

General Purchasing Conditions

PART A: GENERAL PART

Article 1: contracting parties, applicability of general purchasing conditions.

1.1 These general purchasing conditions apply to all requests, orders, offers and contracts in which HEINEN & HOPMAN ENGINEERING B.V. (hereinafter called: Heinen & Hopman), acts:

- as buyer of goods and any related services;
- as principal when granting assignments as referred to in Article 17;
- as main contractor when granting a subcontracting assignment as referred to in Article 24.

1.2 Unless explicitly and actually agreed to in writing, these purchasing conditions form part of all purchase contracts, contracts of assignment and subcontracting agreements made by Heinen & Hopman with the seller, contractor and/or subcontractor, hereinafter called the supplier. Deviation from these purchasing conditions can only be agreed in writing.

1.3 The effectiveness of the general conditions of the supplier is hereby explicitly rejected. The supplier's general conditions only apply if and insofar as Heinen & Hopman has explicitly and actually agreed to them in writing.

Article 2: realisation of the contract.

2.1 By making an offer following a request by Heinen & Hopman, the supplier confirms that these purchasing conditions apply to the offers and the contract ensuing therefrom.

2.2 All offers made to Heinen & Hopman are irrevocable and have a minimum term of validity of at least three months, unless the offer includes a deviating term. Upon the expiry of the term of validity, without Heinen & Hopman accepting the offer, the offer is deemed to have been rejected.

2.3 A contract between Heinen & Hopman and the supplier is not effected until Heinen & Hopman has accepted the supplier's offer in writing, by means of sending an order form, purchase order or assignment confirmation (hereinafter called: purchase order). The contract is to be performed by the supplier in accordance with what is set out in the purchase order, unless the supplier lodges a written objection within five working days after sending the purchase order, in which case the parties will consult with each other.

2.4 If Heinen & Hopman sends a written purchase order without a prior offer from the supplier, the contract will be effected as of the date of and fully in accordance with the provisions in the purchase order, unless within ten working days after sending Heinen & Hopman receives a copy of the purchase order signed by the supplier in agreement, or unless within that term the supplier performs the contract, or a start has been made with the performance of the contract.

2.5 The sending of the purchase order by Heinen & Hopman can also be effected by means of fax or telex messages, the dispatch of which is deemed the same as a written purchase order.

2.6 If drawings, designs, moulds, specifications, instructions, inspection regulations and the like, made available or approved by Heinen & Hopman, are used in the performance of the contract, these form an integral part of the contract.

Article 3: price (change).

3.1 The agreed price is in Euro's, exclusive of VAT and exclusive of any travel and accommodation costs, unless explicitly otherwise agreed in writing.

3.2 The prices mentioned in the purchase order are fixed and cannot be unilaterally adjusted and/or changed by the supplier. The supplier can only charge Heinen & Hopman for additional work, additional deliveries or delivery of more goods than has been agreed if Heinen & Hopman has furnished a prior and additional written purchase order.

Article 4: delivery and execution of the assignment.

4.1 Delivery by the supplier must be effected in the Netherlands delivery paid at the address which Heinen & Hopman will announce in due time. Deliveries abroad will be effected in the manner described in the purchase order or in consultation with Heinen & Hopman if nothing has been arranged in this respect in the purchase order.

4.2 The supplier must perform the contract within the agreed term which must also be set out in the purchase order. The agreed term is binding and time is of the essence. If the parties have not agreed a term, the performance must be effected with the expedience which can reasonably be expected of the supplier.

4.3 As soon as the supplier knows or should know that he cannot perform the contract in time, correctly and/or in full, he will give Heinen & Hopman written notice thereof within 24 hours, stating the reasons.

4.4 If the supplier, after expiry of the agreed term, continues to default on the performance of the contract, he will forfeit to Heinen & Hopman, without the need for further reminder or notice of default, an immediately due penalty in the amount of € 5,000.00 unless performance is not effected as a result of force majeure on the part of the supplier.

4.5 Payment of the penalty by the supplier referred to in the preceding paragraph is without prejudice to any other right of Heinen & Hopman, including a claim of Heinen & Hopman for additional compensation.

4.6 In order to limit the damage, the supplier will immediately inform Heinen & Hopman of any hindrance in the whole or partial performance of the contract which arises.

4.7 The supplier is obliged to limit the consequences of any failure in the performance of his obligations under the contract as much as possible. All costs involved with this are at the supplier's expense.

4.8 The supplier guarantees that he has not taken on any other obligations which stand in the way of the proper performance of the contract on his part.

4.9 The supplier must ensure that the goods to be delivered are properly packed in accordance with the requirements of transport and destination. The supplier is liable for the damage caused by inadequate or poor quality packaging. All packaging materials used (with the exception of loan packaging) become the property of Heinen & Hopman upon delivery. Loan packaging must be clearly marked as such by the supplier and will be taken back by the supplier on Heinen & Hopman's first request.

Article 5: production schedule, progress report.

5.1 In the event of production, contracting and subcontracting of work, a supplier will furnish a production schedule on Heinen & Hopman's first request, setting out the:

- Engineering planning
- Purchase planning
- Production planning for main components
- Inspection and testing planning

- Transport planning
- Assembly planning

5.2 On Heinen & Hopman's request the supplier will furnish progress reports, which will clearly set out the state of affairs.

5.3 The supplier and his suppliers and (sub)contractors are obliged to do everything possible to make up for a delay. Working overtime, working on Saturdays and Sundays, and attracting extra capacity and/or additional outsourcing of activities or other measures in whatever form are subject to this obligation. Extra costs for making up a delay are at the supplier's expense.

5.4 If Heinen & Hopman asks the supplier to postpone the delivery the supplier will store the goods to be delivered properly packed and clearly marked as being intended for Heinen & Hopman and keep said goods secure and insured. Heinen & Hopman will in such case agree a reasonable fee with the supplier.

Article 6: transfer of title and risk.

6.1 The supplier is liable for any damage which his employees or third parties which the supplier has involved in the performance of the contract have caused to Heinen & Hopman or its principal.

6.2 The transfer of title coincides with de facto delivery or completion of the work.

6.3 The supplier is not permitted to transfer the performance of the contract to third parties in whole or in part, unless otherwise agreed in writing. If the performance of the contract is transferred to third parties in whole or in part with the consent of Heinen & Hopman this does not entail that the supplier is thereby transferring all his obligations with regard to Heinen & Hopman to said third parties. Heinen & Hopman reserves the right to hold the supplier liable for default of said third parties.

6.4 In the event of advance payment by Heinen & Hopman title in the goods to be delivered, including the materials from which the goods to be delivered are produced, passes to Heinen & Hopman as soon as the first payment has been made. The supplier is obliged to mark the goods as being the property of Heinen & Hopman and to immediately inform Heinen & Hopman as soon as a third party believes it can make a claim in respect of the goods and materials to be delivered.

Article 7: rejection/cancellation.

7.1 If the supplier does not perform the contract in accordance with the relevant stipulations in the purchase order, Heinen & Hopman has the right to reject delivered goods, executed activities or effected works. Customs which could lead to the contract being performed in deviation from what has been agreed are explicitly excluded. Taking receipt or payment of the goods or activities do not automatically entail approval thereof.

7.2 If Heinen & Hopman rejects the delivered goods, executed activities or the effected works, the supplier is obliged within 14 calendar days at the election of Heinen & Hopman to either correctly and completely perform the contract or to repay the amounts already paid in this respect to Heinen & Hopman, without prejudice to Heinen & Hopman's right to full compensation of the loss suffered by it and without prejudice to Heinen & Hopman's right – if it deems such desirable – to refuse further performance of the contract and to terminate the contract in whole or in part. In the above-mentioned cases Heinen & Hopman will not be bound to pay any compensation.

7.3 In the event of rejection of delivered goods Heinen & Hopman will store the delivered goods at the supplier's expense and risk. The rejected goods will only be issued

to the supplier after these goods have been replaced with the new goods, or after Heinen & Hopman has been indemnified by the supplier with regard to the rejected goods.

7.4 If the supplier does not perform one or more obligations under the heading of the contract, or any other contract which might ensue therefrom, does not perform such in time or does not perform such properly, regardless of the cause of this non-performance, late performance or poor performance, he, the supplier, is deemed to be legally in default and Heinen & Hopman has the right to immediately and unilaterally terminate the further performance of the (further) contract or (further) assignment in whole or in part without additional notice of default and without judicial intervention, preferably by recorded mail or to refuse further performance, in all cases without Heinen & Hopman being bound to pay any compensation or restitution.

7.5 Payment by Heinen & Hopman does not in any way entail a waiver of rights.

Article 8: payment and set-off.

8.1 Payment will be effected in Euro's, unless otherwise indicated in the purchase order.

8.2 In the event the agreed price has been fixed in a currency other than Euro's, the price in this currency in the event of payment by Heinen & Hopman, will never be more than the corresponding price in Euro's as such applied at the time the contract was made.

8.3 Insofar as possible payment will be effected 60 days after receipt of the invoice sent by the supplier and after full and proper performance of the contract, unless otherwise agreed between the parties. In the event this term is exceeded, no interest will be owing, unless such has been committed. Heinen & Hopman has the right to suspend any payment of amounts owing to the supplier under any heading whatsoever if:

- Heinen & Hopman has rejected the delivered goods, the executed activities or the effected work;
- the delivered goods, the executed activities or the effected work have not been delivered or completed within the time period set out in the purchase order;
- other obligations under the contract or under another heading have not been performed by the supplier.

8.4 Heinen & Hopman is entitled to set off any payments, costs, damage and/or interest which the supplier owes Heinen & Hopman, against payment(s) to the supplier.

Article 9: guarantee.

9.1 The supplier guarantees that the performance of the contract will be effected in accordance with the specifications (or samples) set out in the purchase order. The delivered goods, the executed activities and the work effected, insofar as applicable here, are made of proper materials, are of good quality and suitable for the purpose for which they are intended and/or for which Heinen & Hopman has ordered them.

9.2 The supplier guarantees that during a period of 10 years after delivery or completion, he can deliver parts for the delivered goods to Heinen & Hopman.

9.3 The supplier guarantees that the delivered goods do not infringe any patent, licence, copyright, registered drawings or designs, trade marks or trade names. The Supplier indemnifies Heinen & Hopman against all claims of this nature and will immediately compensate Heinen & Hopman for any loss connected therewith.

9.4 Without prejudice to the provisions of Article 8 the supplier undertakes within 18 months after delivery or installation or completion to repair goods or parts which

Heinen & Hopman or its principal deems to be of poor quality and if necessary to replace such and/or to execute poor work again. The costs of such repair, replacement and/or new execution of work are fully at the supplier's expense. The foregoing is without prejudice to the right to claim full compensation from the supplier.

9.5 The supplier guarantees that the delivered goods, executed activities and/or effected work meet all (regulatory) requirements and the relevant government regulations including requirements and/or rules issued by the European Union as well as the regulations of classification agencies and/or other institutions and safety and quality standards applicable within the industry, all as these apply at the time of delivery and/or realisation of the contract.

9.6 Heinen & Hopman will inform the supplier as soon as possible with regard to shortcomings in the goods delivered by the supplier, activities carried out and/or works effected by the supplier and will give the supplier a reasonable opportunity for inspection. If the delivered goods and/or activities carried out and/or work effected, after inspection, testing and/or monitoring turn out not to be satisfactory, the supplier will, at his expense, repair or replace the rejected goods, activities and/or works at Heinen & Hopman's election upon first notice.

Article 10: force majeure.

10.1 Force majeure in this respect means: Any circumstance independent of the will of the parties so that performance of a contract of the parties can no longer reasonably be demanded. The supplier cannot claim force majeure on the basis of default on performance of suppliers of the supplier and/or machine and production breakdowns.

10.2 If the supplier cannot perform the contract due to force majeure, the supplier can only claim force majeure if he gives Heinen & Hopman written notice thereof, with the necessary proof, immediately after the circumstances constituting the alleged force majeure.

10.3 In the event the supplier claims force majeure, on Heinen & Hopman's first request he will be bound to present additional proof, from which it is abundantly clear that the specified reasons have in fact led to a situation of force majeure. The supplier must make an official statement in this respect, if necessary confirmed by the competent authorities.

10.4 Heinen & Hopman has the right to subject the proof referred to in the preceding paragraph to a counter-inspection at the supplier's expense.

10.5 For the purpose of the right referred to in the preceding paragraph, the supplier hereby grants access to the places where the goods are produced or stored at his expense, the necessary documentation and information and will fully cooperate with the inspection.

10.6 If the situation of force majeure referred to in paragraph 1 of this article lies with the supplier, Heinen & Hopman has the right to cancel the contract or, at the election of Heinen & Hopman, suspend the obligations of both parties for the duration of the situation of force majeure, with the exception of the obligation to execute those parts which can be executed. Heinen & Hopman is in such situation only bound to make payments for the part of the contract which has been performed.

10.7 As soon as the situation of force majeure has come to an end and the parties have suspended each other's obligations, the production schedule will be adjusted in consultation with Heinen & Hopman. In principle the agreed price will not be changed, unless such would be apparently contrary to the standards of reasonableness and fairness.

10.8 Heinen & Hopman and the supplier will each bear the loss and costs suffered on their own part insofar as force majeure and costs are a result of the situation of force majeure.

Article 11: enforcing claims.

11.1 All claims which Heinen & Hopman might have on the supplier now or in the future will immediately be due in full as soon as they exist, as well as in the event of bankruptcy or moratorium on payment of the supplier.

Article 12: changes.

12.1 Heinen & Hopman has the right to demand for the scope and/or the capacity of the deliverable goods to be changed. Heinen & Hopman has the right to make modifications to the materials, drawings, designs, moulds, schedules, computer software, instructions, specifications and the like with regard to the goods to be delivered.

12.2 If the change indicated by Heinen & Hopman has consequences for the previously agreed price and/or delivery time the supplier, before implementing the related changes, will inform Heinen & Hopman thereof in writing as soon as possible, but at the latest within 5 working days after the notice of the desired change. If these consequences for the price and/or delivery time are unreasonable in Heinen & Hopman's opinion with regard to the nature and the scope of the change, Heinen & Hopman has the right to cancel the contract by means of written notice to the supplier, unless this would be unreasonable in view of the circumstances. Cancellation on the basis of this paragraph does not give any of the parties a right to compensation of any loss.

12.3 The supplier may not make or implement any changes without Heinen & Hopman's written confirmation.

Article 13: confidentiality.

13.1 The supplier guarantees the confidentiality with regard to third parties of all trade information and know-how in the broadest sense of the word, relating to and/or deriving from Heinen & Hopman, which has come to or been brought to his knowledge in any way.

13.2 The supplier is not permitted, without the prior written consent of Heinen & Hopman, to give any form of publicity to the performance of the contract or directly or indirectly keep contact with Heinen & Hopman's principal(s). Heinen & Hopman can make the consent subject to conditions.

13.3 The supplier is not permitted to reproduce documents relating to the contract such as drawings, schedules and other business information or allow third parties to inspect such other than is necessary in the framework of the performance of the contract.

13.4 The supplier will also impose the obligations set out in this article on his personnel who may be involved in the performance of the contract.

13.5 Heinen & Hopman has the right in relevant cases to have personnel of the supplier involved in the performance of the contract sign a confidentiality agreement.

13.6 In the event of breach by the supplier of one of the prohibitions and orders laid down in this article the supplier will forfeit in favour of Heinen & Hopman an immediately due penalty of € 50,000.00, without prejudice to the right to demand full compensation from the supplier.

Article 14: (product) liability, insurance.

14.1 The supplier is liable to Heinen & Hopman and indemnifies Heinen & Hopman against all loss suffered by Heinen & Hopman or by third parties as a result of defects in the delivered goods, executed activities and/or effected work.

14.2 The supplier is liable for and indemnifies Heinen & Hopman against all loss suffered by Heinen & Hopman or by third parties as a result of actions or omissions of himself, his personnel or those persons he has involved in the performance of the contract.

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14.3 On Heinen & Hopman's first request the supplier will, in and out of court, in the place of or together with Heinen & Hopman (to be determined by Heinen & Hopman) defend himself against claims of third parties as referred to above.

14.4 For the application of this article personnel and employees of Heinen & Hopman are also deemed third parties.

14.5 The supplier will take out satisfactory insurance against the liability referred to in this article. If so desired the supplier will allow Heinen & Hopman to inspect the insurance policy.

18.1 The supplier is deemed to be familiar with and guarantees compliance with all statutory requirements and other government regulations which have been set by or on behalf of a public authority with regard to the performance of the contract by the supplier, as well as the regulations of the relevant classification agencies insofar as applicable, all as these apply at the time of performance of the contract.

18.2 The supplier will perform the contract in accordance with the latest state of the art.

Article 19: personnel, materials and tools.

19.1 The personnel engaged by the supplier in the performance of the contract will meet the requirements set by Heinen & Hopman and in the absence thereof will meet the general requirements of skill and expertise.

19.2 If in the opinion of Heinen & Hopman there is unqualified or unmotivated personnel, Heinen & Hopman has the right at all times to order the removal of the relevant personnel and the supplier is obliged to immediately replace them with properly qualified and motivated personnel.

19.3 The supplier will take care of all materials and tools required for the performance of the contract, including protective materials for the personnel involved.

19.4 Heinen & Hopman has the right to inspect and test all materials, tools and protective materials required by the supplier in the performance of the contract.

19.5 If Heinen & Hopman rejects, in whole or in part, the materials, tools and protective materials required by the supplier in the performance of the contract in an inspection or test as referred to in the preceding paragraph, the supplier is obliged to immediately replace the rejected materials, tools and protective materials.

Article 20: knowledge of the site/property.

20.1 Before a start is made with the performance of the contract, the supplier must familiarise himself with the circumstances on the site/property where the contract is to be performed and which can influence the performance of the contract.

20.2 Costs of delay in the performance caused by non-inspection or late inspection as referred to in the preceding paragraph are at the supplier's expense and risk.

Article 21: safety.

21.1 The supplier is obliged to perform the contract (and the agreed work) in accordance with all relevant and statutory regulations and rules (as well as those issued by Heinen & Hopman) with regard to safety, health and the environment. The contract must be performed in such way that the safety and health of third parties is not jeopardised and the environment is protected.

Article 22: storage.

22.1 The supplier may not store more material on the site/property where the contract is to be performed than is necessary in the opinion of Heinen & Hopman for the performance of the contract.

22.2 On Heinen & Hopman's first request the supplier will remove that part of the materials whose presence on the site/property as referred to in the preceding paragraph, in the opinion of Heinen & Hopman, is redundant, at his own expense.

22.3 Storage and moving of material on the site/property referred to in the preceding paragraphs is at the supplier's expense and risk.

Article 23: working hours.

23.1 Execution of the agreed activities must be effected during normal working hours.

23.2 The execution of the agreed activities outside of the normal working hours of Heinen & Hopman is permitted after receiving the prior written consent of Heinen & Hopman. Costs and deviations from the normal working hours are at all times at the supplier's expense and risk.

23.3 In the event of deviation from the normal working hours the supplier himself must see to all necessary formalities in due time, such as overtime permits and the like.

PART C: ADDITIONAL CONDITIONS APPLICABLE TO THE GRANTING OF A SUBCONTRACTING ASSIGNMENT OF WORK BY HEINEN & HOPMAN ENGINEERING B.V.

Article 24: contracting parties.

24.1 These additional conditions apply to all requests, offers and contracts in which Heinen & Hopman acts as main contractor in the granting of a subcontracting assessment of work by the supplier, whereby the supplier undertakes with regard to Heinen & Hopman to carry out physical work, in whole or in part, outside of employment at a price to be determined by Heinen & Hopman, under circumstances subject to the Wages and Salaries Tax and Social Security Contributions (Liability of Subcontractors) Act (Statute of 4 June 1981 (Bulletin of Acts and Decrees 1981, 370)).

24.2 In addition to these additional conditions, the general part of the "General Purchasing Conditions of HEINEN & HOPMAN ENGINEERING B.V." applies, unless there is deviation therefrom in these additional conditions.

Article 25: obligations of the supplier.

25.1 The obligations of the supplier encompass:
a. to properly carry out the work he is to perform;
b. to only follow the orders and instructions given by Heinen & Hopman;
c. in principle to have his personnel available during the working hours on the building site/property, whereby their absence, replacement and availability is arranged in consultation with Heinen & Hopman;
d. to have possession of and to present his valid proof of registration with the industrial insurance board and establishment permit on Heinen & Hopman's first request;
e. to weekly present Heinen & Hopman with a summary of the time sheets, names and social security numbers of all personnel members who have been put to work by the supplier;
f. to strictly fulfil all his obligations with regard to the personnel he has put to work;
g. to always provide a copy of the statement relating to his payment conduct with the industrial insurance board and the tax receiver as referred to in the framework of the Wages and Salaries Tax and Social Security Contributions (Liability of Subcontractors) Act on Heinen & Hopman's first request;
h. to refrain from making quotes or offers to the principal of Heinen & Hopman for the expansion or alteration of the work;
i. to indemnify Heinen & Hopman against loss arising by non-performance by the supplier of his obligations under the contract or under the law.

Article 26: working method.

26.1 The supplier must use and maintain any materials and tools which Heinen & Hopman makes available for the execution of the work, whereby in the event of failure to do so the supplier will be liable for the loss and costs suffered by Heinen & Hopman.

26.2 Without the prior written consent of Heinen & Hopman the supplier is not entitled to make use of workers made available by third parties ("seconddees").

Article 27: laws, inspection of records.

27.1 The supplier undertakes with regard to Heinen & Hopman to fully comply with his statutory obligations to pay the premiums of the social security laws, and income tax which are connected with the work with which he has been charged and to furthermore fully comply with the provisions of the applicable Collective Labour Agreement.

27.2 Persons appointed by Heinen & Hopman have the right to inspect the supplier's records at any time. Upon Heinen & Hopman's first request the supplier will furnish a copy of all relevant documents.

Article 28: payment.

28.1 Heinen & Hopman will only pay the agreed contract price after the supplier has completed the work to Heinen

& Hopman's satisfaction or the supplier has executed the part to which a part payment relates and after the supplier has demonstrated to Heinen & Hopman, on Heinen & Hopman's first request, that he has paid the personnel put to work in this respect the amounts they are entitled to.

28.2 Subject to the provisions of the preceding paragraph the payment will be effected 30 days after receipt of the invoice, unless the contrary has been agreed in writing.

28.3 Heinen & Hopman has the right to pay the supplier the social security premiums and income tax which the supplier owes with regard to the work, for which Heinen & Hopman is severally liable pursuant to the Wages and Salaries Tax and Social Security Contributions (Liability of Subcontractors) Act to the supplier by deposit on his blocked account as referred to in the Wages and Salaries Tax and Social Security Contributions (Liability of Subcontractors) Act.

28.4 Without prejudice to the provisions of the preceding paragraph Heinen & Hopman is at all times entitled to withhold the amounts in social security premiums and income tax referred to in the preceding paragraph from the contract price and on behalf of the supplier to pay these directly to the relevant industrial insurance board or the tax receiver.

28.5 In the cases referred to in paragraphs 2 and 3 of this article, by payment thereof Heinen & Hopman is discharged with regard to the supplier insofar as these amounts are concerned.

Article 29: invoicing.

29.1 The invoice must satisfy the requirements set out in Article 35 of the Dutch Turnover Tax 1968. The supplier must in any event set out the following details on the dated and numbered invoice in a clear and organised manner:
a. Heinen & Hopman's contract number and the supplier's reference number relating to the work;
b. the work and the place(s) of the execution to which the invoice relates;
c. the time period and the performance to which the invoice relates;
d. the scope of the salary included in the invoiced amount;
e. the supplier's name and address;
f. the name of the industrial insurance board with which the supplier is affiliated and his affiliation number;
g. the supplier's salary tax number;
h. a statement as to whether the VAT Transfer Arrangement applies. In the event the VAT Transfer Arrangement does not apply, the VAT amount must be specified.

Article 30: recovery.

30.1 If Heinen & Hopman, after having been given notice of liability for taxes and premiums not paid by the supplier or the subcontractor who succeeds him, has had to pay said taxes and premiums, Heinen & Hopman has a right of recovery in respect of the supplier for the full amount which has been paid by Heinen & Hopman. Heinen & Hopman's claim will be increased by statutory interest as of the date that Heinen & Hopman has paid.

30.2 Performance by Heinen & Hopman of its obligations under the provisions of the applicable Collective Labour Agreement with regard to the personnel of its supplier gives Heinen & Hopman a right of recovery in respect of the supplier for the amount which Heinen & Hopman has paid in this respect, increased by statutory interest.

Article 31: changes.

31.1 This article applies in deviation from the provisions of Article 12 of these conditions.

31.2 If Heinen & Hopman wishes to change the agreement, it will send the supplier a change request. As soon as possible, but at latest within 8 days after receipt of the change request, the supplier will inform Heinen & Hopman in writing as to the consequences of the proposed change.

31.3 If Heinen & Hopman agrees to the written specification of the supplier as referred to in the preceding paragraph, the parties will record those changes in a change agreement. Change agreements will be sequentially numbered.

31.4 If Heinen & Hopman does not agree with the supplier's written specification as referred to in paragraph

3 of this article, Heinen & Hopman can implement the change unilaterally in the interest of the work. In such case the supplier will immediately execute the change desired by Heinen & Hopman to the best of his ability. The extra costs and the savings involved with the changes will be recorded by the supplier and reported to Heinen & Hopman. On the basis of this information the parties will attempt to reach agreement relating to the consequences of the implemented changes.

31.5 If in connection with developments in the progress of the work the supplier is of the opinion that a change must be agreed, he will send Heinen & Hopman a change request. Paragraphs 3 and 4 of this article apply in such case.

31.6 Instructions, interpretations, decisions or actions which are taken in the interests of the progress of the work or which are intended to secure the performance of the agreement are not changes as referred to above.

33.7 Changes will be implemented as much as possible on the basis of the provisions of the original agreement of which it forms part.

Article 15: cancellation.

15.1 At all times, Heinen & Hopman has the right to prematurely terminate the contract in whole or in part by means of written notice to the supplier, setting out the reasons therefore. Immediately after receipt of the written notice, the supplier will cease the further performance of the contract, or the supplier will cease the work. Heinen & Hopman and the supplier will consult on the consequences of such termination. The basic principle is that Heinen & Hopman only owes a reasonable fee for the part of the contract which has already been performed.

15.2 In the event of the supplier's failure to fulfil his obligations under the contract, and in the event of bankruptcy, moratorium on payment and (partial) cessation of the activities, liquidation or take over or any comparable situation of the supplier's business, Heinen & Hopman has the right to immediately unilaterally cancel the contract in whole or in part and without the need for judicial intervention by means of recorded mail, without being bound to pay any compensation and without prejudice to any further rights Heinen & Hopman has, including the right to full compensation and restitutions of the payments it has already made.

15.3 After termination of the contract the supplier is obliged to transfer to Heinen & Hopman all information, documents, drawings, correspondence, designs, moulds and written instructions which Heinen & Hopman believes it needs.

Article 16: applicable law, competent court.

16.1 All disputes which might arise between Heinen & Hopman and the supplier will be settled under Dutch law, unless explicitly otherwise agreed in writing.

16.2 All disputes which might arise between Heinen & Hopman and the supplier, except for any contrary provision of mandatory law, will exclusively be settled by the competent court in Amsterdam, unless otherwise agreed in writing.

PART B: ADDITIONAL CONDITIONS APPLICABLE TO THE GRANTING OF ASSIGNMENTS BY HEINEN & HOPMAN ENGINEERING B.V.

Article 17: applicability.

17.1 These additional conditions apply to all requests, offers and contracts in which Heinen & Hopman acts as principal in the granting of assignments to be executed by the supplier.

17.2 In addition to these additional conditions, the general part of the "General Purchasing Conditions of HEINEN & HOPMAN ENGINEERING B.V." are applicable, unless there is deviation therefrom in these additional conditions.

Article 18: quality of the work.