

PURCHASING TERMS AND CONDITIONS WATSON-MARLOW BREDEL BV

- 1. ACCEPTANCE.** The Purchase Order has to be accepted by the Seller in writing by way of the signing and immediate sending back of the signed copy to the Buyer. However, if for any reason whatsoever the Seller does not sign and send back the Purchase Order to the Buyer, then the commencement of the activities or the performance of the agreement under the Purchase Order by the Seller shall constitute acceptance by the Seller of the Purchase Order and all the conditions contained therein. Acceptance of the Purchase Order is hereby expressly limited to the conditions contained therein. All material deviations from such by the Seller are rejected. If the conditions submitted by the Seller are inconsistent with the conditions contained therein, such conditions shall constitute a counteroffer. This counteroffer shall not be applicable unless the Buyer expressly states in writing that the other conditions have been accepted as a deviation from or a supplement to these general terms and conditions. The Buyer reserves the right to change the design and construction of its products.
- 2. PRICES.** The prices specified in the Purchase Order shall be applicable to all Goods or Services supplied pursuant to the Purchase Order. The Buyer is not obligated to pay invoices for Goods or Services at a higher price until the relevant price increase has been confirmed by the Buyer in writing. Unless stated otherwise, the price covers the net weight of the purchase under the Purchase Order, and the charging of costs for packaging, crates, carts, or storage is not permitted.
- 3. DELIVERY.** The obligation of the Seller to comply with the delivery dates, specifications, packaging requirements, and quantities stated in the Purchase Order forms an essential part of such. Deliveries have to conform to the specifications in the Purchase Order in terms of quantity and delivery date. If no quantities or delivery dates are specified, the written instructions of the Buyer have to be complied with. If the deliveries of the Seller do not conform to the schedule, then the Buyer can arrange faster transport, without prejudice to its other rights and legal remedies, and any additional costs resulting from such shall be debited from the account of the Seller. In accordance with Article 11 of these Conditions, the Buyer can wholly or partially dissolve the Purchase Order if the Seller does not deliver the Goods in accordance with the schedule in the Purchase Order. The Buyer shall not be liable for the obligations of the Seller or its production organisation if this leads to a higher quantity or delivery before the specified time according to the delivery schedule of the Buyer. The Seller may not deliver the Goods before the planned delivery date. Goods that are delivered before the planned delivery date will be delivered at the risk of the Seller and, according to the wishes of the Buyer (a) be returned to the Seller in lieu of delivery at the right time, (b) be subject to a deferral of payment by the Buyer up until the date on which the Goods should have been delivered, or (c) be stored for the account of the Seller up until the specified delivery date. Unless stated otherwise in the Purchase Order, the ownership and risks of all Goods delivered to the Buyer pursuant to the Purchase Order shall be transferred to the Buyer at the moment when the Goods are delivered to the Buyer at the delivery location specified in the Purchase Order or at the location agreed by the Parties.
- 4. FRAMEWORK CONTRACTS.** If this Contract is intended for the sale and purchase of a fixed quantity, the Buyer shall not be obligated to buy any further quantities. In the case of Framework Contracts (a) the Seller agrees to satisfy the requirements of the Buyer for the Goods and Services that fall under the scope of the Purchase Order, and in accordance with the delivery schedule specified therein, or if no schedule is specified, in accordance with the written directions of the Buyer, (b) the Buyer will not be obligated to pay invoices for Goods and Services that are produced, supplied, or delivered outside of the delivery schedule or the written directions of the Buyer pursuant to that provided for above under (a), and (c) the Buyer has the right, at its own discretion, to make other purchases in order to safeguard its production activities, and to maintain reasonable alternative sources of supply.
- 5. PRICES AND TAXES.** Unless stated otherwise, all prices are fixed during the term of the Purchase Order. Unless stated otherwise, the prices specified in the Purchase Order are not inclusive of any applicable taxes. Such taxes will be specified separately on the invoice of the Seller. The prices specified therein shall not include any taxes for which an exemption can be obtained or which are mentioned therein or elsewhere by the Buyer, or any other taxes which the Buyer has given the Seller an exemption certificate for, and no invoices of the Seller shall include such taxes. In respect of any personal property, the Seller agrees to pay all the import duties or value added tax imposed or otherwise levied or any piece of property that is placed in the hands of the Seller by the Buyer for the purpose of carrying out the Purchase Order. Should it be determined at a later date that any tax included in these prices did not have to be paid by the Seller, the Seller agrees to notify the Buyer about such and to immediately apply for the repayment of such, and to undertake all steps in order to obtain the repayment, and then to pay this amount, if received, plus interest, insofar as applicable, to the Buyer.
- 6. INSPECTION.** The Goods and all parts, materials, and the workmanship associated with the execution of the Purchase Order are subject to inspection, testing, and counting by the Buyer, at a time or location chosen by the Buyer, and/or during or after fabrication. If Goods are found to have deficiencies in the materials or workmanship, or do not conform to the requirements specified in the Purchase Order in some other way, then the Buyer, in addition to its other rights, can refuse the Goods and be credited in full for such, or repair the Goods at the expense of the Seller, or demand the immediate repair or replacement of the Goods at the expense of the Seller, including transport costs and other costs. Nothing in the Purchase Order shall relieve the Seller from the obligation to completely and adequately test and inspect the Goods that are sold under the Purchase Order. If the Buyer informs the Seller about any type of deficiency in the Goods whatsoever, the Seller shall carry out an analysis into the root cause of the quality issues, and shall report the outcome of this analysis to the Seller within four weeks after the notification about the deficiency. Furthermore, after receiving the notification about the deficiency, the Seller must take immediate action to limit the extent of the quality problem and to make sure no more deficient Goods are sent to the Buyer. The Seller must moreover confirm the implementation of these measures to the Buyer within 24 hours after receiving the notification about the deficiency. If the Purchase Order relates to the purchase of capital goods or goods or services related to such, the Buyer reserves the right to carry out a final inspection and acceptance of such goods or related goods and services at the moment of the final installation as stated in the Purchase Order. The final payment for such goods or related goods and services, either in full or in part if this is specifically stated in this Purchase Order, shall only take place after the final inspection and acceptance by the Buyer.
- 7. GUARANTEE.** The Seller guarantees that all Goods or Services that are ordered or delivered under this Purchase Order shall be free of all claims, pledge rights, or attachments, and that in every respect they will conform to the specifications, designs, samples, quality controls, and other procedures or descriptions, either issued by the Seller or issued by the Buyer, and that they will be of a good commercial quality and be free of deficiencies in the materials, design, and workmanship. The Seller moreover guarantees that if the Seller has issued applicable

specifications, all the materials that have been purchased in connection with such will be manufactured in accordance with the specifications of the Seller. The Seller guarantees that the Goods are suitable and sufficient for the purposes for which they are intended to be used. The Seller agrees that the above-mentioned guarantee will continue to exist after the acceptance of and payment for the materials, and that the Seller shall indemnify the Buyer against all losses, damages, or any other costs whatsoever, including legal fees, which the Buyer might suffer or incur as a result of a breach of any such guarantee.

8. PAYMENT.

- (a) All payments shall take place subject to the acceptance by the Buyer of the Goods that are ordered under the Purchase Order.
- (b) Insofar as new materials or goods are identified for production by the Seller in order to fulfil the Purchase Order of the Buyer, the Buyer shall have a right of pledge on such in respect of the payments that are made under the conditions of the Purchase Order until such time as the Goods are delivered. The Seller shall provide its cooperation with any further requirements that are necessary for the establishment and execution of this right of pledge.
- (c) Invoices for tools, if tools have explicitly been included in the Purchase Order, will not be paid until the production pieces have been approved by the inspection department of the Buyer.
- (d) The discount period, if applicable, shall start on the date on which the invoice or the materials have been received by the Buyer, depending on which date falls later.

9. CHANGES TO ORDERS. The Buyer can make changes to the general scope of the Purchase Order at any time in relation to one or more of the aspects detailed below by way of a new written Purchase Order. Without a written Purchase Order from the Buyer, no further changes can be made to:

- (a) the applicable drawings, designs, or specifications;
- (b) the shipping or packaging method;
- (c) the delivery location;
- (d) the materials, methods or manner of production, or the finished product.

In the event of a change to the Purchase Order, an equitable adjustment will be made to the price or the delivery schedule of the Purchase Order, or both, if this change leads to an increase or a decrease in the costs or the time needed for the execution of the Purchase Order, and the Purchase Order will be modified in writing accordingly. Any claim made by the Seller in relation to such a change must be submitted within 20 days after the date on which the change notification is received by the Seller, but this period can be extended with the written approval of the Buyer. However, nothing in this clause shall prevent the Seller from carrying out the Purchase Order as submitted or changed.

10. REPLACEMENTS; EXTRAS No materials or accessories may be replaced without the written consent of the Buyer. Extras cannot be charged for unless they have been ordered in writing by the Buyer.

11. DISSOLUTION.

- (a) The Buyer can wholly or partially dissolve this Purchase Order, without incurring any liability towards the Seller, by way of a written notice of default, if the Seller fails to fulfil its obligations as specified in the Purchase Order, or does not provide any security for the execution of such.
- (b) In the event of default by the Seller, or an evident inability to execute the Purchase Order, at the request of the Buyer the Seller shall agree to supply the raw materials and the work in progress in connection with the Purchase Order, and the Buyer can then complete the work and deduct the costs associated with such from the price, or, as an alternative, pay the Seller the reasonable costs of the raw materials and the work in progress.

12. FORCE MAJEURE. Non-fulfilment of the Purchase Order shall not be regarded as default, and neither the Buyer nor

the Seller will be liable for any non-fulfilment, as a result of circumstances or events that are beyond their reasonable control, and without any omissions or failures on the part of the Buyer or the Seller in connection with the execution of the Purchase Order. The Seller agrees that if such circumstances might lead to a delay in the execution of the Purchase Order, the Buyer shall have the option, which it can exercise by way of a written notification, of assuming the ownership of tools, finished parts, raw materials, or work in progress, and at the request of Buyer, the Seller shall issue all the tools, as defined in Article 23 of these Conditions, finished parts, raw materials, or work in progress in connection with the Purchase Order to the Buyer at any location outside the premises of the Seller, and the Buyer shall pay the Seller an equitable amount for such.

13. INSOLVENCY, LOSS OF PROFITS, DAMAGES.

Insolvency, bankruptcy, an application for a suspension of payments, or a general assignment of assets for the benefit of the creditors by either of the Parties shall constitute a material breach of the Purchase Order. The Seller will not have a right to any compensation in such circumstances.

14. SUBCONTRACTING. The Seller must not engage any other party as a subcontractor to supply any part of the finished or unfinished Goods, spare parts, or activities that have been contractually agreed to in the Purchase Order without the prior written permission of the Buyer.

15. PATENTS, ROYALTIES, AND CLAIMS. All delivered Goods and Services must be free of claims in respect of royalties, (infringements of) intellectual property rights, pledge rights, or other charges, and the Seller hereby waives all rights that it or its subcontractors have, either now or in the future, in respect of pledge rights or other charges on the Goods and Services supplied under such. The Seller guarantees that the Goods specified in the Purchase Order, and the sale and use of such, either separately or in combination in accordance with the specifications or recommendations of the Seller, if applicable, shall not infringe any national or international intellectual or industrial property rights or trade secrets. The Seller agrees that it shall indemnify and compensate the Buyer, and anyone who buys or uses any of the Buyer's products, in respect of all claims, judgements, orders, costs, and expenses resulting from an infringement as described above, and the Seller moreover agrees that, at the request of the Buyer and for the account of the Seller, the Seller shall defend or assist with a defence against any such alleged infringement in respect of the products of the Buyer, or shall acquire a licence so that the products can be used under conditions that are acceptable to the Buyer.

16. LICENCE. As a part of the Purchase Order, the Seller shall issue the Buyer, at no extra cost for the Buyer, an irrevocable, non-exclusive right and an unlimited licence for the use, sale, and fabrication of products. This also includes all inventions and discoveries that are made, worked out, or put into practice in connection with the execution of the Purchase Order, and the Seller agrees to grant this right and this licence. Furthermore, the Buyer hereby gives a licence to the Buyer for the repair, reconstruction, or relocation of the Goods that have been purchased by the Buyer under the Purchase Order.

17. PROTECTION OF THE BUYER IN CONNECTION WITH WORK CARRIED OUT ON ITS SITE OR THAT OF A CUSTOMER. If the Purchase Order entails that the Seller provides services, including and without any limitation the delivery costs, temporary labour costs, and work by subcontractors, either at the site of the Buyer or at a site of a customer of the Buyer or elsewhere, the Seller agrees that such services will be provided to the Buyer on the basis of an independent contract, and that the Seller shall indemnify and compensate the Buyer, or any such customer, and its officers, directors, shareholders, employees, and representatives in respect of all liability and expenses (including legal fees and other legal expenses) in connection

with any claims relating to personal injury or death, loss of property, or damages arising out of or attributable to the deficient execution of the Purchase Order by the Seller, its employees, representatives, or subcontractors. If machinery and/or equipment of the Buyer or a customer of the Buyer are used by the Seller for the performance of the work that has been ordered under the Purchase Order, this machinery and/or equipment shall be deemed to be part of the execution of the work that has been ordered under the Purchase Order, and such machinery and/or equipment shall be deemed to be under the exclusive management and control of the Seller during the period in which the Seller uses such, and if one or more persons employed by the Buyer or a customer are used to operate the aforementioned machinery and/or equipment during the period of usage, the Seller shall be responsible and liable for these persons in the same way as for its own employees. At the request of the Buyer or any such customer, the Seller shall take out fidelity insurance and provide any reasonable performance bonds requested by the Buyer or such a customer, as well as evidence that the Seller has taken out sufficient public liability insurance and property damage insurance with companies that are acceptable to the Buyer or its customer, and for insured amounts that are acceptable to the Buyer or its customer. In addition, the Seller has to provide evidence to show that sufficient measures have been taken in order to comply with the applicable employment or labour laws and regulations in every jurisdiction where this is required under the law.

18. REGULATORY COMPLIANCE. The Seller guarantees that no single law, rule, regulation, or bye-law of any government authority in any country where the Seller is active, or where its Goods or Services can be purchased, has been violated during the production or sale of the Goods or the performance of services that fall under the scope of the Purchase Order, and it shall indemnify the Buyer against all losses, costs, and damages arising out of such a violation. The Seller has to satisfy the requirements of the United Kingdom Bribery Act 2010 (the "Act"), and shall not be involved in any activity, practice, or conduct that would constitute a criminal offence under Sections 1, 2, or 6 of the Act if such an activity, practice, or conduct took place in the United Kingdom. Furthermore, the Seller has to satisfy the requirements of the Modern Slavery Act (2015) of the United Kingdom, to make sure that all forms of forced labour are excluded from its activities, and to make sure that any party it outsources work to also complies with such.

19. HEALTH AND SAFETY REGULATIONS The Seller declares to the Buyer that all the Goods and Services that are supplied under the Purchase Order shall satisfy all the requirements of all the applicable health and safety laws and regulations of every government or regulatory body that has jurisdiction in the place where such articles are sent to, or where they are received, or where the activities are carried out in accordance with the Purchase Order. The Seller agrees that it shall indemnify and compensate the Buyer in respect of all claims, losses, damages, fines, costs, and expenses awarded against or suffered by the Buyer as a result of a failure of the Seller to comply with such laws and regulations, as well as any rules, standards, or orders imposed under such, and for the fact that the Goods or Services supplied under the Purchase Order do not conform to such.

20. ETHICAL CONDUCT. The Seller guarantees that its directors, employees, and other representatives have not offered, promised, gifted, accepted, or agreed to accept, either directly or indirectly, any bribes, corrupt payments, or articles of financial value, and that they will also not do this for the benefit of a public official, the Buyer, its employees, or its representatives, or for the benefit of any other person whomsoever. The Seller must report any actual violation or attempted violation of this clause by an employee or a representative of the Buyer to the Buyer, and any acceptance or facilitation of such or to that end shall form a material

breach of any contract between the Buyer and the Seller. The Seller must act in accordance with the provisions of the UK Modern Slavery Act by making sure that (i) all forms of illegal, forced, or compulsory labour, slavery, and servitude are eliminated; (ii) that no person is compelled to provide services or favours of any nature whatsoever to somebody else, or to enable somebody else to receive favours of any nature whatsoever, through the use of violence, threats, or deception; and (iii) that no individuals or groups are involved in human trafficking. "Human trafficking" means the recruiting, transporting, transferring, housing, receiving or exchanging of control over, or otherwise arranging or facilitating the travel of any individual with the aim of exploiting that individual by way of forced or compulsory labour, slavery, or servitude.

21. NON-DISCLOSURE OF CONFIDENTIAL INFORMATION Materials that are purchased on the basis of confidential specifications or drawings of the Buyer must not be offered for sale to others without the prior written permission of the Buyer. Such specifications, drawings, samples, or other details that are issued by the Buyer, or other information that the Seller has acquired in connection with the Purchase Order, shall be treated by the Seller as confidential information, and shall remain the property of the Buyer and be returned to it on request.

22. ASSIGNMENT. No right or obligation under the Purchase Order, including the right to receive (future) claims, shall be assigned by the Seller without the prior written permission of the Buyer if the effect of such a transfer alters or compromises the rights of the Buyer to set-off a claim against the assignee, and every purported assignment without such permission shall be null and void.

23. TOOLS. Unless otherwise has been agreed in writing, all materials, drawings, tools, dies, moulds, gauges, fixtures, templates, shapes, testing equipment, machines and equipment, together with all other technical resources (hereinafter collectively referred to as "tools"), which are used for the fabrication of the articles, materials, supplies, facilities, or services ordered under the Purchase Order, shall be provided by and at the expense of the Seller. All tools (including relevant tools that have been purchased under the Purchase Order) that are issued by the Buyer at its own expense, or that are issued by the Seller at the expense of the Buyer, shall be and remain the exclusive property of the Buyer, and shall be subject to repossession at any moment chosen by the Buyer. The Seller agrees that all articles or tools, as referred to in this Article 23, which belong to the Buyer, shall be kept in a good, commercially usable condition, if necessary with identifiable markings and an inventory of such, and shall not to encumber these articles and tools or establish a right of pledge or non-possessory pledge on such, and shall store such for a period after the execution or ending of the Purchase Order as agreed in mutual consultation between Buyer and the Seller. All tools that are the exclusive property of the Buyer must be made available for inspection and control by the Buyer at any reasonable time. The Seller must not replace any property with property of the Buyer, and it shall not use such property except in connection with the execution of the Purchase Order for the Buyer. Such property, when it is under the management and control of the Seller, shall be stored at the risk of the Seller, and shall be insured by the Seller at the expense of the Seller for an amount that is equal to the cost of replacement and all damages to be paid to the Buyer, and shall be subject to repossession at the written request of the Buyer, in which case the Seller shall make this property ready for shipping and send the property to the Buyer in accordance with the shipping instructions in the Purchase Order, or such as has otherwise been agreed between the parties, in the same condition as when it was received by the Seller, except for reasonable wear and tear.

24. NOTIFICATION OF LABOUR DISPUTES. If an actual or potential labour dispute delays or threatens to delay the

timely execution of the Purchase Order, the Seller shall notify the Buyer immediately about such together with all the relevant details. The Seller shall include a clause that is identical to the preceding clause in all contracts with subcontractors, and shall immediately pass on to the Buyer any notification that it receives in accordance with such a clause.

25. APPLICABLE LAW AND COMPETENT COURT. The contents, validity and execution of this Purchase Order shall be governed by Dutch law, and without prejudice to the right of the Buyer to take legal action against the Seller in a different competent court, all claims or disputes arising out of the Purchase Order shall be exclusively settled by the district courts in the Netherlands.