

GENERAL TERMS AND CONDITIONS OF DELIVERY AND PAYMENT

of the Dutch company AVK PLASTICS B.V., with registered office in Balk,
registered with the Chamber of Industry and Commerce in Leeuwarden under the number 2792

Article 1: Validity

1. The present terms and conditions shall be valid for all quotations, offers, performance of work and contracts in connection with the production, sale and supply of goods by AVK Plastics B.V. (hereinafter referred to as AVK); the general terms and conditions of its customers shall expressly not apply.

Article 2: Quotations, purchase order/order and contract

2.1 Quotations and offers of AVK, regardless of their form, shall be without engagement and may be revoked by it, taking into account a suitable period of time, even after an order has been accepted.

2.2 A purchase order/order and (a more detailed or a modification to the) contract with the customer shall exclusively be formed after AVK has given written confirmation of it ("order confirmation").

2.3 Unless otherwise agreed in writing, all amounts shall not include value-added tax and other possible official charges.

2.4 Unless other arrangements have been agreed in writing, the price upon delivery shall apply to goods for which a delivery date has been agreed or which are supplied on call.

2.5 If, after the order confirmation, circumstances arise which result in increases in cost prices, for example due to statutory measures, collective agreements, wage increases, price indexing, higher raw material prices, exchange rates, import and export rights, taxes and public charges, AVK shall be authorised after consultation with the customer to increase the agreed price proportionally, unless other arrangements have been agreed in writing.

Article 3: Provisions in connection with purchases

3.1 If a delivery corresponds in terms of number, scope or weight to 10% more or less of what was agreed, the delivery shall comply with the terms of the contract.

3.2 The customer shall ensure that the elements, materials, auxiliary tools or casting moulds from which the product to be manufactured is moulded that originate from him shall be delivered free of charge and free house at the time and to the location instructed by AVK.

3.3 The customer shall guarantee that said elements, materials etc. are suitable for the product to be manufactured. AVK shall be neither obliged to check their suitability nor shall it be liable for damage possibly caused by such unsuitability.

3.4 If the elements etc. are supplied too late and/or they are unsuitable, the customer shall be liable for the resultant damage, such as loss of production, loss of sales, consequential damage, damage through stagnation and loss of prospective profits. Following delivery, the customer shall assume the risk for the elements and AVK shall not be liable for damage resulting from them.

3.5 The product to be manufactured shall only be manufactured in accordance with the specifications agreed in writing after the contractor has been shown or presented with a sample or a model and the contractor has approved the sample or model and one of the parties has confirmed said approval in writing forthwith.

Article 4: Casting moulds

4.1 After the customer has settled the costs quoted by AVK for a casting mould or auxiliary tool (to be replaced or repaired), the casting mould or the auxiliary tool shall be manufactured (or replaced or repaired). After a casting mould or an auxiliary tool has been manufactured, AVK shall retain it for the customer. AVK shall warrant that the casting mould or the auxiliary tool manufactured by it:

- can be used two years after its manufacture for fulfilling the contract with the customer;
- or

a. in the event of a corresponding contract is suitable for manufacturing the number of agreed products.

4.2 AVK shall store the casting mould or the auxiliary tool for up to two years after the date of delivery and/or payment for the product last manufactured. AVK shall destroy the casting mould or the auxiliary tool on the account of the customer after expiration of the above-stated period of time and after the customer has been informed of its intended destruction and the costs entailed thereby by means of registered letter and has not collected the casting mould or auxiliary tool on his own account and at his risk within 14 days of the date of the registered letter. AVK shall not be liable for damage resulting from destruction. If the casting mould or the auxiliary tool is provided by the customer and if the customer has discharged all his obligations towards AVK, the casting mould or the auxiliary tool shall be returned upon written request by the customer and at his expense.

4.3 The casting mould or the auxiliary tool shall be declared unsuitable for manufacturing the product if:

- the number of pressings or products included in the order confirmation has been achieved;
- manufacture of the product is not tenable.

The customer shall be informed in writing of the unsuitability and the costs of repair or replacement.

4.4 The casting mould or the auxiliary tool shall be maintained by AVK on its own account for as long as it is suitable for manufacturing the product.

Article 5: Ownership of the packaging

5.1 Packaging intended for reuse by AVK and its purchasers, in particular plastic display pallets produced by AVK, hereinafter referred to as "pallets", shall remain the property of AVK, regardless of whether the customer has paid for use of the delivered product.

5.2 When the customer obtains possession of the pallets stated in paragraph 1 above, either from AVK or from third parties, the customer shall retain said pallets exclusively for AVK. The customer shall not be authorised to sell or store pallets or to use them or allow them to be used for purposes other than packaging purposes. If the customer has paid a gross price for the pallets and AVK has not granted a reduction beforehand, the customer shall have the right to a reduction for each pallet delivered in the Benelux pallet pool. The reduction shall lapse within 12 months after start of use by AVK and may only be obtained if the customer is able to prove by way of packing slips that the pallet was actually delivered to a purchaser/distribution centre affiliated with the Benelux pallet pool.

5.3 The customer shall attempt to demand from his purchaser/distribution centre that, if it obtains possession of the said pallets, it shall not sell or encumber them and shall hold the pallets in safekeeping for AVK. The customer shall attempt to demand from his purchaser/distribution centre that the latter informs AVK forthwith in writing of the fact that it has used pallets from AVK that are freely available and of the number of these and that these can be collected by or on behalf of AVK from the location of the branch of the purchaser/distribution centre, unless otherwise specified.

Article 6: Delivery

6.1 Unless otherwise agreed in writing, all deliveries shall be made "ex factory". If deliveries are not made "ex factory" and no specific type of shipment has been agreed in writing, AVK shall determine the type of packaging and shipment.

6.2 The delivery shall be regarded as having been made:

- in the case of collection of the goods by or on behalf of the customer: by receipt or, if the customer does not take delivery of them on time, at the time at which delivery should have been taken of them;
- in the case of shipment through a haulage company outside the case stated under a.: by handover of the goods to the haulage company;
- in the case of shipment by a means of transport of AVK: by delivery or offering on site where the customer runs his company, unless otherwise agreed in writing.

6.3 Unless otherwise agreed in writing, the transport costs shall be borne by the customer. In all cases, the customer shall assume the risk of transport after delivery, even if this is performed on the account of AVK.

6.4 The risk of damage to and loss of the goods and of consequential (damage) arising as a result shall be assumed by the customer after delivery.

6.5 The delivery deadline is an approximation; expiration of the deadline shall not denote any shortcoming on the part of AVK and shall neither result in a failure to perform on the part of AVK nor shall AVK be liable for any damage resulting from expiration of the deadline, unless otherwise agreed in writing.

6.6 AVK shall be authorised to settle and invoice outstanding amounts in parts and shall inform the customer of its intentions to do so in good time.

Article 7: Payment

7.1 Unless otherwise agreed in writing and notwithstanding the right to a prepayment, payment in cash or provision of security at the same time and at the same place as the delivery, payment shall be made within 30 days of the invoice date.

7.2 The customer shall be authorised to offset payments of the counterclaim has been acknowledged in writing by AVK or has been ruled on finally and conclusively.

7.3 If the time limit for payment expires without payment being made, the customer shall be in default without notice of default having to be given, and a monthly rate of interest of 1.5% of the invoice amount or - if higher - the statutory rate of interest shall become due over the period in which the customer is in default of payment.

7.4 In the case of partial or complete default by the customer, AVK shall be authorised to postpone fulfillment of its obligations in full until the time at which the customer fulfils his obligations or for the duration of a definitive deadline set by AVK within which the customer has pledged security for observance of his obligations (for example cash payment, prepayment or supply of rights with a registered document in name or like, bank guaranty). If said obligations are not fulfilled in full or the deadline set expires without fulfillment of them, AVK shall be authorised to demand fulfillment by the customer by judicial means, notwithstanding its right to cancel the contract and its right to compensation. AVK shall notify the customer thereof in good time.

7.5 Notwithstanding the provisions in Art. 6:80 and 83 BW (Dutch Civil Code), the consequences of default on the part of the customer shall come into effect, without notice of default having to be given, in the following cases:

- in the event of (an application for) a respite or bankruptcy on the part of the customer;
- in the event of attachment, including summary notice to pay, to the debit of the customer;
- partial or complete closure, strike or assignment of the company of the customer;
- placing of the customer under guardianship.

Article 8: Reservation of ownership and right of lien

8.1 AVK shall reserve ownership of the goods delivered to the possession of the customer until the customer has discharged his owed obligation. The customer shall be authorised within the framework of his normal conduct of business to sell the goods, but excluding restricted (security) rights to said goods for third parties.

8.2 If the said reservation of ownership ends and the customer still has obligations to discharge towards AVK, the customer shall obtain ownership of the goods in his possession, subject to the right of lien for AVK as security for all that the customer owes or will owe AVK.

8.3 The customer shall be obliged, if he sells the product manufactured by AVK, to pledge those claims accruing as a result to the recipient to AVK forthwith.

8.4 The customer shall be obliged to inform AVK immediately in writing of the claims of third parties to goods for which AVK has reserved ownership.

8.5 In cases in which the reservation of ownership of AVK is lost, for example as a result of processing, confusion of rights or accretion, a right of lien shall apply on the newly created company as security for all that the customer owes or will owe AVK.

8.6 The customer shall be obliged to provide his co-operation forthwith in consolidating the said rights of lien.

Article 9: Force majeure

9.1 A shortcoming cannot be attributed to AVK if the shortcoming is the consequence of a foreseeable or unforeseeable circumstance outside the power of AVK. Such a circumstance shall be in all cases: war or circumstances similar to war, mobilisation, boycott, strike, occupation, blockade, reduction in production or lack of raw materials, disruption to operation, illness of staff, shortcomings of suppliers and/or haulage companies, official measures such as transport, import, export or production bans, natural catastrophes, lightning, fire, explosion or the leakage of hazardous substances or gases. In such cases, AVK shall have the right to extend delivery deadlines by the duration of the impediment or to cancel the contract - if it has not been executed - without requiring to pay compensation to the customer, even if AVK may enjoy a benefit in connection with the force majeure or impediment.

Article 10: Liability

10.1 AVK may only be held liable by the customer for damage that is the direct and exclusive consequence of a shortcoming that can be attributed to AVK, namely in such a way that compensation shall only be possible for damage that has occurred within eight months after delivery, if AVK has been notified in writing by the customer within eight days of discovery of the damage; all rights in this respect shall lapse if such notification is not given.

10.2 AVK shall not be liable for

- Damage to business (loss of sales and prospective profits and consequence damage) that have arisen for whatever reason. If desired, the customer shall insure himself against this damage.
- Damage from shortcomings of AVK caused through its fault;
- Damage from shortcomings caused through the fault of a vicarious agent in an executive position whose services have been enlisted by AVK for executing the contract;
- Shortcomings caused by intent or gross negligence of subordinate vicarious agents of AVK;
- Shortcomings caused through the fault of vicarious agent whose services have been enlisted by AVK.
- Damage which is the direct and exclusive consequence of use of the manufactured product as a result of installation or, if the element forms part of another end product that is used in aircraft, offshore plants or the like.
- If business services that are unsuitable are used for executing a contract, the shortcomings arising as a result shall not be attributed to AVK.

10.3 The damage shall be compensated at most up to the net invoice value of the invoiced product that has been manufactured by AVK and has caused the damage.

10.4 A shortcoming on the part of the customer in fulfilment of his obligations towards AVK and/or his termination of or release from the contract shall oblige him to compensate AVK for the damages suffered by it, notwithstanding the provisions in the present terms and conditions.

10.5 Said damage shall consist of economic loss and shall cover losses suffered as well as losses of prospective profits. Economic loss giving entitlement to compensation shall be inter alia:

- Consequential damage, damage from stagnation and damage to products;
- Reasonable costs for avoiding and limiting damage that can be expected as a result of the incident to which liability relates, for example costs of expert reports, costs for legal advice and collection of evidence, external and internal costs in the form of, for example, time invested by AVK's own expert employees in connection with the shortcoming/damage;
- Reasonable costs for determining damage and liability;
- Reasonable costs for obtaining out-of-court payments, such as the external and internal costs actually incurred for giving notice of default and/or out-of-court collection costs, with the scope of the functions discharged and the hourly price having an influence.

10.6 The customer shall indemnify AVK upon the first written application to this effect against claims for liability of third parties for damages that have been caused by a shortcoming of the customer.

Article 11: Warranty

11.1 AVK warrants - exclusively insofar as casting moulds, material, spare parts and devices are involved and if and insofar as AVK had a free choice in them - that the products manufactured by it or on behalf of it are reliable. AVK shall repair damage to casting moulds, materials, spare parts or devices that has occurred within four weeks of delivery, or replace them, free of charge. In connection with said deficiencies, the customer shall have the right to repair or replacement after the customer has sent what needs to be repaired or replaced to AVK.

11.2 Deficiencies that arise as a result of normal wear and tear, incorrect handling or maintenance by or on behalf of the customer or his vicarious agents, or that result following a change or repair by or on behalf of the customer or by third parties shall be excluded from said warranty.

11.3 The warranty shall not apply if the customer is in default in fulfilling his obligations towards AVK.

Article 12: Obligation to give notice of complaints

12.1 The customer shall, when goods are delivered, examine as far as possible whether they comply in number, scope and weight to the contracts and shall inform AVK in writing forthwith, but at the latest within 8 working days of delivery, if the delivered goods do not comply in number, scope and weight to the contracts; if the customer fails to give notice, his rights in this connection shall lapse.

12.2 The customer shall not be able to plead that the delivered goods do not comply with the contractual provisions or have deficiencies if AVK has not been informed of this in writing within eight working days after the customer has discovered this or should have discovered this in good faith; if the customer fails to give notice, his rights in this connection shall lapse.

Article 13: Intellectual and industrial property rights

13.1 Unless contracts to other effect have been concluded in writing, AVK shall reserve the copyrights and all other rights relating to intellectual or industrial property for the drafts, sketches, figures, drawings, models, casting moulds, programs and offers created by it. Said documents may not be published or copied without the written consent of AVK. The customer shall be liable for damage resulting from the violation of said rights.

13.2 AVK shall neither warrant nor be obliged to ensure that information, recommendations, drafts, drawings, prescribed materials, programs or elements are checked for correctness and/or suitability. No claims for liability can be asserted against AVK due to the incorrectness or unsuitability of them. The customer shall indemnify AVK upon the first application to this effect against claims of third parties in matters relating to information, recommendations etc.

13.3 The customer shall warrant that AVK, if it makes use of the said information, recommendations etc. in manufacturing the goods, does not violate the intellectual or industrial property rights of third parties; the customer shall consequently indemnify AVK upon the first application to this effect against claims of third parties. AVK shall then be authorised to cancel the contract with the customer and the customer shall be liable for the damage incurred.

Article 14: Applicable law and place of jurisdiction

14.1 The contract between AVK and the customer shall be governed and construed according to Dutch law. Application of the Vienna Convention of the Sale of Goods (OSG) is hereby expressly excluded.

14.2 The arrondissement Leeuwarden/Netherlands shall be the exclusive place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship. Said condition shall apply exclusively to AVK.