

# General Conditions of Sale

## General Conditions of Sale of HSF B.V. and all its affiliated Private Limited Companies

### Article 1: Definitions

1.1 In these General Conditions of Sale the following definitions apply:  
“Client”: any natural person, legal person or company purchasing products and/or services from the Contractor or to whom the Contractor makes offers.  
“Agreement”: a written offer, order confirmation, framework or sales contract drawn up and agreed to by the Client and the Contractor.  
“Contractor”: HSF B.V. and all its affiliated private limited companies, which have been given an assignment by the Client and/or which have entered an agreement with the latter, or which refer to these General Conditions in any offer.  
“Products and Services”: all matters that are the subject of an agreement, as well as all results of services provided by the Contractor, such as the contracting of work, assembly, installation, advice, etc.

### Article 2: Applicability

2.1 These Conditions of Sale, while explicitly rejecting any of the Client’s purchasing conditions, are applicable to all offers made by the Contractor, to all of the Contractor’s assignments and to all agreements made with the Contractor. Any own General Terms & Conditions that the Client refers to during any stage of the formation of the Agreement with the Contractor, shall be explicitly overruled.  
2.2 To the extent contrary to written purchasing conditions, calls for tenders or any of the Client’s other conditions, the terms of the Contractor shall prevail, except if and insofar as the Client’s conditions are explicitly agreed to in writing by the Contractor.

### Article 3: Offers; Formation of Agreements

3.1 All of the Contractor’s offers or quotations shall be free of obligation, unless explicitly stated otherwise in writing. Any offer or quotation from the Contractor shall be based on the assumption that the Contractor shall be able to perform the assignment under normal circumstances and during normal working hours.  
3.2 A contract shall only become effective if and in so far as the Contractor accepts a Client’s order in writing, or if the Contractor proceeds to the performance of an order. The effective date of agreement conclusion shall be the day on which written confirmation is provided by the Contractor or on the first day of the actual execution of the assignment by the Contractor.  
3.3 If the Contractor carries out any activity at the request of the Client before an agreement has been concluded, the Contractor shall be entitled to require payment in accordance with the Contractor’s current rates, unless otherwise explicitly agreed in writing.  
3.4 In the case of written acceptance by the Contractor, the aforesaid shall not be obliged to abide by anything more than what has been accepted in writing. Provided the Contractor does not reject the assignment the Client shall be deemed to be bound to it.

3.5 Additional provisions and those deviating from the ones initially included in the assignment in relation to the Contractor’s offer or quotation shall only be binding for the Contractor if and insofar as they are explicitly accepted in writing by the Contractor.  
3.6 All details provided by the Contractor regarding numbers, measurements, weights and/or other product and/or service specifications shall be carefully worked out but the Contractor cannot guarantee that there will be no deviations. Any samples, drawings, models and suchlike that are shown or provided shall only represent indications of the products.

### Article 4: Prices

4.1 The prices charged by the Contractor are ex works unless explicitly otherwise agreed in writing. This means to say, for example, excluding costs for packaging, insurance, transportation and/or sending, additional inspections and any fees or taxes, or as the case may be, other duties imposed by the government, as well as all costs related to goods made available by the Client in connection to the execution of the assignment.  
4.2 If the prices of materials, tools/equipment, parts, raw materials, wages, salaries, social contributions and government taxes are increased after the date on which the agreement becomes effective and this before the assignment has been completed the Contractor shall be entitled to adjust its prices accordingly, as stipulated in Article 3, paragraph 1.  
4.3 The Contractor shall be entitled to charge separately for any extra work performed, even if the extra work is not submitted in writing and/or the price of it has not been agreed in advance. The provisions laid down in the preceding paragraphs of this Article shall apply equally to the calculation of extra work. The applicability of Article 7a: 1646 of the Civil Code shall be explicitly excluded.  
4.4 The Contractor is entitled to increase the invoice amount with a late payment surcharge which should be stated separately in the invoice. If payment is made within 30 days of the invoice date the aforementioned surcharge will not have to be paid.

### Article 5: Packaging

5.1 Unless explicitly otherwise agreed in writing, the products will - if necessary and at the sole discretion of the Contractor - be provided with packaging in which the products are usually marketed; the aforesaid with due regard to the provisions laid down in Article 4, paragraph 1. Unless otherwise agreed in writing with the Client, the Contractor shall not take back the packaging.

### Article 6: Delivery Time

6.1 The delivery time, which also includes the period needed by the Contractor to perform the

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work, shall begin to run on the day specified in the Contractor's written assignment acceptance. If for the performance of the assignment certain data, drawings, etc. are necessary or certain formalities must be fulfilled, the delivery time shall start at a later time, for example, when all data, drawings etc. are in the Contractor's possession, or as the case may be, when all of the necessary formalities have been completed.

6.2 If the Contractor requires an initial payment when the order is placed, the delivery date shall start when the Contractor receives this payment.

6.3 The delivery times specified by the Contractor shall not count as strict deadlines and shall remain free of obligation. Exceeding these shall not constitute default. The Contractor shall make every effort to meet the stated delivery times as precisely as possible. Except in the event of an intentional act or gross negligence, exceeding the delivery date shall neither entitle the Client to claim damages, nor to refuse the product and/or service or to complete or partial termination of the agreement.

6.4 The Contractor reserves the right to demand an advance payment or the provision of security when in doubt as to the creditworthiness of the Client or on account of other business reasons and for delivery. In the event of failure to provide the advance payment required and/or if the requested security is not provided to the satisfaction of the Contractor, the Contractor retains the right to suspend or refuse delivery.

### **Article 7: Delivery**

7.1 As soon as the products have left the Contractor's factory or if the Contractor has notified the Client in writing that the products are ready for sending, the products shall be considered delivered, without prejudice to the provisions defined in Article 11. Place of delivery shall therefore be the Client's factory, even if carriage paid sending and/or transportation has been agreed by the Contractor. In case of partial delivery, each individual part delivered shall count as delivered.

### **Article 8: Inspection and Complaints**

8.1 The Client is obliged to inspect the products or to have them thoroughly inspected by a third party acting on behalf of the Client immediately upon arrival of the products at the place of destination, or as the case may be after completion of the work performed by the Contractor, or – if this is earlier – after receipt of the products.

8.2 Any complaint regarding defective products due to material or manufacturing faults, as well as differences in quantity, weight, composition, quality between the products delivered and the description(s) stated on the order confirmation and/or invoices, must be submitted in writing to the Contractor within fourteen days after arrival of the goods or completion without prejudice to the provisions defined in paragraph 3 of this Article. However, if a test or

inspection has taken place at the Contractor's factory the complaint should be made and recorded in writing during this test or inspection.

8.3 Defects that cannot reasonably be detected within the period stipulated in paragraphs 1 and 2 should be reported in writing to the Contractor immediately after detection but within the applicable guarantee period. Complaints regarding invoices can only be made in writing within fourteen days after receipt of the invoice, of which the date shall be determined by counting from one day after the date stated in the invoice concerned.

8.4 While taking the usual tolerances into account, the Client shall never use minor deviations for the basis of any complaint, claim for compensation or a request to terminate the assignment.

8.5 If any complaint lodged is not submitted within the term stipulated in this article the Client shall lose any entitlement to claim in respect of such defects.

8.6 After the discovery of any defect the Client shall immediately cease the use, processing, manufacturing or installation of the products concerned. The Client shall also provide all cooperation desired by the Contractor for investigation of the complaint, this shall include offering the Contractor the opportunity to make, or arrange for, an on-the-spot examination of the conditions of processing, manufacturing, installation and/or use.

8.7 The Client shall not be entitled to lodge complaints about products of which the Contractor is unable to check the complaint. The Client is not allowed to return the products until the Contractor has agreed to this in writing.

### **Article 9: Terms of Payment**

9.1 Unless otherwise agreed in writing, payment of the purchase price and/or the agreed price in relation to the assignment to be performed by the Contractor or the work already completed, shall be at the Contractor's discretion and shall take place C.O.D. or within 30 days of delivery in accordance with the provisions defined in Article 7. All payments shall take place without any deduction or settlement. If in relation to the delivery or performance of the contract the Client claims, in whatever form, that certain agreements are yet to be fulfilled, this shall not relieve said Client from the obligation to pay in the agreed manner, and the Client shall not be entitled to suspend payment.

9.2 If payment in instalments has been agreed, this shall take place – unless explicitly otherwise agreed in writing between the parties – as follows:

- 1/3 (one third) with the assignment;
- 1/3 (one third) when the products are ready for sending or as the case may be upon completion of the work performed by the Contractor;
- 1/3 (one third) within one (1) month after the second instalment is due.

9.3 Payment for extra work should take place as

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soon as this is charged by the Contractor.

9.4 If at any time reasonable doubt arises with the Contractor concerning the creditworthiness of the Client, the Contractor shall be entitled to require full or partial payment of the purchase price before any (further) performance, or that the Client provides proper security, such as by means of a bank guarantee or an undisclosed pledge of products supplied by the Client. In such a case, the Contractor is also entitled to limit sending to cash on delivery terms.

9.5 In case the Contractor made an agreement with the Client that payment shall take place through a banking institution or if security is provided by letter of credit or bank guarantees, the Client shall guarantee that this will always take place through a first-class bank. If at any time the Contractor has reason to doubt the qualification mentioned, the Contractor shall be entitled to reject the proposed bank and appoint another bank.

9.6 By the mere expiry of any payment term, the Client shall be in default. In this case, all receivables owed by the Client shall be immediately due and payable in full to the Contractor, without prejudice to any other rights the Contractor is entitled to.

9.7 The Client shall pay interest plus a surcharge of 2% on all amounts not paid on the last day of the payment term. Interest and surcharge shall be calculated from the expiry date onwards at the current statutory rate in the Netherlands and this without any notice of default from the Contractor. At the end of each year, the amount on which interest is calculated shall be increased by the amount of interest owed for that year. If after default a new payment term has been stipulated and this term expires before the Client has paid the amount due plus interest, all extrajudicial and judicial costs owed by the Contractor shall be borne by the Client. These costs shall amount to a minimum of 15% of the outstanding amount and shall always amount to a minimum of €500 excluding VAT.

9.8 Contractor is entitled to retain goods belonging to the Client that have been placed at the Contractor's disposal in association with the assignment given to the Contractor, and to suspend the return thereof until the Client has fulfilled all payment obligations towards the Contractor, without prejudice to the right of the Contractor to termination under the provisions of Article 14.

9.9

### Article 10: Risk

10.1 The risks attached to the goods and services shall be transferred to the Client at the time of delivery as referred to in Article 7. The provisions referred to in the previous sentence shall apply, without prejudice, to any product damage caused by destruction of the packaging.

10.2 If the Client fails to take delivery of the products or fails to take delivery of these in a timely or correct manner, the Client will be in default de jure. The Contractor shall then be entitled to store the

goods at the Client's expense and risk or to sell these to a third party. The purchase price increased with the interest and all costs will remain payable by the Client to the Contractor, however, where appropriate, less the net proceeds obtained from the sale to the third party.

10.3 Unless otherwise agreed in writing with the Client, sending and/or transportation of the goods, if provided by the Contractor, shall be at the Client's expense and risk and the products shall not be insured by the Contractor against transport risks. Even if the Contractor has submitted certification to the transporter stating that all damage during transport shall be at the Contractor's expense, the transport risk shall nevertheless be borne by the Client and the Contractor shall never be obliged to take steps to recover damages. If required, the Contractor shall transfer its rights in relation to the carrier to the Client.

10.4 Except where otherwise expressly agreed in writing, any products placed with the Contractor for processing, repair or inspection shall remain with the Contractor at the Client's risk. The Contractor agrees to keep and treat the products supplied by the Client with due care.

### Article 11: Property

11.1 Ownership of the products shall be transferred to the Client when all obligations arising from the agreement, or in respect of any other agreement associated with it, have been fulfilled. Apart from payment of the purchase price, obligations shall include work performed or to be performed in respect of the products, and all relevant surcharges, interest, taxes and charges, etc., resulting from the agreement.

11.2 The Client is not entitled to sell off, lend, pledge or to mortgage these products or, as the case may be, to transfer them to third parties in any other way before that date. The Client is authorised to treat, process or use these products within the framework of its normal business operations.

11.3 The Client shall – without further notice of default or judicial intervention – enable the Contractor to take back the delivered products with immediate effect.

Without prejudice to the Contractor's other rights, if the Client fails to meet the agreed (payment) obligations or fails to meet these obligations properly or in a timely manner, the Contractor will, at the first request, be irrevocably authorised by the Client to disassemble the products attached to movable and immovable property supplied by the Contractor and this without notice of default or judicial intervention.

11.4 Client shall be obliged to inform the Contractor immediately of the fact that third parties (may possibly) have a claim on products in which the Contractor has retained title. If it becomes evident that the aforementioned obligation has not been met by the Client, the Client shall pay a penalty amounting to 15% of the unpaid part of the claims to which the retention of title relates, without prejudice to the

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Contractor's other rights in respect of these claims.

11.5 Each payment that the Contractor receives from the Client will first serve to settle the claims the Contractor has in respect of the Client in relation to which there is no (longer any) retention of title within the meaning defined in paragraph 1 of this Article.

### Article 12: Guarantee

12.1 The Contractor guarantees that the products are free of material and manufacturing faults during a period of 6 months after delivery as defined in Article 7. This guarantee means that the Contractor shall repair the faults at its own expense – this at the sole discretion of the Contractor – or take back (wholly or in part) the product supplied and replace it with a new delivery.

12.2 If the Contractor, in fulfilment of its guarantee obligations, replaces (parts of) the products supplied, the replaced (parts of) products shall become the property of the Contractor.

12.3 All costs that exceed the requirement set out in Article 12 paragraphs 1 and 2 shall be borne by the Client, including transport costs, travel costs and costs of assembly and disassembly, as well as consequential losses. If the Contractor carries out repair work on products it has supplied and this pursuant to its guarantee obligations, the Client shall remain fully responsible for the risk attached to the products concerned.

This guarantee shall not apply:

- A. if the faults are the result of improper use or of causes other than defectiveness of material or manufacture;
- B. if the Contractor in conformity with the assignment supplies used material or used goods;
- C. if the cause of the faults cannot be clearly determined;
- D. if all instructions given for use of the products and other specific guarantee regulations are not strictly and fully observed.

12.5 If products are provided for treatment, repairs, etc. the guarantee provided shall be limited to the quality of the execution of the assigned operations.

12.6 Parts not manufactured by the Contractor shall be covered solely by the guarantee given by the Contractor's suppliers.

12.7 This guarantee will cease to apply if:

- A. it concerns faults which are wholly or partly the result of government regulations in relation to the quality or nature of the materials used or in relation to the manufacturing;
- B. the Client initiates and carries out changes and repairs during the guarantee period to the products supplied;
- C. the Client fails to properly fulfil any obligation arising under this or any other agreement associated with it or fails to do so in a timely manner. This also applies to the obligations set out in these conditions regarding inspection and complaints.

### Article 13: Non-Attributable Shortcoming/Force Majeure

13.1 The Contractor cannot be held responsible for any shortcoming in the fulfilment of the agreement between the Client and the Contractor if the Contractor is not to blame for the shortcoming and he is neither accountable for it by law nor according to generally accepted standards. Contractor cannot be held liable, neither with respect to the Client nor towards any third party, for direct and/or indirect damage suffered as a result of a non-attributable shortcoming by the Contractor.

13.2 A non-attributable shortcoming in the sense meant in Article 13.1 shall exist in the case of force majeure, restrictive government measures of any nature, fire, epidemics, mobilisation, war, threat of war, civil war, hijacking, acts of terrorism, revolution, strikes, riots, seizure, water damage, interruption of production, lack of materials or personnel, semi-finished products and/or consumables, natural disasters, blocking of transport, default of suppliers in whole or in part, defects in machinery or equipment, disruptions in the supply of energy and any other circumstance for which the Contractor is not accountable by law, judicial act or according to generally accepted standards, such as events that are unforeseeable or beyond the control of the Contractor, either within the Contractor's company or with third parties from whom the Contractor must obtain the necessary materials or raw materials in whole or part, as well as during storage or transport, whether or not under one's own control, and furthermore as a result of all other causes, which occur through no fault or action of the Contractor.

13.3 Force majeure on the part of the Contractor shall also mean: each circumstance that arises independent of the Contractor's intention, as a result of which the fulfilment of its obligations to the Client is wholly or partly prevented or causing a situation in which the Contractor cannot reasonably be required to fulfil its obligations irrespective of whether or not that circumstance was provided for when the agreement was drawn up. The Contractor shall inform the Client of a force majeure situation as soon as possible.

13.4 If the force majeure situation has lasted six months, the Contractor shall be entitled to terminate the agreement fully or partly without judicial intervention. In such a case the Client shall not be entitled to any compensation.

13.5 The circumstances named in paragraphs 13.2 and 13.3 discharge the Contractor from any obligation to fulfil its obligations, including delivery time, and this for as long as the relevant hindrance persists. Claims for compensation on account of partial or total non-compliance are also excluded in the above cases.

### Article 14: Termination

14.1 If the Client fails to comply with any obligation – under this agreement properly, in full and on time – that may arise for the Client from



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the agreement concluded with the Contractor, the Client shall be in default and the Contractor shall be entitled, without notice or judicial intervention: to suspend the execution of the agreement and the directly associated agreement until payment has been sufficiently secured; and/or to immediately terminate the agreement and associated agreements in whole or in part; the aforesaid without prejudice to the Contractor's other rights and without the Contractor being liable to pay compensation.

14.2 In the event of bankruptcy, suspension of payment, closing down or liquidation of the Client's business, all agreements with the Client shall be automatically terminated by law unless the Contractor informs the Client, within a reasonable period, that fulfilment of (part of) the relevant agreement(s) is desired, in which case the Contractor, without any requirement to issue a notice of default, shall be entitled to:

- suspend the execution of the agreement concerned until payment has been sufficiently secured; and/or

- to suspend all of its possible payment obligations to the Client, for whatever reason; all without prejudice to the Contractor's other rights and without being liable to pay compensation.

14.3 In the event a circumstance arises as defined in paragraph 1 or 2 of this Article, all of the Contractor's claims with respect to the Client shall become immediately due and the Contractor shall be entitled to take back the products. In this case, the Contractor shall be entitled to enter the Contractor's premises and buildings in order to take possession of the products. The Client is obliged to take the necessary measures in order to give the Contractor the opportunity to enforce its rights.

### Article 15: Liability

15.1 The Contractor's liability shall be limited to the fulfilment of the guarantee obligation referred to in Article 12.

15.2 Except in the event of an intentional act or gross negligence by the Contractor, and except for its guarantee obligations, the Contractor shall not be liable for any damages suffered by the Client, including consequential loss/damages, immaterial damages, trading loss or environmental damage, or damage resulting from liability with respect to a third party.

15.3 If and in so far as the Contractor is however held liable in any case by the competent court despite the provisions set out in paragraphs 1 and 2 of this Article, the Contractor's liability with respect to the Client shall for each event (whereby a series of events shall count as one event) in all cases be limited to the relevant contract sum exclusive of VAT.

15.4 The Client shall be obliged to indemnify and compensate the Contractor for all costs, damages and interest which may be incurred by the Contractor as a direct result of claims by third parties against the Contractor in respect of events, acts or

omissions through or in connection to performing the assignment, for which the Contractor as a result of these conditions shall hold no liability with respect to the Client.

15.5 The Contractor cannot be held liable for violations of patents, licences and other rights through the use of data, which have been provided to the Contractor by or on behalf of the Client for execution of the assignment.

15.6 If in the written agreement between Contractor and Client or in our order confirmation reference is made by the Contractor to technical, safety, quality and/or other regulations relating to the product, the Client is deemed to know and be familiar with these, unless the Client informs the Contractor in writing and without delay of the contrary. The Contractor shall in that case provide the Client with further information about these regulations.

15.7 Those purchasing from the Client shall always be informed in writing by the Client of the provisions set out in Article 15 under paragraphs 5 and 6.

### Article 16: Documents, Tools and Advice

16.1 Cost estimates, plans, catalogues, illustrations, drawings, weights & measurements or other documents accompanying offers or deliveries, as well as equipment/aids such as models, moulds, props, dies and tools prepared or manufactured by the Contractor shall always remain - even if the manufacturing costs are charged to the Client - the sole property of the Contractor and must be returned upon request.

16.2 Unless the Contractor provides written consent the Client ensures that all documents, equipment/aids/tools and information provided by the Contractor as described in the previous paragraph shall not be copied or imitated, neither shall they be made available to third parties for re-use or inspection.

The Contractor shall be entitled to demand that the Client provides full cooperation with respect to the signing of a confidentiality agreement submitted by the Contractor to the Client.

16.3 In compliance with the provisions set out in Article 3 paragraph 5, all advice, calculations, notifications, communications and statements provided by the Contractor regarding capacity, results and/or anticipated performance of products to be supplied by the Contractor or, as the case may be, work to be performed, shall only be binding for the Contractor if and to the extent such information has been included in a written order confirmation from the Contractor, or if it is part of the written agreement drawn up separately between the Contractor and the Client.

### Article 17: Cancellation

17.1 If the Client wishes to cancel the assignment given to the Contractor and the Contractor has agreed to this in writing, the Client must take over the materials and raw materials purchased by the Contractor unless otherwise agreed in writing and

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irrespective of whether or not these items/goods have been acquired through deferred purchase and irrespective of whether or not any of these items have been treated or processed and this at the price paid by the Contractor, additionally, the Client shall also compensate the Contractor for loss of profits at 15% of the agreed price; all of which shall be without prejudice to the Contractor's other rights. If in relation to the assignment the Contractor entered into a currency contract with a bank or a third party, the Client shall also be obliged to reimburse the Contractor for the currency losses resulting from the cancellation.

17.2 The Client shall indemnify the Contractor at all times against claims made by third parties resulting from the cancellation of the contract.

### **Article 18: Applicable Law; Competent Court**

18.1 All disputes and all agreements entered into with the Contractor are governed by the laws of the Netherlands.

18.2 All disputes arising from the agreement drawn up with the Contractor or in relation to these terms and conditions shall, unless otherwise imperatively prescribed by law, be subject to the judgment of the competent court located in the town/city in which the company has its registered office, unless the parties have explicitly agreed otherwise in writing.

18.3 The applicability of the Vienna Sales Convention shall be excluded, unless the parties have explicitly agreed otherwise in writing.

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