



Sanders Magneet Service B.V.

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**General Conditions of Sale and Delivery of the private limited liability company
SANDERS MAGNEET SERVICE B.V.**

In these general conditions the word "Sanders Magneet Service" must be understood to mean the private limited liability company Sanders Magneet Service B.V., established and incorporated under Dutch law, having its registered office in Geldrop, the Netherlands, registered with the Chamber of Commerce in Eindhoven (The Netherlands) under number 17046282.

These general conditions have been filed at the Chamber of Commerce in Eindhoven (NL) registered under number 17046282

Article 1 - Applicability.

1.1 These General Conditions of Sale and Delivery apply to all our offers and to all contracts, including but not limited to purchase orders, we entered into with the customer. Deviations from or additions to the preceding and next sentence must be explicitly agreed upon in writing. These General Conditions of Sale and Delivery, together with the order confirmation and attached riders, if any, shall constitute the entire contract between the customer and us and shall supersede all other agreements and understandings with respect to the subject matter hereof.

1.2 References by the customer to its own purchasing conditions, contract terms or other conditions in any purchase order or other form of written confirmation sent by the customer, shall not bind us, notwithstanding our act of delivery of the products to the customer in response thereto. The applicability of any conditions used by the customer is explicitly rejected.

1.3 These General Conditions of Sale and Delivery also apply to extra work requested by the customer, by which is understood all that is delivered or performed over and above what is recorded in the confirmation of the original order during the execution of the original order. In general, the previous additional order by the customer will be requested before the production and/or delivery of extra products, but if the activities make the immediate execution necessary, the additional order is to be considered in the original order and the confirmation of the original order, and on the basis thereof we can charge the customer the additional amount.

1.4 Any provision of the order or these General Conditions of Sale and Delivery which is finally determined to be invalid or unenforceable in any jurisdiction shall be ineffective only to the extent of such invalidity or unenforceability, without invalidating or rendering unenforceable the remaining provisions, and any invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. A legally invalid provision shall be replaced by an alternative valid provision which approximates as closely as possible in nature and scope to the legally invalid provision, on the terms of which parties shall consult further, if necessary.

Article 2 - Offers.

2.1 All our offers are without engagement. A contract is concluded as soon as we have confirmed an (individual) purchase order placed by the customer. In this connection all employees, exclusive of our Board of Directors and the employees who have been authorised in writing by our Board, according to the extract of the Commercial Register of the competent Chamber of Commerce and Industry, are to be considered as unauthorised personnel. Only we can invoke the provisions in this paragraph. Further, we are entitled to regard orders issued, to be issued by duly authorised employees of the customer.

2.2 Orders and confirmation of the orders must be in writing; confirmations might take place by means of pro forma invoices. Orders, confirmations and rejections transmitted electronically in our specified format under our specific protocol and/or through e-mail will be considered to be written or in writing. Proof with respect to the content of these communications will follow from the data stored in or derived from our administration. The provisions in this paragraph also apply to any amendments, additions or varying terms to orders already placed. Therefore, an amended order placed by the customer does not bind us, unless the customer has placed an amended order within 48 hours or two days of our written confirmation of the original order and such amended order has itself been confirmed in writing by us. For orders where, because of their nature or size, no offer or order confirmation is sent, the contract is concluded at the moment we actually begin to carry it out; in such cases the invoice will be considered as the order confirmation and at the same time is deemed to correctly and completely represent the contract.



2.3 Samples, illustrations, sketches, drawings, specifications and similar details supplied to the customer at the quotation stage only serve as a rough indication for the products to be delivered and shall only be deemed binding if they have been confirmed in writing by us after an order has been placed. We shall not be bound by any obvious errors in printed material, drawings, sketches and other documents or any measurements, clerical or arithmetical errors.

2.4 Drawings, technical documents or other technical information relating to a quotation shall not, without our prior consent in writing, be used for any other purpose than the sale of the products. They may not be otherwise used or copied, reproduced, transmitted and/or passed on to a third party; they have to be returned immediately at our request. All drawings and technical and commercial documents relating to the products, their manufacture or their use which have been passed on to the customer before or after an offer has been sent by us, including all intellectual property rights, shall remain our property.

2.5 In case of a complex offer of prices there is no obligation for delivery of a part of the order for a corresponding part for the price stated for the entire order.

2.6 We shall reserve the sole right to make minor alterations in any product which is part of a confirmed purchase order at any time, without incurring any obligation towards the customer.

Article 3 - Date and place of delivery.

3.1 Delivery dates are approximations only and are stated in our written order confirmation. The delivery time is extended with the time during which the customer remains negligent to observe any obligation of payment or any other obligation resulting from the order or from any previous or after order; we are not liable for damage of the customer. In case other circumstances than those known to us at the moment we determined the time of delivery arise, we are entitled to extend the delivery period needed to deliver the products under these circumstances.

3.2 Unless otherwise agreed in writing, delivery shall be Ex Works (EXW), Incoterms, latest version.

3.3 If the products have not been accepted by the customer when delivered, the latter is in default. In that case we are entitled to store the products or to have them stored at the expense and at the risk of the customer, to invoice, and if the customer does not meet its payment obligation in time, to make use of our right to cancel the order. In this case, the customer is also liable for our transport costs.

3.4 If the customer orders products to be delivered on call, they must actually be called and taken within the period of call agreed. If the customer does not meet said obligations within eight days after the end of the period of call, we shall be entitled to send an invoice, or to cancel the order, or any previous or after order and/or any other contract with the customer.

3.5 We will use our best efforts to deliver the products on the agreed delivery date, which is not an absolute deadline. Failure to meet delivery dates shall not however constitute grounds for a claim for compensation, or non payment of previous orders, or cancellation of the affected order or previous or after order(s). However, if the delay exceeds one month, the customer is entitled to cancel the delayed order in writing if we - after written demand hereof by the customer - are unable to deliver within a reasonable time-limit hereafter. Cancellation of a delayed order does not entitle the customer to cancel other orders, unless delays have occurred repeatedly during a substantial period of time.

3.6 Before or during the performance of the order we, if we have a good reason to fear that the customer will not be able to fulfil its obligations of payment in time to us, shall be entitled to suspend the fulfilment of our obligations until the customer has given sufficient security that payment will take place. If an order is accepted by us without an irrevocable letter of credit, or other similar form of sufficient security, at Sanders Magneet Service's sole discretion, the customer is always obliged to give additional security at our request. If the other party fails to give such security we shall be entitled to cancel the affected order(s) and/or any other order; the customer is liable for any damage we suffered. The above requirement does not release the customer from any previous obligation.

Article 4 - Prices and packing.

4.1 In so far as it has not been agreed otherwise with the customer in writing, our prices will be EXW, as mentioned in Article 3.2, in Euros, and do not include possible value-added tax. Our prices will be added up with all taxes, levies or other costs relating to / as a consequence of the European Directives (and the local regulations hereto), to the extent permitted under statutory law.

4.2.1 The prices shall be without engagement in respect of any repeat orders and/or follow-up orders.

4.2.2 If we want to make a price adjustment because of the fact that one or more of the factors determining the (cost) price -e.g. costs of (ancillary or raw) materials, parts, freight rates, wages, social security contributions, customs, import or export expenses, taxes, and also price-adjustments as a result of currency price changes or change in the interest rate, or any change of the currency of the prices- have altered, then we are entitled to adjust the order price accordingly, with due observance of existing applicable legal requirements, on the understanding that any future price increase which we are aware of on the date of the order confirmation should be specified on this order confirmation. We have the right to adjust the prices or to change the currency of the prices with immediate effect, also regarding orders placed. In these cases, the customer has the right to cancel the relevant parts of the purchase order if the price adjustment is more than a five per cent increase and the delivery of the relevant products would normally take place with three months after our order confirmation.

4.3 Unless agreed otherwise in writing, we shall - if necessary and at our sole discretion - provide the products with the standard Sanders Magneet Service's packing. Unless otherwise agreed with the customer in writing, packing materials are not taken back by us.

Article 5 - Terms of payment.

5.1 Payment will only take place in Euro and shall be effected, if it has not been agreed otherwise in writing, in advance or with an irrevocable letter of credit issued or confirmed by a leading Dutch bank in The Netherlands or with another similar form of sufficient security, at Sanders Magneet Service's sole discretion. Time is of the essence regarding the payment of our invoices; the customer is in default by operation of law if it has allowed the agreed payment term to expire.

5.2 Unless agreed in writing otherwise, if payment will not be effected in advance or with an irrevocable letter of credit, or with another similar form of sufficient security, at Sanders Magneet Service's sole discretion, payment is to be made within 30 days after invoice date, without any right to discount or set-off. Each payment by the customer will be used first for the settlement of any collection and internal (administration) costs, then for the interest due,

and after that, for the settlement of any outstanding claims in order of age beginning with the oldest.

5.3 The claim for payment of the purchase price shall be due and payable at once if the customer is, amongst other circumstances, declared bankrupt or files a petition for an official moratorium, if the appointment of a guardian over it has been applied for, or any products or claims of the customer are attached, and also if an administrator or receiver has been appointed over (part of) its property or the customer is in liquidation or has been wound up.

5.4 Any amounts due and payable to us for products supplied to the customer which have not been received in time, shall accrue an interest rate of 6% per annum, unless the Dutch legal rate of interest according to Section 6:119a Dutch Civil Code ("de handelsrente") exceeds the above mentioned interest rate. In that case the highest interest rate is applicable. The date on our bank or giro statement when payment is recorded as received applies as the date on which payment has occurred.

5.5 If we find it necessary to institute measures to recover sums due, the customer shall be obliged to reimburse any internal administration costs incurred. Internal cost shall be set at five per cent of the invoice amount. Neither we nor the customer are permitted to demand either a reduction or an increase in these internal costs in any legal proceedings. It shall be assumed that we are obliged to institute collecting measures when payment by the customer is outstanding to a greater number of days than agreed upon. If the customer shall default in any of the conditions of any order or any other contract, obliging us to commence extrajudicial, legal or arbitration proceedings against him, the customer shall bear all reasonable expenses of any extrajudicial collection or of any litigation, including court costs and all attorney's fees incurred by us.

5.6 Any credit entries can only be made by our Board of Directors or authorised personnel as mentioned in Article 2.1; rights can only be derived from a credit entry if the credit note is provided with a signature of one of them..

5.7 If the invoices by way of exception are in foreign currencies we shall nevertheless have the right to claim payment in Euros, and this according to the price of the day on which the agreement came about, or at our choice, according to that of the invoice date.

5.8 Complaints and/or questions regarding our invoices must be notified to us in writing and with the statement of the reasons and must be received by us within 14 days of the invoice date, failing which the customer shall be deemed to have approved the invoice.

Article 6 - Inspection of the products and complaints.



6.1 All deliveries are considered to have been approved unless the customer, within ten (10) days after the moment the products arrived at the warehouse or place where the products have been stored/delivered by order of the customer, notifies in writing that and why he does not agree with the delivery (defects, damages, or shortage). The Customer is however obliged to check all deliveries on receipt. In case the customer accepts the products without reservation or protest, the burden of proof that the products were not in good order on receipt, falls on the shoulders of the customer.

6.2 Defects of the products that cannot reasonably be discovered within the above-mentioned period must be reported by written notice immediately upon being discovered. Again, the burden of proof that the products were not in good order on delivery falls on the shoulders of the customer.

6.3 Minor variations within Sanders Magneet Service's customary tolerances shall not entitle the customer to file a complaint, or demand compensation, or request that the order be cancelled.

6.4 In the event of the customer's failure to give us notice within the period specified in Articles 6.1 and 6.2, the customer's claim concerning defects as aforesaid may be refused by us without further explanation.

6.5 Upon discovery of any defect to a substantial number of the same product of Sanders Magneet Service's, the customer shall immediately cease the marketing of the products concerned and shall give us all such assistance as we may require for the purpose of examining the complaint. We refer to Article 9.1 below.

6.6 Complaints regarding the products will only be considered by us, provided we are given the opportunity to verify that the complaint is valid and genuine.

6.7 Any defects regarding part of the products that relate to one purchase order do not give rise to an allowable claim by the customer to reject all of these products which form part of this purchase order.

Article 7 - Retention of title.

7.1 After delivery of a specific order, the products shall remain our property until such time we have received full payment:

- a) for the products supplied concerning this specific order, or previous or after orders, and
- b) of claims arising from the non-performance by the customer of any orders, such as damages, penalties, interest and costs.

The mere fact that we do not have, or do not have anymore, any claim to the customer at a certain date shall not bar the validity of the continuation of our retention of title if we will have a claim against the customer at a later date.

7.2 If the products are actually in the customer's possession before they are paid for, they shall be deemed to have been shipped/transported on a consignment basis and we shall be entitled at any time to recover these products (entering on to the customer's properties for this purpose, if necessary) or demand their return forthwith.

7.3 Prior to the date of acquiring the property of the products, the customer shall not be entitled to dispose of the products or to use the same as collateral for any loan or to pledge the same as security for any debt or mortgage the same or otherwise to transfer or assign the same to any third party. However, the products may be used by the customer in the normal course of its business.

7.4 In case of any amounts due and payable, the customer shall enable us forthwith to regain possession of the products supplied by us, without any prior notice of default or judicial intervention being required for that purpose. In anticipation of the event that the customer should fail to fulfil any of its obligations (of payment or otherwise) to us, and without prejudice of any of our rights, we are hereby given irrevocable authorisation by the customer to recover possession of the products forthwith upon our demand, without any prior notice or judicial intervention being required for that purpose.

7.5 It shall be the customer's duty to give us immediate written notice in the event that third parties (may) enforce any claims upon any of the products which are subject to our retention of title.

7.6 Every payment we receive from the customer shall be applied first of all towards the discharge of the debts owed to us by the customer in respect of which no reservation of ownership in the terms of Article 7.1 is in force.

7.7 The customer will inform us regarding any additional local requirement applicable in the region where the products he bought from us are stored, so as to establish and exercise our



retention of title. Further, the customer will cooperate to fill in, sign and file any additional forms, if necessary to establish and/or exercise our retention of title.

Article 8 - Warranty and liability..

8.1 We only warrant to the customer that the products shall be free from defects in material and workmanship, under normal use and service, at the time of delivery and for a period of 1 year thereafter, unless stated otherwise in our price list, order confirmation, invoice, brochures, website, or in the separate documentation which is delivered with every individual product. Any modification in our warranty will take effect forthwith.

8.2 The customer shall not offer any manufacturer's warranty, nor make any representations regarding the products, in addition to or different from those contained in our warranty.

8.3 We will, at our discretion, either replace any product we determine was defective at the time of delivery EXW, or credit the customer with the value of the product. Defective products will be kept available for inspection by us until a credit note has been issued. At our request, the defective products shall be returned to us once per quarter. Any products returned to us shall become our property. The costs of transportation shall be borne by us, but only if we determine that our warranty is applicable, within the framework of the provisions, regulations and limitations of Article 8. In case no warranty can be exercised, the customer shall borne the costs of transportation. This amount will be deducted in the next invoice to the customer, if any, or by separate credit note.

8.4 To the extent permitted under applicable law, the warranties set forth in Article 8.1 are exclusive and in lieu of any and all other warranties, conditions, undertakings or other terms express or implied (whether by statute, common law, collaterally or otherwise) with respect to the delivery of the products, the non-delivery of the products, and/or the delivery of inferior products, including but not limited to implied terms of satisfactory quality, correspondence with description and fitness for particular purpose, merchantability or absence of hidden defects.

8.5 Warranty claims shall not be entertained, where:

- a) the customer has accepted the products delivered without reservation or protest,
- b) we have not been notified in writing by the customer about the (non-visible) inferiority of the products delivered within eight days after establishing this fact, unless we have agreed in writing with the customer to send us reports at regular predefined intervals; and/or
- c) the products have been used in a way which is not mentioned in the directions for using the products; and/or

- d) the products have been repaired or there has been an attempt to repair the products by anyone other than one of our authorised representatives; and/or
- e) the damage or defect is the result of an extraneous cause or has been caused by the fact that the products are subject to obvious normal wear and tear; and/or
- f) the total price for any products has not been paid by due date for payment.

8.6 Limitation of warranties.

- a) Our liability for any breach of our warranty is limited as set forth in our warranty.
- b) In no event shall our liability towards the customer in contract arising from or relating to a breach of our warranty, including without limitation any and all claims combined, exceed the price the customer paid for the specific products giving rise to the alleged liability. In no event will we be liable for the costs of procurement of substitute goods by the customer, the customers of the latter or any other persons or entity.
- c) In no event shall our liability towards the customer in tort (including negligence or breach of statutory duty), misrepresentation or otherwise exceed the price the customer paid for the specific products giving rise to the alleged liability.
- d) Without limiting the remaining provisions of this Article 8.6, we shall not be liable for any loss, damages and/or expenses that occur as a direct or indirect result of:
 - i) fraud, gross negligence and malicious intent of personnel and third parties that we make use of; and/or
 - ii) a defect in the products supplied, if, on the basis of the scientific and technical knowledge at the moment upon which we released the products, it was not reasonably possible to discover the existence of the defect; and/or
 - iii) violation of patents, licences or other rights of third parties as a result of use by or on account of the data given by the customer; and/or
 - iv) damages that may result from packing, invoicing or shipping documents not being in accordance with the requirements of the country to which shipment is made or the products will be transported.
- e) With observation of mandatory law, under no circumstances shall we have any obligation or liability to the customer or any third party for loss of profits, loss of business, depletion of goodwill or otherwise, and/or loss or use or for any consequential, incidental, indirect or contingent damages whatsoever, even if we have been advised of the possibility thereof, arising out our in connection with the sale, delivery, use, repair or performance of any product that we or our corporate affiliate delivered to the customer or third parties (whether for loss of profit, loss of business, depletion of goodwill or otherwise). The customer is bound to indemnify us against claims of third parties as a result of any loss, damage or expenses occurred in connection with products delivered by us or our corporate affiliate, unless there is a matter of product liability.
- f) Without limiting the remaining provisions of Article 8.6, we accept liability for direct loss, direct damages and direct expenses that occur as a direct result of fraud, gross

negligence and malicious intent by a member of our Board of Directors, mentioned in the extract of the Commercial Register of the competent Chamber of Commerce and Industry.

- g) The customer shall be bound to indemnify us against claims of third parties as a result of any loss, damage or expenses occurred in connection with products delivered by us, unless there is a matter of product liability.
- h) In case of a product liability matter, regardless of the grounds of any claim, we are only liable for damage to the customer's or third parties' property and/or for injury or decease of persons if and in so far as we will be compensated by our product liability insurer, to be increased by our own risk as mentioned in this insurance policy.

8.7 The time within which the customer may commence legal proceedings against us for a breach of any order shall be 180 days from the date of such breach at the latest. This also applies for counter claims of the customer in a pending litigation which has been initiated by us, unless the customer has timely notified its complaints in writing according to Article 6.1.

Article 9 - Recall and accidents.

9.1 Should we decide to a recall of any of the products, the customer shall, at its own expense, cooperate fully with us in effecting such recall, including without limitation, promptly contacting any purchasers we desire to be contacted during the course of such recall, and promptly communicating to such purchasers such information or instructions as we may desire to be transmitted to such purchasers.

9.2 Where an accident involving one of the products occurs in the region where the customer has resold these kind of Sanders Magneet Service's products, the customer must notify us by fax without delay and be prepared to cooperate fully with us to carry out a damage analysis and appraisal. This is to fulfil a legal liability and to defend any legal claim of the parties in their respective areas of responsibility. This obligation shall remain in force until final settlement of the claim; it shall be observed in all cases to prevent (further) damages.

Article 10 - Intellectual property rights.

10.1 The customer acknowledges that the relevant affiliated companies of the Sanders Magneet Service's group of companies are the sole owner of the respective patents, know-how, copyrights, trade names, domain names, slogans, labels affixed by us to the products, trademarks, service marks, neighbouring rights, logos, word marks and design marks that we use in connection with our business, products and services or that our relevant corporate affiliates otherwise claim (the "IP Rights"). The customer acknowledges that our above-mentioned relevant corporate affiliates shall retain sole ownership of the IP Rights throughout the world and that we are authorised to enforce these IP Rights in and outside the region where the customer resells the products, which authorisation is based on the internal licence agreement with our relevant corporate affiliates. The customer shall not do anything inconsistent with such ownership. In particular, but without limitation:

- a) the customer shall not attack the validity of any of the IP Rights or the ownership rights of our relevant corporate affiliates in and to the IP Rights; and
- b) the customer shall not use the IP Rights or any variation thereof, in connection with any product which has not been supplied by us to the customer; and
- c) the customer shall not be permitted to issue sub-licences or to allow unlicensed manufacture of our products; and
- d) the customer shall not use, under whatever circumstance, any of the IP Rights as part of its business name and is not allowed to remove or to change any brand name or symbol of Sanders Magneet Service's on the products; however, the customer shall be empowered to affix on the products which are sold by it a plate bearing its trade name; this plate shall not detract from or dominate the Sanders Magneet Service's markings; and
- e) the customer shall neither register, nor have registered, any of the IP Rights (or which IP Rights are similar to those of Sanders Magneet Service's or which creates the danger of association for the end-user), in the region where it resells the products or elsewhere; and
- f) the customer shall not be permitted to alter or modify the products, its packaging (unless there is a matter of an agreed mail order-system between the customer and us) and the instructions how to use the products; and
- g) the customer shall not remove, cover, change, or add to the labels affixed by us to the products; and
- h) the customer shall not use drawings, technical documents or other technical information for any other purpose than the sale of the products; they may not be otherwise used or copied, reproduced, transmitted and/or passed to a third party; they have to be returned immediately at our request; we shall retain sole ownership of all drawings and technical and commercial documents relating to the products, their manufacture or their use which have been passed by us or our corporate affiliate to the customer, including all IP Rights related to it.

10.2 The customer acknowledges that our corporate affiliates are the sole owner of the internet domain names that our corporate affiliates and we use in connection with our business, products and services.

10.3 Unless expressly otherwise agreed in writing, the customer is only permitted to sell the products exclusively under our current and future brand names and/or logo's, and must use only our symbols such as codes and type descriptions.

10.4 If the customer has instructed us to manufacture the products from drawings, models, samples or other indications coming from the customer, the latter takes on the full guarantee that as a result of this manufacture or delivery of these products no trademark, trade model or any other right of third parties is harmed.

10.5 We shall decide alone whether to object to possible infringements. Expenses borne in connection with such objection and any steps taken to protect the IP Rights shall be borne by us and any sums recovered shall correspondingly be due to us. However, the customer shall be obliged, in cooperation with us and following our instruction, to object to the infringement by the third party and/or to take steps to protect the IP Rights, and to render all assistance in connection herewith.

10.6 If an IP Right infringement action is commenced or threatened against us or our corporate affiliate so as to any products and we, as a result, choose to discontinue the sale of any particular product in any region where the customer resells this product, the customer shall discontinue the sales of said product in this region immediately upon receipt of a written notice from us.

Article 11 - Force majeure.

11.1 Neither party shall be held liable for any breach of any order which can be attributed to force majeure, such as (e.g.) labour disputes, the unavailability of transportation, products (e.g. raw or subsidiary materials) or services, governmental restrictions and/or actions, regulations issued by the EU authorities or to a war (whether declared or not), any such event being called "a Force Majeure Event".

11.2 If either party is affected by a Force Majeure Event it shall promptly notify the other party of the nature and extent of the circumstances in question.

11.3 In the event of non-performance or delay attributable to any Force Majeure Event, the period for the performance of the applicable obligation under the specific order shall be extended for a period equal to the period of delay, with a maximum of two months. Where the obstacle lasts for more than two months, the other party shall be entitled to cancel the order in writing, if we - after written demand hereof from the customer - are unable to deliver within a reasonable time-limit hereafter.

11.4 However, the customer is obliged to fulfil its payment obligations in time in respect of orders already completed by us. The party affected by the delay shall nevertheless use its best efforts - with no obligation to spend substantial sums which would not otherwise be required under the conditions of the specific order - to circumvent or overcome the cause of the delay.

Article 12 – Suspension and cancellation.

12.1 Without limiting the provisions of Article 11, if the customer fails to fulfil any of its obligations under the confirmed order, or fails to do so within the agreed time, such failure shall constitute an event or default by the customer and we shall be entitled, without prior notice or judicial intervention being required for that purpose:

- to suspend further deliveries under the affected order(s) and/or any other order with the customer until payment has taken place, or
- to cancel the affected order(s) and/or any other order in whole or in part entirely without prejudice to any of our other rights and without liability to us for any compensation whatsoever.

12.2 Notwithstanding other provisions in these General Conditions of Sale and Delivery regarding suspension, each party shall be entitled to suspend performance of its obligations under the relevant purchase order where it is clear from the circumstances that the other party will not be able to perform its obligations. The party suspending the performance of its contractual obligations shall forthwith notify the other party thereof in writing, giving reasons (both by fax and by e-mail).

12.3 If the customer is declared bankrupt or files a petition for an official moratorium, is in liquidation, is wound up, if the appointment of a guardian over him has been applied for, and also if an administrator or receiver has been appointed over (part of) its property, all orders which have not been executed shall be cancelled by operation of law, unless we inform the customer upon a reasonable term of notice that we demand specific performance regarding one or more orders. In that case we shall be entitled, without further notice being required for that purpose:

- a) to suspend further deliveries or work under the order(s) concerned until payment has been sufficiently secured, and/or
- b) to suspend all our payment obligations to the customer (if any), entirely without prejudice to any of our other rights towards the customer.

12.4 No waiver by us in respect of strict compliance with all conditions mentioned in the order(s), any other contract between us and the customer or in these General Conditions of Sale and Delivery shall constitute a waiver in respect of any subsequent failure of the customer to comply strictly with all conditions hereof.

Article 13 - Applicable law, severability.

13.1 The order has been made according to the laws of the Netherlands and it shall be governed and construed according to the substantive laws of the Netherlands. The Convention on the International Sale of Goods (1980) is not applicable, just as other international substantive rules that are not mandatory.

13.2 The laws of the Netherlands shall also govern the order in all respects as to the enforcement and the modes and conditions of the application of remedies of violated rights of the one to the other.

13.3 The terms and conditions in these General Conditions of Sale and Delivery and in the orders express and describe Dutch legal concepts in English and not in their original Dutch terms; consequently, words, terms and expressions used in the General Conditions of Sale and Delivery and in the order shall be construed and interpreted in accordance with the laws of the Netherlands.

13.4 Any provision of these General Conditions of Sale and Delivery or of an individual purchase order which is finally determined to be invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions, and any invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. In such case the offending provision(s) shall be replaced by valid and enforceable provision(s) that, financially and otherwise, will bring about results that come as close to the invalid or unenforceable provision(s) as possible under applicable law.

Article 14 - Jurisdiction and venue.

14.1 Any disputes arising under or in connection with the order, will be decided by the competent court in the district of 's-Hertogenbosch (the Netherlands).

Article 15 - Extract / shortlist of Terms & Conditions

15.1 The Terms and Conditions set forth in articles 1 through 14 may be presented as a shortlist, as follows:

"These General Conditions of Sale and Delivery apply to all our offers and to all contracts, including but not limited to purchase orders, we entered into with the customer. These provisions are merely a shortlist of our Terms and Conditions.

1. *These conditions will apply to all contracts concluded by Sanders Magneet Service B.V., hereafter referred to as the "Seller", and the offers it makes, to the extent both parties have not explicitly deviated from them in writing. Any reference by Buyer to its own (purchase) conditions will not be accepted by Seller.*
2. *All offers made by the Seller, such as mentioned in its brochures, are free of engagement, unless stated otherwise in writing.*
3. *Seller will only be bound by Buyer's orders after accepting or confirming such in writing. The prices quoted by Seller are exclusive of VAT and are in EURO, EX WORKS.*
4. *Notice of delivery dates given by the Seller are never strict deadlines. Seller will not be liable for any failure in meeting these delivery dates. It will not be held to pay any damages, nor will the Buyer be discharged of its obligation to accept the goods and pay the purchase price, nor will it be entitled to terminate the contract.*
5. *Seller will reserve the title of all goods it has sold and supplied until Buyer has paid all that is due, irrespective of the source of this payment obligation, to Seller. These obligations include all claims arising from this or a similar contract for goods that have been or will be supplied, inclusive of interest and cost, and those relating to Buyer's failure to meet its obligations arising from this or a similar contract and claims arising from a tort committed by Buyer. Notwithstanding this reservation of title, Seller will hold the goods that are sold and supplied at Buyer's risk and expense from the moment the contract is concluded.*
6. *Seller will be entitled to terminate any current contracts with Buyer without any further notice of default if Buyer is in breach of contract.*
7. *Seller will not be liable for any shortage in the number of the goods supplied nor for any defects with respect to the quality or the condition in which the goods are supplied, unless Seller has received a written specified statement from Buyer stating its complaints no later than 10 days after delivery.*

8. *If the defect or shortcoming has been reported to Seller in accordance with the previous paragraph, Seller will make good the shortage and/or replace or repair the goods if their defect is the result of faulty material or processing. This will be done at Seller's expense, on the understanding that Seller may require Buyer to return the flawed goods, at the latter's expense, within one month after the detection of the fault. Seller will not be liable for any differences in colour or shape. Buyer will lose its right of recovery from Seller if it has processed the goods, resold or re-supplied them. Buyer may not transfer its rights arising from this article to third parties.*

9. *With reservation to the provisions of these terms and conditions will Buyer's liability be restricted to the amount that equals the net invoice amount. Seller will not be liable for any damage due to lost profits or turnover, company damage or consequential damage in whatever shape or form.*

10. *The payment of the invoice amounts, including those for partial deliveries, must be made no later than thirty days after the invoice date, or earlier if parties have agreed to do so. The payment is considered to have taken place if Seller has the monies at its disposal. Buyer will be in default if it has failed to pay or failed to pay on time without any notice of default being required.*

11. *If the invoice has not been paid on the due date, Seller will be entitled, without a notice or default or summons being required, to start judicial or extrajudicial proceedings in order to collect the purchase price including interest and costs.*

12. *If Buyer is declared bankrupt, has ceded property rights, has submitted an application for a moratorium, has its entire or part of its property subjected to seizure, dies or has been subjected to a guardianship order or its property is under administration, Seller will be entitled to deem the contract as terminated by operation of law, without any court interference being required. It will also be entitled to demand direct and full payment of any amounts, regardless of whether they are due at that moment or will become so in the future, with reservation to Seller's right to compensation for interest, cost and damages.*

13. *The legal relation between Buyer and Seller will be governed by Dutch law. Any disputes must be exclusively brought before the 's-Hertogenbosch court in first instance.*

14. *Buyer has agreed to these terms and conditions by placing an order. These general terms and conditions will also apply to any additional or consecutive contracts between the parties."*

15.2 In case the shortlist deviates from articles 1 through 14, the latter are binding.


