purchase price of the goods within the payment term set out in the purchase order, or, in the event the delivery is postponed, within the agreed payment term, to be counted as of the date when the goods are actually delivered, without prejudice to its right to suspend its payment obligations in the cases set out in Dutch law.
4. *Changes to contracts*
 - 4.1 Changes to the purchase contract will only be effective if agreed between the parties in writing.
 - 4.2 Changes which lead to higher costs on the part of the supplier will only lead to an increase in the price for the goods ordered if such is explicitly agreed in writing.
5. *Guarantee of quality and condition of goods*
 - 5.1 Subject to the other provisions of the purchase order referred to in Clause 2, the goods to be delivered must
 - a) with regard to the quantity, the product description, the quality, the origin, the packing and the affixed marks, completely correspond with the provisions of the purchase order;
 - b) if the supplier sells to Melspring on the basis of samples, correspond with such samples in all respect;
 - c) be suitable and legally permitted for the purpose for which they are intended, if the supplier has been informed of such purpose or such logically ensues from the nature of the product.
6. *Right of inspection*
 - 6.1 Melspring has the right to be present or represented at the separation, weighing, counting, measuring or taking of samples of the goods. If Melspring wishes to make use of this right, it will inform the supplier in this respect. In such case the supplier will inform Melspring in due time as to where and when these matters will take place in order to give Melspring the opportunity to attend.
 - 6.2 Melspring also has the right to inspect the goods during manufacture, processing and storage. If Melspring wishes to make use of this right, it will inform the supplier hereof, in which case the supplier provides the facilities which Melspring deems necessary therefore.
 - 6.3 Making use of the rights described in this clause will not in any way affect Melspring's rights vis-à-vis the supplier in the event the goods turn out not to meet the requirements set in respect thereof under the heading of the purchase order or otherwise.
7. *Packing and transport*
 - 7.1 Subject to the relevant provisions in the purchase order, the supplier must ensure that the goods have been properly packed and secured and, if the supplier is to take care of the transport, are transported in such way that they reach their destination in good condition and can be safely unloaded at said destination.
 - 7.2 The supplier is responsible for the proper compliance with national, international or supranational rules relating to the packing and, if the supplier is to take care of such, to the transport of the goods.
 - 7.3 Melspring is entitled to reject the goods if the supplier has acted contrary to Paragraphs 1 and 2 of this clause.
8. *Delivery*
 - 8.1 Delivery must be free of charge including taxes (DDP, in accordance with the most recent version of the ICC Incoterms), unless explicitly otherwise agreed in writing, in which case alignment is to be sought with the ICC Incoterms (most recent version) commonly used in (international) trade.
 - 8.2 If due to exceptional circumstances Melspring is not able to take the goods from the supplier at the agreed time, the supplier will postpone delivery at Melspring's request for a reasonable period to be determined by Melspring. In such case the supplier is obliged to store and secure the goods and to take all reasonable measures to prevent deterioration in the quality until they are delivered to Melspring.
 - 8.3 In such case Melspring undertakes, as of the delivery date set out in the purchase order, or, if the goods become available at a later date, as of the latter date until the time when the goods are taken from the supplier, to pay the supplier for the storage costs, up to a maximum of the rate common in the industry
 - 8.4 The supplier is to deliver in conformity with the agreed delivery term, unless the contrary is explicitly agreed. The supplier is obliged to immediately inform Melspring when he knows or expects that the goods cannot be delivered or cannot be delivered in time. The supplier will compensate Melspring for damage suffered as a result of late delivery.
9. *Title*
 - 9.1 Title to the goods passes to Melspring upon delivery.
 - 9.2 If the goods delivered to Melspring do not correspond with the purchase order in whole or in part, or if the supplier does not perform his obligations in some other way, Melspring is entitled to reject the goods or part thereof, in which case the goods or the part in question will be deemed to have remained the property and at the risk of the supplier at all times. Melspring is in such case entitled to return the goods or the relevant part to the supplier, at the supplier's expense and risk, without prior notice. The related payment obligation will lapse along with Melspring's rejection of the goods. If an advance has been paid, the supplier will immediately repay such advance.
10. *Default*
 - 10.1 If the supplier does not perform any obligation ensuing from the purchase order or any other obligation to which he is subject, and in the event of bankruptcy, (provisional) moratorium, cessation or liquidation of the supplier's

business, he will be deemed to be legally in default and Melspring has the right, without prejudice to its right to indemnity and without the need for judicial recourse, to dissolve the contract in whole or in part or to demand performance, at its option.

10.2 If Melspring dissolves the contract in its entirety, it will return the goods already delivered by the supplier to the supplier, at the supplier's expense and risk, subject to his obligation to repay to Melspring any part of the purchase price which it might already have paid.

10.3 If Melspring opts for retaining the goods delivered by the supplier in whole or in part, it will pay the supplier a reasonable proportion of the purchase price thereof.

10.4 If Melspring demands performance of the contract, the supplier is obliged to see to delivery of the goods or, at Melspring's option, to replace the goods rejected by Melspring at the supplier's expense.

11. *Liability*

11.1 The supplier will fully indemnify Melspring in respect of all damage caused to goods or persons on the part of Melspring, its personnel or its customers as a result of or arising from an action or omission, insofar as such is to be deemed a form of default or wrongful act on the part of the supplier, his personnel or of other persons which the supplier involves in the execution of the order.

11.2 The supplier will fully indemnify Melspring against claims of third parties for compensation of damage as referred to in Paragraph 1.

12. *Force majeure*

12.1 If a supplier is prevented by force majeure from performing the contract in whole or in part, Melspring has the right, without the need for judicial recourse, to suspend performance of the contract on its part, or to dissolve the contract in whole or in part, at its option.

12.2 A shortcoming in the performance of the contract by the supplier can be attributed to the supplier and will not entail force majeure on the part of the supplier if such is attributable to strike, fire, machine breakdown and other disruptions in options, either at the supplier's or at his supplier's of goods and services, disruptions in transport, late delivery or non-delivery on the part of his suppliers, and failure to obtain any permits prescribed by the government.

13. *Intellectual property rights*

13.1 The supplier will indemnify Melspring against claims of third parties in respect of alleged infringements of any intellectual and industrial property rights claimed by third parties, connected with the manufacture or the use of the goods delivered.

14. *Confidentiality*

14.1 The supplier is subject to a duty of confidentiality in respect of all data, information and know-how which comes to his attention in the framework of the contract and is under an obligation to take appropriate measures to ensure such. In addition, the supplier is obliged to impose the same duty of confidentiality on any employees and third parties involved in such contract.

15. *Transfer of rights and obligations*

15.1 Without the written permission of Melspring, the supplier is not entitled to transfer its rights and/or obligations ensuing from the contract made with Melspring to third parties.

16. *Applicable law and competent court*

16.1 Contracts with the supplier and these General Purchasing Conditions are governed by Dutch law.

16.2 The applicability of the Vienna Convention on International Sales of Goods 1980 is excluded.

16.3 All disputes arising in connection with the contract with the supplier and/or these General Purchasing Conditions will be brought before the competent court in Arnhem, on the understanding that Melspring has the right to bring claims against the supplier before other judicial institutions which have jurisdiction on the basis of national or international law.

17. *Registration of General Conditions*

17.1 These General Conditions were registered with the Chamber of Commerce of Arnhem on 08-01-2004.