



GENERAL CONDITIONS OF PURCHASE

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1. APPLICATION. These General Conditions of Purchase always apply to all our legal transactions in respect of the purchase of goods and/or the procurement of services. Any other conditions are expressly excluded. Deviations from and/or additions to these General Conditions of Purchase shall only be binding if and in so far as we have given our consent in writing.

Specific conditions as stated in the Rollepaal order shall supersede these General Conditions.

2. GENERAL. The term "seller" used herein refers to the firm or company with whom Rollepaal has placed an order.

3. ACCEPTANCE. All Rollepaal's orders and change-orders are to be confirmed by seller within 1 week from its receipt, by duly signing and returning a copy of Rollepaal's order. We are entitled to cancel the order as long as Seller has not acknowledged the receipt thereof.

4. PRICE. Prices, mentioned in Rollepaal's order, shall be deemed to include all costs required to comply with the order and specifications, are firm and definite unless otherwise specified in the order. Extra charges not covered by Rollepaal's order or change order will not be considered for payment.

5. PAYMENT. Unless otherwise agreed, payments will be effected within 60 days from receipt and approval of the goods and an invoice. Invoices dated before completion of the order or invoices which are otherwise incorrect, will not be dealt with. Rollepaal shall be entitled to deduct any liability whether present or be expected in the reasonable opinion of Rollepaal.

6. TIME OF DELIVERY. The obligation for delivery in time shall only be fulfilled after delivery of the goods and all engineering and quality documentation as referred to in the order have been delivered. Partial deliveries are not allowed without the written consent of Rollepaal. Seller shall inform Rollepaal immediately of any delay in the execution of the order, stating the circumstances that caused the delay. Such information does not relieve Seller of his obligation with respect to the agreed time of delivery. Without prejudice to the right of Rollepaal to terminate the order, Rollepaal shall be entitled to full compensation resulting from such delay of all losses and damages excluding the loss of profit.

7. TERMS OF DELIVERY. Terms of delivery in the order shall be defined in accordance with the INCOTERMS, latest edition, as laid down by the International Chamber of Commerce in Paris.



8. PASSING OF TITLE AND RISK. Unless otherwise defined in the Incoterms the risk in the goods shall pass on to Rollepaal at the moment of actual delivery. The title of the goods shall be deemed to be transferred simultaneously with the risk. In the event of payment in advance or partial instalments, transfer of title shall take place up to the amount paid at the moment of payment. Such property shall be kept in safe custody and be insured by Seller until delivered to Rollepaal.

9. PROPERTY, RISK AND CARE OF FREE ISSUE ITEMS, DRAWINGS ETC.

a. All free issue items as drawings, patterns, molds, jigs, dies, gauges and specific equipment required for the execution of the order, made available by us to the Seller or manufactured or procured by him at our expense shall be, remain or become our property.

b. Seller shall keep these free issue items in good condition, mark them conspicuously as our property and bear the risk of loss or damage until they have been delivered.

c. Seller undertakes to use, or to have used, said free issue items solely for the purpose of the order. Seller shall not without our prior written consent use, copy or multiply the free issue items for other purposes nor shall he in any way disclose them to third parties.

10. PACKING/SHIPPING. The goods shall be suitably packed and protected for shipment. Failure of Seller to comply with the shipping instructions shall render Seller liable for any resulting damage and/or expense incurred by Rollepaal.

11. ASSIGNMENT. Seller shall not without the prior written consent of Rollepaal assign any of its right and/or obligations including sub-contracting of a major part of the order to a third party. Seller shall remain fully responsible and liable with respect to third parties used in the execution of the order.

12. QUALITY. Seller shall have an implemented Quality Assurance System, in compliance with or equal to the standards of ISO 9000. Seller shall give Rollepaal, its Clients and representatives free access to perform QA-audits. Rollepaal will give reasonable notice to Seller prior to such audits.

13. INSPECTION/TESTS. Without limiting Seller's responsibility, Rollepaal, its Clients and representatives shall be entitled to inspect the goods or to attend any tests to be performed on the goods or parts thereof during their production in Seller's workshop or in that of his subcontractors. The costs incurred by Rollepaal, its Clients and representatives connected with repeated inspection or attendance to testing as a result of Seller's non-compliance with the order, shall be fully for Seller's account.

Sellers products will not be inspected at Rollepaal's incoming goods department and they will be released for construction under the conditions of random checks.

As proof of Sellers final inspection, good results and subsequent release for shipment Seller will supply with the goods the following documents when applicable:

- Inspection report
- Measuring protocol
- Certificate of conformity

Whenever Sellers products are rejected due to non-conformities during check and/or assembly at Rollepaal's works or at site, all costs associated with the repair, delay and transport will be for Sellers account.



14. EXPEDITING. If Rollepaal requires to expedite any or all aspects related to the execution of the order, Rollepaal, its Clients and representatives shall have free access to Seller's administration and workshop or that of his subcontractors which relates to the progress of the order and they shall be given all necessary assistance.

15. GUARANTEE. Seller guarantees:

a. That the goods shall be of good quality, new, free from any defects, in conformity with the order requirements, produced in accordance with the highest standards of engineering practice and suitable for the purpose intended.

b. That with respect to the goods as a minimum the legal and governmental regulations of the Netherlands are complied with and that the goods or the use thereof do not involve any hazards to health and safety of persons and/or property.

The guarantee implies - without limiting Rollepaal's right to indemnification for costs, damages and interest (exclusive loss of profit, which shall only be payable by Seller in case of gross misconduct or wilful failure) - that all defects occurring during the guarantee period, except those caused by normal wear and tear, shall immediately at first notice by Rollepaal be completely rectified by Seller, free of charge.

Seller's guarantee remains in force until the end of 12 months from the date upon which the goods or the installation of which they form part are put in commercial operation, without prejudice to Rollepaal's right to require a longer guarantee period a.o. if Rollepaal is required to do so vis-a-vis its Client.

In case Seller does not remedy the goods within 1 week after receipt of Rollepaal's notice, Rollepaal shall be free, without prejudice to the continuation of Seller's guarantee obligations, to have said defects rectified at the expense of Seller, unless otherwise within said 1 week period.

If safety of persons and property or other pressing circumstances so require, Rollepaal shall be entitled to have repairs made at Seller's expense before having notified Seller. Notice will be given as soon as possible.

A new 12 months guarantee shall apply for the repaired or replaced goods or parts thereof.

16. INDEMNITY FOR STATUTORY LIABILITY. Seller shall indemnify Rollepaal for third party claims (product liability) based on defects of the goods.

17. INDEMNITY AND INFRINGEMENTS OF PATENTS/THIRD PARTY RIGHTS. Seller warrants Rollepaal the right of free use and disposal of the goods delivered. Seller shall indemnify Rollepaal from and hold Rollepaal harmless against any claim of third parties, from any infringements of patent rights and or other rights of third parties.

18. TERMINATION.

18.1 FOR SELLER'S DEFAULT: Seller's failure in whole or in part to comply with any of its obligations as referred to under Article 13, including specially the obligation to deliver in time, also after notice to remedy the same, shall be cause for termination of the order. Termination of the order by Rollepaal in terms hereof shall oblige the Seller to refund immediately all moneys paid (if any) and to pay all costs and damages



caused by Seller's failure (excluding loss of profit which shall only be payable by seller in case of gross misconduct or wilful failure).

18.2 FOR CONVENIENCE OF ROLLEPAAL. Rollepaal may at any time cancel the order in whole or in part by written notice to the Seller. In such event Rollepaal shall make payment to the seller for costs incurred prior to such termination to be determined in accordance with recognized accounting principles together with a reasonable allowance for overhead and profit on work performed.

18.3 FOR CESSATION/BANKRUPTCY OF SELLER: Rollepaal may terminate the order without incurring liability, except for those goods at that time completed and subsequently delivered in accordance with the terms of the order if:

- a. Seller ceases to conduct its operation in the normal course of business (including inability to meet his obligations), or
- b. Any proceedings under the bankruptcy or insolvency laws is brought by or against Seller, or
- c. A settlement is offered to the creditors of Seller.

19. FORCE MAJEURE. Force majeure is defined as any circumstance which prevents a party the proper fulfilment of his obligations of the order because of reasons beyond the reasonable control of a party, not being for his risk such as acts of god, strikes, government measures, war or civil insurrections. In the event of force majeure, the party concerned shall immediately notify the other party in writing of a force majeure-circumstance. The parties shall have no claims for damage or losses incurred by force majeure against each other. Either party is entitled to suspend the fulfilment of its obligations under the order and, in the event of a prolonged force majeure to cancel the order wholly or partly.

20. SECRECY/PROPRIETARY RIGHTS. Seller shall not without Rollepaal's prior written consent divulge to third parties, the know-how and data of Rollepaal that come to his knowledge in connection with the execution of the order.

Drawings, specifications, manuals, specific computer software etc. made available by Rollepaal or produced by Seller at Rollepaal's request, shall remain or become Rollepaal's property and may be used by Rollepaal at its own discretion. Such documents shall not be copied by Seller without Rollepaal's prior written consent.

21. PUBLICITY. Seller is not entitled to refer to the order when publishing or advertising in periodicals, papers, proceedings, business letters, brochures or similar publications without Rollepaal's prior written consent.

22. APPLICABLE LAW, COMPETENT JUDGE. The order and all agreements resulting from it shall be subject to Dutch law with the exclusion of the Convention on Contracts for the International Sale of Goods. All disputes with Seller domiciled in the Netherlands shall be exclusively settled at Rollepaal's sole option at the court which competent in the district of Rollepaal's registered office. Disputes with Seller's domiciled outside the Netherlands shall be settled by arbitration in accordance with the Rules of Arbitration and Conciliation of the International Chamber of Commerce at Paris. Place of arbitration shall be The Hague.