

GENERAL TERMS AND CONDITIONS OF SALES AND DELIVERY of TCHAI INTERNATIONAL B.V. (hereinafter: Tchai)

1. APPLICABILITY

- 1.1. These general terms and conditions shall apply to all quotations and contracts for the sale and delivery of goods and the execution of services by Tchai and the counterparty hereinafter Client
- 1.2. Any general terms and conditions adopted by Client shall apply only insofar as they are not in conflict with the general terms and conditions adopted by Tchai. In the event of conflict the provisions of these general terms and conditions shall prevail.
- 1.3. Any deviations from these terms and conditions must be explicitly agreed in writing. Neither Tchai nor Principal may derive any rights with respect to legal relationships concluded later

2. ESTABLISHMENT OF CONTRACTS

- 2.1. Verbal agreements shall be binding on Tchai only to the extent that it has authorized them in writing.
- 2.2. With the establishment of this contract all agreements or undertakings made by parties prior to it in relation to the matters referred to in said contract shall expire.
- 2.3. All quotations of Tchai are without engagement. Contracts shall be established solely by a written acknowledgment on the part of Tchai of Client's order or instructions or by issue by Tchai of an appropriate invoice.
- 2.4. Information provided by Tchai, where under specifications and other technical data, while issued by Tchai in good faith, shall be without engagement for Tchai.
- 2.5. Should by Client several (legal) entities be intended, they shall each be jointly and severally liable for the fulfillment of all obligations of the Client, arising from this contract.

3. PRICES

- 3.1. Every price quotation by Tchai shall be without engagement.
- 3.2. Unless stipulated otherwise in writing, the prices maintained by Tchai shall be:
 - a. based on the purchase prices, wages, wage-related expenses, social security and government levies, carriage, insurance premiums and miscellaneous expenses;
 - b. based on delivery including carriage;
 - c. exclusive of VAT, import duties, other taxes, levies and duties;
 - d. denominated in Euro.
- 3.3. Any specifications and/or additional requirements on the part of Client and amendments to the order shall be implemented only subsequent to a written acknowledgment on the part of Tchai. The Client shall specify its acceptance of the additional costs arising here from.
- 3.4. Should between the time of delivery and the order acknowledgment for goods and/or services the purchase price or one of the other elements of cost price be increased, Tchai shall retain the right to pass that increase onto Client; this rule shall in its generality apply also to changes to import duties and other duties and taxes, and to changes to the exchange rate of the Dutch against the foreign currency, in which Client has purchased goods or services.

4. DELIVERY

- 4.1. Unless explicitly agreed otherwise in writing, delivery shall be Ex Works. From the point of delivery the goods shall be entirely for Client's risk. Should goods after expiry of the delivery period not have been collected by Client, these shall be held at its disposal, stored for its account and risk.
- 4.2. Tchai shall be entitled at all times to deliver 10% more or less of the quantity ordered. Principal shall not be entitled to dissolve or quash the contract with Tchai as a result of this surplus or deficient delivery. Tchai shall be entitled at all times to execute partial deliveries of goods and/or services and to invoice these partial deliveries separately.
- 4.3. Client must conclude reliable insurance, also for the benefit of Tchai, for the goods delivered, and also for work executed or to be executed.
- 4.4. Delivery periods quoted shall serve only as estimates and shall never be regarded as firm deadlines. The delivery time shall be based on the circumstances at the time of the conclusion of the contract and on timely supply of (parts of) products to Tchai. When delay is incurred as a result of an alteration of said operating circumstances or because (parts of) products ordered in good time are not delivered on time, the delivery time shall, insofar as reasonable, be extended by the period of the delay. Exceeding the delivery time originally agreed shall not entitle principal to dissolve or quash the contract with Tchai

5. CARRIAGE

- 5.1. The mode of transport, dispatch, packaging etc. shall, in the absence of further instructions from Client, be determined by Tchai in the light of its own judgement, without admission of any liability here for.
- 5.2. Carriage of goods shall be at all times for account and risk of Client.
- 5.3. Any specific requirements of Client with respect to transport or dispatch of goods may be implemented only when Client has agreed in writing to accept the additional costs.
- 5.4. Principal shall be obligated to enable Tchai to deliver the products ordered on the day of delivery. In the event of failure to fulfil this obligation Tchai shall store the products ordered in its depot or elsewhere. Principal shall be obligated to remunerate Tchai for the costs associated with said storage

6. COMPLAINTS

- 6.1. Client shall be obligated immediately upon delivery of goods and/or execution of services, to inspect diligently the goods and/or services for shortcomings, damage or defects, and in the event that there are any to notify Tchai thereof immediately and in writing.
- 6.2. The Client shall be entitled to inspect the goods and/or services prior to dispatch. Any costs associated with this shall be for Client's account.
- 6.3. Should Client fail within eight days of delivery of goods and/or execution of services or inspection as stipulated in art. 6.2 to notify Tchai in writing of shortcomings, damage and/or defects that could be detected by diligent inspection, then Client shall be deemed to have accepted the condition in which the goods and/or services were delivered, and any right to complaint and warranty shall then expire.
- 6.4. Tchai must be facilitated in controlling complaints that have been submitted immediately.
- 6.5. Complaints shall never entitle Client to neglect or suspend payment either in whole or part.

7. PAYMENT

- 7.1. Principal must discharge payment on the date agreed by Tchai and Principal. When no specific date for payment has been agreed payment must be made within 30 days of invoice date at the offices of Tchai or to a bank or giro account to be stipulated by Tchai
- 7.2. Payment must in all cases be without discount or set-off by Client. Also in the case of exceeding the delivery time as stipulated in article 4.4 of these general terms and conditions with respect to any order or in the case of filing of a complaint, Principal shall remain obligated to full and timely payment as stipulated in article 7.1
- 7.3. By exceeding the term of payment Client shall by law be in default, and consequently be due interest payments at the rate of 1.5% per (part of a) month over the amount still unpaid, until the principal sum has been paid in full, together with all in-court and out-of-court collection charges. Tchai shall then be entitled to require immediate discharge of all invoices not yet paid and to suspend further delivery with immediate effect unless payment is rendered in cash or satisfactory surety provided for payment of these invoices.
- 7.4. All in-court and out-of-court collection costs incurred shall be for Client's account. The out-of-court collection charges shall be at least 15% of the amount due by Client including aforementioned interest.
- 7.5. Failure to pay an invoice (on time) shall render all other unpaid invoices addressed to Client immediately due and open to claim.
- 7.6. Tchai shall be entitled to set off claims against Client with payables due to Client by Tchai or one or more other Tchai corporations.
- 7.7. Tchai shall be entitled to transfer its claims against Client to third-parties.

8. RETENTION OF TITLE, RIGHT OF RETENTION AND ADDITIONAL SECURITY

- 8.1. All goods supplied by Tchai and also services completed shall remain property of Tchai until all that Client is due to Tchai with respect to goods supplied and/or services rendered has been paid, including interest and expenses.
- 8.2. Tchai shall be entitled to retain title to goods and also to items derived from these that they have supplied in the context of delivery of goods and/or services or otherwise until Client has paid that due subject to any contract with Tchai, including interest and expenses.
- 8.3. Principal shall be obligated to inform Tchai immediately when:
 - a. third parties claim rights to goods supplied by Tchai and also to the results realized by them;
 - b. Principal has learned that said third parties intend to claim rights to goods supplied by Tchai and also to the results realized by them;
 - c. Principal intends to petition for (preliminary) moratorium of payment;
 - d. Principal has been granted a (preliminary) moratorium of payment;
 - e. Principal intends to file for bankruptcy;
 - f. Principal has learned that one or more of its creditors intend to submit a petition for its bankruptcy; and also;
 - g. Principal has been declared bankrupt;
 - h. Principal has offered or intends to offer a composition of creditors

9. INTELLECTUAL PROPERTY

- 9.1. All intellectual property rights, that may be exercised with respect to the goods originating with Tchai, shall remain with Tchai. All drawings, calculations, designs, samples, models, templates and moulds etc. shall be and remain property of Tchai. Client shall not be permitted without Tchai's written permission to alter and/or duplicate, including copying, introduce to the public domain or reveal to third-parties goods and/or documents. Moreover all products and/or documents issued by Tchai as stipulated above must be returned to Tchai on first request.

10. CONFIDENTIALITY

- 10.1. Client shall except with prior, written permission of Tchai refrain from placing at the disposal of third-parties, information and data media that have been placed at its disposal by Tchai and shall inform its personnel members only insofar as is necessary for the execution by third-parties of the activities contracted. Client shall obligate its members of personnel to observe this confidentiality provision.

11. LIABILITY

- 11.1. Without prejudice to that stipulated elsewhere in these general terms and conditions, Tchai shall not be liable for damage resulting from:
 - (a) a non-attributable shortcoming pursuant to that stipulated in art. 13 of these terms and conditions in fulfillment of any of the engagements incumbent upon it (force majeure);
 - (b) acts of its subordinate(s) and other third-party/parties engaged in implementation of the contract, unless a member of supervisory staff is involved and it is also accompanied by intention or gross negligence;
 - (c) inadequate assistance, information or materials from Client, its subordinate(s) or other third-party/parties engaged by or on the part of Client for the implementation of the contract;
 - (d) violation of intellectual property rights belonging to third-parties, where under included patent rights, know-how, model rights, copyrights, trademarks, trade names and similar. (e) exceeding the delivery time;
 - (f) a delivery as stipulated in article 4.2 of these general terms and conditions
- 11.2. Without prejudice to that stipulated elsewhere in these general terms and conditions, Tchai shall accept liability only when and insofar as such liability is covered by an insurance policy and only commensurate with the payment made by such insurance policy.
- 11.3. Without prejudice to that stipulated elsewhere in these general terms and conditions, Tchai shall never be liable for damage consisting of foregone profit, business standstills and other consequential damage incurred by Client.
- 11.4. Without prejudice to that stipulated elsewhere in these general terms and conditions, the liability of Tchai shall, in the event that the insurer for whatever reason does not proceed with payment, be limited in all cases to the amount invoiced, to a maximum of € 10,000.00.
- 11.5. Legal actions by Client against Tchai for compensation for damages or recovery pursuant to these terms and conditions shall become void by prescription after one year has elapsed since the Client became aware of the damage.

12. WARRANTY

- 12.1. Warranty provisions for goods delivered and/or services performed by Tchai shall apply only when and insofar as these have been explicitly agreed in writing.
- 12.2. Warranty with respect to the processing of goods entrusted to Tchai by Client shall only be extended when Tchai has had prior opportunity to process samples.
- 12.3. Without prejudice to that stipulated in these general terms and conditions, color combinations shall be excluded from warranty. Moreover, without prejudice to that stipulated in these terms and conditions, the warranty extended shall be restricted in all cases to 90% of the number of items received from Client for processing.
- 12.4. Panel thickness specified shall in all cases be regarded as nominal with a plus or minus tolerance of 10%.
- 12.5. For goods sold and supplied with factory, importer's or wholesaler's warranty, only the warranty provisions extended by that supplier shall apply.
- 12.6. All claims to any warranty shall lapse if repairs or alterations are made to goods and/or work supplied by or on behalf of Client without Tchai's permission.
- 12.7. Should within the warranty period a defect appear and such defect be brought to Tchai's attention immediately by registered letter, Tchai shall, if it acknowledges such defect, at its own discretion and for its account either replace the item(s) and/or work involved in whole or part or repair the item, with or without replacement of parts.
- 12.8. Minor deviations from the specifications on the part of goods and/or work that have no influence on the functioning of the product shall not be regarded as defects for the purpose of these terms and conditions.
- 12.9. All claims to any warranties shall be suspended for as long as Client does not meet its payment obligations. Client shall not be entitled to neglect payment either in whole or part on the grounds that Tchai has not, not yet or nor completely met its warranty obligation.

13. FORCE MAJEURE

- 13.1. By force majeure shall be understood in the sense of this article circumstances that prevent fulfillment of any engagement incumbent upon a party and which are not imputable to that party, by virtue of their not being attributable to blame on its part and due neither by law, legal fact or generally-held beliefs to that party's account. Under force majeure on the part of Tchai shall be included: strike by Tchai employees, embargoes, failure of Tchai's suppliers to meet their obligations, measures taken by government that render fulfillment temporarily or permanently impossible, and for that matter any circumstance independent of Tchai's volition by which fulfillment of the contract cannot be reasonably expected of Tchai.
- 13.2. During periods of force majeure the delivery and other obligations of the party involved that have been afflicted by force majeure, shall be suspended. Should the period in which force majeure renders fulfillment of Tchai's obligations impossible last longer than six months, either party shall be entitled without intervention of law to dissolve the contract, without in such case obligation to compensation for damages arising.
- 13.3. Should Tchai at the onset of force majeure have already partially fulfilled its obligations, or be able to fulfil only part of its obligations, it shall be entitled to invoice separately that part of the work already supplied and/or to be supplied and Client shall be obligated to pay that invoice as if it referred to a separate contract.

14. SUSPENSION AND DISSOLUTION

- 14.1. Tchai shall be entitled to suspend fulfillment of the engagement incumbent upon it until Client has discharged all claims due on the part of Tchai
- 14.2. Either party shall be, except in the case of force majeure, entitled to dissolve a contract without legal intervention by means of notification by registered letter, should the other party, after a reasonable period of time has been proposed in writing, remain in default with the fulfillment of any obligation arising from any contract with Tchai.
- 14.3. Tchai shall be entitled, without any necessity of warning or notice of default, to dissolve without legal intervention the contract by means of notification by registered letter, in the event that Client petitions for (preliminary) moratorium of payments; Client petitions for bankruptcy or is declared bankrupt; Client's business is liquidated; Client relinquishes operation of its present business; a substantial portion of Client's capital assets is attached and not released within fourteen days, or should Client not be regarded as capable of meeting its obligations pursuant to this contract.
- 14.4. Should Client at the time of the dissolution of a contract on the grounds of that stipulated in article 14 paragraph 2 of these terms and conditions, already have received services in implementation of the contract, such dissolution shall refer only to that portion of the contract not yet implemented by Tchai. Amounts that Tchai invoices in connection with what it has already supplied or implemented prior to the dissolution, shall notwithstanding the dissolution still apply and shall be due and payable immediately at the time of dissolution.

15. INDEMNIFICATION

- 15.1. Principal shall be obligated to indemnify Tchai for all third-party claims for damage against Tchai with respect to implementation of any contract concluded between Tchai and Principal and shall be liable for all costs pursuant thereto except in cases of malice or intentional recklessness on the part of the management of Tchai

16. SECURITY

- 16.1. Principal shall be obligated upon first request by Tchai to provide satisfactory security for fulfillment in full of all obligations with respect to instructions discharged or to be discharged in part by Tchai and any form required by Tchai.
- 16.2. When Principal does not respond to a request by Tchai as stipulated in the previous paragraph, all that Principal owes to Tchai for whatever reason shall be immediately due on demand and Tchai shall be entitled to suspend immediately the further implementation of any order

17. APPLICABLE LAW, COMPETENT MAGISTRATE

- 17.1. These general terms and conditions, and also all quotations and contracts to which they apply in whole or part, shall be governed solely by Dutch law.
- 17.2. All disputes between parties as to the interpretation or application of these general terms and conditions must be submitted to a competent magistrate in Rotterdam. These general terms and conditions and also all quotations and contracts to which these apply in whole or part shall be subject solely to Dutch law with the exception of the United Nations Convention on Contracts for the International Sale of Goods of 1980 (CISG).

18. Conversion

- 18.1. Should one or more of the provisions of these general terms and conditions be quashed fully or in part by a competent magistrate, this shall not damage the validity of the remaining provisions and/or the remaining section thereof.

19. Depot

- 19.1. These general terms and conditions shall replace all previous general terms and conditions as of 31-08-2006. The general terms and conditions were registered with the Chamber of Commerce, Rotterdam on 31-08-2006 under number 24177191.