

WAVIN GENERAL CONDITIONS OF PURCHASE - 2012

This is a translation of the Dutch version. The Dutch text is the original and shall prevail over any translation.

I. GENERAL SECTION

1. Applicability and definitions

- 1.1 These general terms and conditions shall apply to every agreement with and every offer or quotation from the other party (hereinafter "Contractor") which concerns sales, provision of services, contracting of work and/or any other performance for or for the benefit of Wavin B.V. or a company or subsidiary or affiliate belonging to the Wavin group (hereinafter "Wavin"), every amendment thereof or addition thereto, as well as all (legal) acts in preparation for and/or execution of that agreement (hereinafter "Agreement"). A reference to the Agreement shall also constitute a reference to these general terms and conditions of purchase (hereinafter "Terms and Conditions").
- 1.2 In these Terms and Conditions, the following terms shall have the following meaning: 1) Products: all items which the Contractor supplies or arranges to be supplied to Wavin pursuant to an Agreement, including any associated designs, drawings and models. Where applicable, a reference to Products may also comprise a reference to associated Services; 2) Services: all activities as referred to in Section 7:400 of the Dutch Civil Code (Burgerlijk Wetboek) which the Contractor performs or arranges to be performed on Wavin's instructions, whether or not in return for payment, such as the provision of (technical) advice, designs or calculations, administrative or consultancy services, etc.; 3) Work: all works of a material nature as referred to in Section 7:750 of the Dutch Civil Code which the Contractor establishes or arranges to be established on Wavin's instructions; 4) Performance: any performance which the Contractor delivers or arranges to be delivered to Wavin pursuant to the Agreement, such as Products, Services and/or Works in whatever form and/or the results thereof and/or all activities necessary for that purpose, in executing the Agreement in full. Reference to 'termination' of the Agreement by Wavin shall mean cancellation (opzeggen) or rescission (ontbinden) at Wavin's discretion, unless explicitly stated otherwise and without prejudice to any right Wavin may have by law.

2. Formation, amendment and cancellation of the Agreement

- 2.1 Requests for a quotation shall not be binding on Wavin, but shall be an invitation to issue a quotation. Quotations shall be valid for a minimum period of 30 calendar days. Any costs attached to issuing a quotation shall not be reimbursed by Wavin.
- 2.2 In the event of apparent errors, incompleteness of or inconsistencies in the order (Agreement), the Contractor must inform Wavin accordingly before starting the execution or supply thereof. The consequences of failure to do so shall be entirely at the Contractor's expense and risk.
- 2.3 Wavin shall not be obliged to conclude the Agreement with the party quoting the lowest price. Furthermore, Wavin shall not be required to provide information on whether or not it concludes an Agreement with parties other than the Contractor. If no Agreement is formed, all the information which Wavin provided to the Contractor must be returned to Wavin free of charge if the latter so requests.
- 2.4 An Agreement shall only come into force if Wavin accepts an offer by confirming this in writing.
- 2.5 Any general terms and conditions of the Contractor are expressly rejected and shall not apply.
- 2.6 If an on-going contract does not have a specified duration, it shall be deemed to have a term of 12 (twelve) months.

3. Warranty

- 3.1 The Performance to be delivered by the Contractor must comply with:
- a. the description and/or the specification in accordance with the Agreement;
 - b. the reasonable expectations which Wavin may hold as regards (inter alia) the characteristics, quality and/or reliability pursuant to (inter alia) regulations and requirements of good workmanship, these Terms and Conditions, the Agreement and the description(s) in the offer or quotation concerned;
 - c. the requirements and workmanship applying to the relevant sector;
 - d. the timetable and/or execution schedule issued or (tacitly) approved by Wavin;
 - e. the requirement that the persons to be involved by the Contractor are suitable for their duties;
 - f. the requirement that the costs of (obtaining) the permits required for the execution of the Agreement are included;
 - g. the requirement that the costs of the drawings and other preparatory activities and/or development activities to be carried out pursuant to the Agreement are included.
- 3.2 The Contractor shall not be allowed to conclude (direct) Agreements with the client(s) (customers) of Wavin in respect of the Products or related services and products.
- 3.3 Contractor shall conform to the Wavin Supplier Code of Conduct which is published at www.wavin.com. Upon request Wavin shall send a paper copy.

4. Delivery times

- 4.1 The delivery times agreed with regard to (parts of) the Performance to be delivered by the Contractor shall be binding. If these delivery times are exceeded, the Contractor shall automatically be in breach of contract without notice of default being required to that effect.
- 4.2 For each calendar day by which the aforesaid delivery times are exceeded, the Contractor shall owe Wavin a penalty immediately due and payable of 0.5% of the total sum agreed with a maximum of 10%, without prejudice to Wavin's right to claim compensation of the actual damage according to the law.
- 4.3 The Contractor shall always be obliged to provide Wavin in time, and in all cases within 24 hours after the Contractor became aware of this or should reasonably have foreseen this, with adequate and written notification of its impending failure to meet the delivery time. Execution of the Agreement in partial deliveries shall require Wavin's prior written consent. If Wavin so requests, the Contractor shall be obliged to submit a written production or execution schedule and/or to cooperate in progress monitoring.

5. Amendments, contract variations

- 5.1 Wavin shall be entitled to amend the scope and nature of the Performance to be delivered within reasonable margins. The Contractor must report the amendments necessary to that end in time, and in any case within eight calendar days of the request, to Wavin in writing. In addition, the Contractor undertakes to execute without delay the amendments required by Wavin, for example in drawings, models, instructions, specifications and activities, even if no agreement was reached about the additional costs, if any.
- 5.2 If, in the Contractor's view, an amendment referred to in Paragraph 1 affects the agreed price and/or the delivery times, the Contractor, before making the amendment, shall inform Wavin of this in writing as soon as possible, but in all cases within eight calendar days of the request to that end or as much earlier as Wavin explicitly stated as the response period in such a request for amendment. If Wavin considers these effects on the price, the activities or delivery times reported by the Contractor to be unreasonable, Wavin shall have the right to revoke the amendment or to cancel the Agreement, unless this were to be evidently unreasonable in view of the circumstances. Cancellation pursuant to this paragraph shall not entitle either party to claim compensation of any damage.
- 5.3 If the Contractor has not reported any effects as referred to in Paragraph 2, the Contractor shall be deemed to agree to the requested amendment(s) and the right to any compensation in this connection shall lapse. In case of contract reductions (minderwerk), Wavin shall be entitled to a pro rata parte reduction of the price.

6. Price

- 6.1 The agreed price shall be fixed and binding. The price cannot be increased as a result of changes in circumstances and factors that are not attributable to Wavin, such as exchange rates, freight rates, import or export duties, excise duties, levies and other taxes, prices of raw materials or semi-finished products, wages and other services owed by the Contractor to third parties.
- 6.2 Unless the Contractor proves the contrary, the price shall also be deemed to include:
- a. import duties, excise duties, levies and taxes (with the exception of VAT);
 - b. charges and other levies or costs incurred when applying for the permits required for the Performance;
 - c. fees for the use of intellectual and industrial property rights, including any software;
 - d. all costs relating to or arising from the delivery of the agreed Performance;
 - e. the costs of packaging, transport, storage, insurance, premiums, installation and putting into operation on location. This also applies to goods made available by Wavin in the execution of the Agreement;
 - f. all other costs borne by the Contractor pursuant to the Agreement or these Terms and Conditions;
 - g. all that is necessary for the proper execution of the Agreement, taking account of the applicable standards, regulations and requirements of good workmanship, even if these were not expressly mentioned in the Agreement.

7. Invoicing and payment

- 7.1 The Contractor shall not invoice the amounts owed by Wavin any earlier than on the date of the delivery of the Performance or the date on which the Performance was accepted by Wavin. If the Agreement was implemented completely and correctly, Wavin shall pay the invoiced amount within 60 days of receiving and approving the invoice. Payment shall not mean acceptance of the Performance delivered and shall not release the Contractor of any obligation towards Wavin.
- 7.2 If the information which the Contractor must (periodically) submit to Wavin for the execution of the Agreement and/or the agreed security has not been received, or not in the correct form, Wavin may suspend the payment of invoices. The same applies if the documents referred to in Paragraph 6 are lacking or have not been signed.
- 7.3 Wavin shall be entitled to offset amounts it owes against amounts it can claim from the Contractor.
- 7.4 Any invoices which Wavin receives more than six months after the delivery of the Products or the date on which Wavin accepted the Performance shall not be accepted. The Contractor's entitlement to payment of these invoices shall lapse through the mere expiry of that period.
- 7.5 If Wavin has valid reasons to assume that the Contractor is insufficiently solvent to deliver the agreed Performance in full, Wavin shall be entitled to suspend payment until the Agreement has been implemented in full or until a solvent party has provided sufficient security for compliance, which shall be exclusively at Wavin's discretion.
- 7.6 In the dated and numbered invoices, the Contractor shall in any case state the following details in a clear and orderly fashion. If these details are lacking, any payment obligation on Wavin's part may be suspended until this information is stated correctly:
- a. Wavin's contract number (purchase number) and that of the Contractor relating to the Agreement;
 - b. the Contractor's name, address and place of residence or business;
 - c. the period and the Performance delivered to which the invoice relates;(g)
 - e. the name and the registration number of the social security administration agency with which the Contractor is registered;
 - f. the Contractor's wage tax number;
 - g. a reference to the "VAT reverse charge mechanism" if this applies to the Agreement. The same applies to the amount of VAT;
 - h. the Contractor's bank account number;
 - i. the wage costs, if applicable;
 - j. the confirmation note and/or time sheets signed by Wavin.
- 7.7 If Wavin owes interest to the Contractor, this interest shall be simple and equal to the six-month Euribor rate increased by a surcharge of 100 basis points. This shall be based on the one-month rate applicable on the due date of the invoice. No compound interest shall be paid.
- 7.8 If Wavin exceeds a payment term or does not pay an invoice, the Contractor shall not be entitled to terminate or suspend the agreed Performance.

8. Duty of disclosure, checks, approval and consent

- 8.1 The Contractor shall inform Wavin immediately and in writing of any circumstance that is likely to affect or prevent the execution of the Agreement. Wavin shall be entitled, at its reasonable discretion and at the Contractor's expense, to take necessary and reasonable measures and/or demand amendment of the Agreement in order to prevent disadvantages or damage as a result thereof. In addition, Wavin may on these grounds terminate the Agreement. The foregoing shall also apply if Wavin suspects on other reasonable grounds that such a circumstance exists.
- 8.2 Wavin shall have the right but not the obligation to check the manner in which the Contractor implements the Agreement. To this end, Wavin may take all reasonable measures which Wavin considers necessary, such as inspecting the locations where the Performance is executed wholly or in part (whether or not accompanied by experts) and checking or auditing the Contractor's accounts with regard to the execution of the Agreement.

9. Failure

- 9.1 Every failure in the (timely) fulfilment of the Contractor's obligations shall give Wavin the right, without any notice of default or judicial intervention being required, unilaterally to terminate the Agreement either wholly or in part, to suspend payment obligations or to entrust the execution of the Agreement either wholly or in part to third parties, without Wavin being obliged to pay any compensation in this context, without prejudice to any other rights to which Wavin is entitled, including Wavin's right to claim full compensation.

10. Remedies and guarantees

- 10.1 Any faulty Performance shall be rectified immediately at the Contractor's expense, or shall be carried out or delivered again by the Contractor free of defects, without prejudice to Wavin's right to claim damages and other compensation under the law. In case of failure of (timely) fulfilment by the Contractor of its obligations to rectify such faulty Performance, Wavin shall be entitled to assign such performance to another contractor at the risk and the costs of Contractor. If the Products supplied or the result of the Services or Works provided should be wholly or partly lost or appear to be unsuitable for the purpose for which they are intended within the statutory time limit, this shall be regarded as the result of failure in the execution of the Agreement, unless the Contractor proves the contrary.
- 10.2 Any warranty agreed shall remain without effect in relation to any right of Wavin's under the law in the event of any failure in the execution of the Agreement. If the Contractor fails in the execution of the Agreement, Wavin, in urgent cases, for example in which the repair of the defect cannot reasonably be postponed, or in cases in which it must reasonably be assumed that the Contractor cannot or will not arrange the repair or replacement, or cannot or will not do so properly or in time, shall have the right to carry out the repair or the correct execution, or arrange for this to be done, at the Contractor's expense. Whether a case is urgent shall be exclusively at Wavin's reasonable discretion. In the cases referred to, a breach shall be deemed to have occurred without a notice of default being required. If it should afterwards appear that the situation was not urgent, this shall not affect the operation of this provision.
- 10.3 If Wavin is of the opinion that it reasonably needs to take action to prevent further damages (for example by executing a product recall) Wavin shall be entitled to compensation by Contractor of all connected costs.

11. Suspension

- 11.1 Wavin shall be entitled to oblige the Contractor to suspend the execution of the Agreement for reasons of Wavin's own reasonable discretion for the duration of a period to be specified by Wavin. Wavin shall reimburse the actual direct and reasonable costs demonstrably incurred as a result thereof by the Contractor, unless the suspension is attributable to the Contractor. No further damages or other compensation shall be paid to Contractor.
- 11.2 The Contractor shall be obliged to keep the costs arising from such a suspension to a minimum by taking appropriate effective measures.

12. Termination of the Agreement

- 12.1 Without prejudice to the other provisions regarding (early) cancellation, Wavin may terminate the Agreement immediately in the following cases:
- if the Contractor or the party that guaranteed the Contractor's obligations or provided security applies for a provisional moratorium. The same applies if the Contractor is declared insolvent, is wound up voluntarily or involuntarily, ceases substantial business activities, decides to wind up its business, or files a winding-up petition or applies for a moratorium;
 - if there are changes in the Contractor's shareholders, insofar as this, in Wavin's reasonable opinion, entails a considerable increase in risks for Wavin;
 - if an attachment is made against the Contractor or if the Contractor's assets are threatened with attachment or other judicial measures.
- In those cases, a notice of default shall not be required and a breach shall be deemed to have occurred.
- 12.2 Wavin shall be entitled, in addition to the cases that may be specifically mentioned in the Agreement, to cancel the Agreement prematurely at any time while paying for any Performance already delivered by the Contractor and accepted by Wavin, increased by a reasonable fee. This fee shall be no more than 10% of the remaining agreed price and shall cover the damage and costs sustained by the Contractor as a result of the Agreement not being completed. Wavin shall not be obliged to state its reasons for such cancellation.
- 12.3 If Wavin, based on the circumstances known at that moment, concludes on reasonable grounds that it can exercise a right of suspension, cancellation, offsetting and/or nullification in a legally valid manner, Wavin shall not be obliged to pay statutory interest and/or damages if it should subsequently be established that Wavin did not exercise the aforesaid right or rights in a legally valid manner.

13. Intellectual property rights

- 13.1 Intellectual property rights that may be exercised in respect of the Products and Services to be supplied by the Contractor, including – where applicable – patent rights and the required software, shall be vested exclusively in Wavin if those Products were developed for Wavin's benefit or were produced in accordance with Wavin's specifications and/or instructions. These rights shall be transferred to Wavin in advance and free of charge pursuant to these Terms and Conditions and/or the Agreement.
- 13.2 The Contractor guarantees that the Products and Services to be supplied do not infringe intellectual property rights or any other absolute right of third parties. The Contractor shall indemnify Wavin against all third-party claims that are based on any (alleged) infringement of such rights and shall compensate Wavin for all damage sustained as a result thereof and for the costs of putting up a defence against such a claim.
- 13.3 If the transfer referred to in Paragraph 1 is not possible, the Contractor shall grant Wavin a worldwide, exclusive and non-cancellable licence with the right of sublicensing in respect of such intellectual property rights regarding the Products or Services to be supplied by the Contractor. The fee for this licence shall be deemed included in the agreed price. Wavin may enter the licence in the appropriate registers or arrange for this to be done, in which the Contractor shall cooperate as required. If it appears that a deed is required for the transfer of intellectual property rights as referred to in Paragraph 1 or the grant of a licence as referred to in the present paragraph, the Contractor shall cooperate without reservation.
- 13.4 The Contractor shall inform Wavin immediately if third parties (are about to) infringe Wavin's intellectual property rights.

14. Secrecy

- 14.1 The Contractor shall maintain strict confidentiality in respect of information which is or becomes known to the Contractor from or about Wavin or about direct contacts of Wavin. The Contractor shall not give third parties the disposal in any form of, access to or any information about (the results of) the Products and Services supplied to Wavin or information and data carriers which are or have become available to the Contractor in the context of the Agreement, and shall only disclose these to its staff insofar as this is necessary for the execution of the Agreement. The Contractor shall impose these secrecy provisions in writing on its staff and on any third parties engaged by the Contractor in the execution of the Agreement.
- 14.2 After the Agreement has been implemented in full, this article shall remain in full force until the moment when Wavin releases the Contractor in writing from the above duty of secrecy.
- 14.3 If the Contractor fails to fulfil the obligations of this article or fails to do so in full, the Contractor shall by this mere fact forfeit to Wavin per event a penalty immediately due and payable for an amount equalling 5% of the agreed price under the Agreement, with a maximum in all cases of EUR 20,000, without any demand or notice of default being required and without prejudice to Wavin's right to claim full compensation of all actual damages.

15. Force majeure

- 15.1 In the event of non-attributable failure on the Contractor's part to fulfil its obligations (force majeure), the Contractor shall not be liable. Insofar as fulfilment is not yet permanently impossible, the Contractor's obligations shall be suspended for the duration of the force majeure. If the period during which fulfilment is impossible owing to force majeure exceeds or is expected to exceed 2 (two) months, Wavin shall be entitled to cancel or terminate the Agreement without being obliged in that case to pay compensation.
- 15.2 Force majeure shall in any case not be understood to mean: staff shortages, strikes, staff illness, delayed delivery and/or unsuitability of materials, raw materials or semi-finished products or services, attributable failures or wrongful acts on the part of suppliers or third parties engaged by the Contractor, and liquidity or solvency problems. The Contractor must inform Wavin immediately of the occurrence of the force majeure, stating its reasons, on forfeiture of the right to invoke force majeure.

16. Transfer, third parties

- 16.1 The Contractor shall not be entitled to transfer, pledge or entrust the execution of the Agreement either wholly or in part to third parties without Wavin's prior consent, which consent shall not be withheld on unreasonable grounds.
- 16.2 The Contractor shall be fully responsible for any performance by third parties in the execution of the Agreement, as if this were its own Performance. The Contractor guarantees that (sub-)contractors and third parties will comply with the Agreement, these Terms and Conditions and all other regulations and provisions declared applicable by Wavin.

17. Liability

- 17.1 Without prejudice to the provisions of the Agreement, to any interest due as a result of late payment or other explicit obligation of compensation as set forth in these Terms and Conditions, Wavin shall not be obliged to compensate Contractor for any direct or indirect damage of whatever nature, including loss of profits and damage to movable and/or immovable property.
- 17.2 The Contractor shall be liable for and shall indemnify Wavin against any damage directly or indirectly resulting from non-performance, late performance or improper performance of the Agreement or from the breach of any contractual or non-contractual obligation towards Wavin or third parties. For the purpose of this article, third parties shall also include Wavin staff, third parties engaged directly or indirectly by Wavin or their staff.
- 17.3 Inspection, purchase and/or payment by or on behalf of Wavin shall not release the Contractor from any obligation or liability.

18. Insurance

- 18.1 The Contractor shall be obliged to take out and retain adequate insurance at its own expense for its liability in the widest sense of the word towards Wavin and third parties with regard to the obligations and risks ensuing from the Agreement. Such liability shall include professional liability, product liability and third-party (strict) liability. At Wavin's request, the Contractor shall be obliged to submit the insurance policy or policies and evidence of the insurance premiums having been paid.
- 18.2 Wavin shall have the right to demand that the insurance policy or policies state Wavin as the co-insured, principal and beneficiary, with insurers simultaneously renouncing the right of recourse, and that insurers have the right to compensate Wavin and/or third parties to be specified by Wavin directly. The Contractor undertakes to assign (cederen) all claims relating to payment(s) of insurance money to Wavin – immediately after having been held liable by Wavin – if the latter so requests.

19. Applicable law and dispute settlement

- 19.1 The Agreement shall be governed exclusively by Dutch law. The UN convention on international sales contracts (often referred to as the Vienna Sales Convention) shall not apply, nor shall any other international regulation on the purchase/sale of movable goods of which the applicability can be excluded by agreement.
- 19.2 All disputes relating to the Agreement or any legal relationship arising from it shall be submitted exclusively to the competent court of the district in the Netherlands in which Wavin B.V. has its registered office. Such disputes shall, if Contractor has its registered office outside of the European Union, however be submitted for settlement to the Netherlands Arbitration Institute (NAI) in Rotterdam, the Netherlands, in accordance with its then applicable Arbitration Regulations. The arbitration language shall be Dutch. If the original documentary evidence is in English, the parties shall be entitled to submit this evidence in this language if this is acceptable to the arbitrator(s).
- 19.3 All disputes relating to contracting of Work, shall be settled through arbitration by the Netherlands Arbitration Institute (NAI) in accordance with its then applicable Arbitration Regulations.

II SALE AND SUPPLY OF PRODUCTS

If the Agreement concluded between Wavin and the Contractor also covers the supply of Products, the following provisions shall apply in addition to the above provisions (Articles 1 to 19 inclusive). In the event of conflict between the above provisions and the following provisions, the latter shall prevail insofar as they concern the supply of Products.

20. Quality and description of the Products to be supplied

- 20.1 The Products to be supplied (and their production process) must:
- be in agreement with what is stated in the Agreement in terms of quantity, description and quality;
 - in all respects correspond to and comply with the specifications declared applicable and the samples and examples shown;
 - be accompanied by the necessary instructions to Wavin or the latter's staff, so that they can use the Products independently;
 - be made of sound new materials and be well constructed;
 - be fit and ready for the purpose for which they are intended;
 - be made of components and raw materials of which the origin can be traced;
 - not contain asbestos or other carcinogenic substances other than those explicitly agreed;
 - be accompanied by the necessary documents, such as packing lists, (warranty and quality) certificates, attestations, drawings, instruction manuals, lists of spare parts and maintenance regulations;
 - comply in all respects with all the applicable statutory requirements, regulations and European directives (such as the CE and EMC hallmarks and rules regarding REACH) in terms of their design, composition and quality;
 - bear a type, serial and machine number and an indication of the country of origin in the form of an adequate mark applied by the manufacturer or importer. If this is not possible, the packaging of the supplies shall bear such marks;
 - be accompanied by an invoice to Wavin which also states the names of the manufacturer and the importer, as well as the type and production number, if this involves a party other than the Contractor.
- 20.2 Contractor shall at any time during the Agreement ensure that all substances (in its own, or as an ingredient in preparations or in articles) as defined in the Reach regulation (published at www.echa.europa.eu) delivered to Wavin are (pre)registered at and authorised by ECHA in due times according to the REACH regulation. Upon request Contractor shall provide proof thereof. Contractor shall ensure that Wavin's use of the delivered substances is included in any registration and request for authorisation at ECHA and in the Safety Data Sheets and Exposure Scenario's belonging to substances (in itself, in preparations or in Products) delivered to Wavin. Contractor guarantees that the delivered Products shall not contain SVHC as defined in the Reach regulations above 0,1 % in weight. In case Contractor decides to terminate the sale of a certain substance (in its own, or as an ingredient in preparations or in articles) delivered to Wavin, Contractor shall inform Wavin beforehand with a six months written notice. In case Contractor decides no longer to include a certain substance in a preparation or a Product delivered to Wavin without notifying Wavin, Contractor warrants this shall not be of any influence of the quality of the preparation and/or the Product. Contractor shall be liable for all damages of Wavin including penalties as a consequence of the non-fulfilment by Contractor of the obligations as mentioned in this clause 20.2 and Contractor shall indemnify Wavin of all third party claims to this respect.

21. Inspection and testing

- 21.1 Wavin shall be entitled to subject the Products to be supplied to inspections, tests and checks (hereinafter "Inspection"), or to arrange for this to be done, before, during and after delivery, whether or not in the presence of the Contractor. The Inspection shall be carried out in the manner to be determined by Wavin. The period for lodging a complaint as meant in sections 6:89 and 7:23 of the Dutch Civil Code shall for Wavin at a minimum consist of 30 days.

- 21.2 If a specific Inspection has been agreed between Wavin and the Contractor, the Contractor must present the Products supplied or installed for this Inspection at the agreed location and on the agreed date, and if no date has been agreed, at the earliest moment when the Inspection can take place. If no Inspection procedure has been agreed, the parties shall decide in joint consultation in accordance with what generally acceptable procedure the Inspection will be carried out. Thereby the point of departure shall be that the Inspection must be customary in the relevant sector and/or for the relevant Products.
- 21.3 The Inspection shall have been completed successfully if the Contractor receives a written communication to this effect from Wavin, which may list small defects that constitute no obstacle to putting the Products into full operation. Small defects shall be rectified by the Contractor free of charge within five working days of the receipt of the aforesaid communication, and if this appears to be impossible within reason, as soon as possible after that.
- 21.4 If the Products are fully or partially rejected after Inspection, Wavin shall report this in writing to the Contractor, stating the reason for this.
- 21.5 If it appears that the Products, regardless of the results of the Inspection, do not comply with the warranty provisions or specifications pursuant to the Agreement and other applicable criteria, the Contractor shall at its own expense repair or replace – such at Wavin's discretion – the Products on demand within five working days of having received this demand. Thereafter the Products shall again be subjected to an Inspection pursuant to the provisions of this article. All costs associated with the new Inspection shall be borne by the Contractor. The foregoing shall not affect any other right of Wavin, such as the right to terminate the Agreement or to claim compensation in accordance with the law.
- 21.6 If the Contractor does not collect the rejected Products within ten working days of the date of Wavin's written communication to this effect, Wavin shall have the right to return the rejected Products to the Contractor at the latter's expense and shall be entitled to a refund of any amounts already paid within 14 days.

22. Transport, packaging, storage and installation

- 22.1 Delivery shall take place at the time agreed between the parties, in compliance with the Incoterm Delivery Duty Paid Wavin according to the most recent version of the ICC Incoterms. Delivery dates shall be deemed to be final.
- 22.2 The Contractor shall be obliged to provide proper packaging, security and proper transport in conformity with all applicable regulations. The costs of packaging, transport, storage, insurance and installation of Products, including the items made available by Wavin, shall be borne by the Contractor. Damage caused during loading, transport and/or unloading shall be at the Contractor's expense, even if the damage is detected at a later time. The Contractor shall be responsible for removing or processing packaging materials, dirt, waste and superfluous material at its own expense insofar as these result from or relate to the supply of Products or performance of activities falling under the Agreement. In doing so, the Contractor shall observe the laws and regulations applicable at that time.
- 22.3 The Contractor shall be obliged to keep a stock of spare parts for the items supplied during the customary lifespan of these items, in any case during a period of at least ten years after the supply of the Products concerned, to be sold and delivered on identical terms.
- 22.4 The date of delivery shall be understood to mean the day on which the Contractor presents the Products for the first time for delivery or in fulfilment of the Agreement to Wavin at the agreed delivery address.
- 22.5 If Wavin requests the Contractor to postpone the delivery, the Contractor shall store, secure and insure the Products to be supplied appropriately packed and clearly marked as intended for Wavin, whereby only reasonable costs which must be incurred within reason by the Contractor shall be eligible for reimbursement.

23. Transfer of ownership and risk

- 23.1 The ownership of the Products shall pass to Wavin at the moment when delivery takes place in conformity with the provisions of Article 22. In the event that Wavin makes payments prior to delivery, the ownership (title) of the Products, in proportion to the amount paid, shall pass to Wavin at the moment of payment. In that case, the Contractor must ensure that the Products are identified and kept identifiable as much as possible and the Contractor shall count as the holder for Wavin in respect of those Products. No retention of title or any other security interest shall exist for the Contractor after the delivery to Wavin.
- 23.2 The risk of loss of or damage to the Products shall only pass to Wavin at the moment when both the actual delivery and the transfer of title to Wavin have taken place in accordance with the Agreement. If the installation of the Products has been agreed, the Contractor shall bear all the risk in respect of the Products until these have been installed and accepted or put into operation by Wavin, regardless of whether Wavin already has full title to these Products.
- 23.3 If Wavin makes items available to the Contractor for the execution of the Agreement (including raw materials, semi-finished products, materials and components, models, specifications, drawings, software and information carriers), these items shall remain Wavin's property. Subject to Wavin's written consent, the Contractor shall refrain from acting or failing to act in such a way with regard to these items that Wavin loses the ownership thereof, whether by specification, accession, confusion of property or in any other way whatsoever. Furthermore, the Contractor shall guarantee that the items are not encumbered or burdened with third-party rights. The Contractor shall have no right of retention or right of suspension in respect of these items. After the execution of the Agreement, these items must be returned in good condition.

24. US Export

- 24.1 If the Products incorporate (American) technology that comes under the US Export Administration Regulations and/or US export control laws, the Contractor shall be obliged to notify Wavin of this in time in accordance with the relevant provisions, failing which the consequences shall be for the risk and account of the Contractor.

III SERVICES & CONTRACTING OF WORK

If the Agreement concluded between Wavin and the Contractor also covers the supply of Services and contracting of work (Work), the following provisions shall apply in addition to the above provisions (Articles 1 to 24 inclusive). In the event of conflict between the above provisions and the following provisions, the latter shall prevail insofar as the supply of Services or Work are concerned.

25. Provision of data

- 25.1 Where applicable, the Contractor shall submit to Wavin immediately if the latter so requests:
- an up-to-date extract from the register of the Chamber of Commerce – not older than six months;
 - a photocopy of the G-account (blocked account) agreement;
 - a photocopy of a valid certificate of registration with the relevant industrial insurance board;
 - a recent entry in the Special Register of the Subcontractors Registration Association (Vereniging Registratie Ondernemers), if available;
 - a recent entry in the register of the Financial Supervision Foundation (Stichting Financieel Toezicht);
 - a payment history report regarding payroll taxes (employee insurance contributions, national insurance contributions, income-related healthcare insurance contribution and wage tax) issued by the Dutch Tax and Customs Administration (Belastingdienst) – not older than three months;
 - a photocopy of the applicable SCC (VCA) certificate;
 - a declaration of independent contractor status (VAR, or similar form).
- 25.2 If Wavin has not received one or more of the requested documents within ten days of making the request, Wavin shall be entitled to suspend payment until the moment of receipt, or to terminate the Agreement without any liability.
- 25.3 Every change in the data listed under a to h inclusive in Article 25.1 must be immediately reported to Wavin in writing.

26. Execution schedule

- 26.1 If Wavin so requests, the Contractor shall submit an execution schedule showing, inter alia, the start and completion times of the successive parts of the Services and the Work and the staff members deployed. If it has been agreed that Wavin will deploy equipment, the times of this deployment shall also be stated in this execution schedule. After approval by Wavin, the execution schedule shall form part of the Agreement.
- 26.2 The Contractor shall report on the progress of the Services and the Work and all related aspects as agreed, and in the absence of such an agreement on a regular basis in order to enable Wavin to monitor the progress sufficiently.

27. Contractor's staff

- 27.1 The Contractor shall be obliged to identify its staff members to Wavin. The following details must be provided: family name, given name(s), address, date and place of birth, nationality, tax registration number, number and nature of identity document(s). In addition, copies must be submitted of the identity document and (where applicable) the residence permit and work permit.
- 27.2 The Contractor shall be responsible for the day-to-day management and the supervision of the execution of the Services and the Work. The number of authorised and competent supervisors which the Contractor makes available for this purpose must be in agreement with the scope and nature of the Performance and the reasonable requirements set by Wavin in this respect. Supervisors must have a good command of the Dutch and the English language.
- 27.3 The Contractor guarantees that the Performance to be executed by its staff shall be carried out in an expert and professional manner, without interruptions. The staff members shall comply and continue to comply with the agreed and in all cases the required level of training, expertise and experience.

28. Health, safety, and the environment (HSE)

- 28.1 The Contractor shall be responsible for health, safety and adequate environmental conditions at the location where the Work is carried out and for compliance with all the applicable HSE statutory regulations, standards and local HSE regulations in the execution of the Performance.

29. Intervention in the activities

- 29.1 If, in Wavin's reasonable opinion, the activities are progressing in such a way that the agreed date for the Performance to be delivered or a part thereof will be exceeded, Wavin shall notify the Contractor of this in writing. The same applies if, in Wavin's opinion, the Work and connected activities are not or have not been carried out in accordance with the provisions of the Agreement and/or the requirements of good workmanship. The Contractor cannot derive any rights from the absence of such a notification.
- 29.2 The Contractor must, within one week of receiving a notification as referred to in Paragraph 1 of this article 29 or as much earlier as is necessary in view of the circumstances, take such measures as to ensure clearance of the backlog and compliance with the above provisions and requirements within a short period. If this does not happen, Wavin may take all measures that are necessary in its own reasonable opinion, without judicial intervention being required. Thus, Wavin or third parties acting on its instructions can take over the activities from the Contractor. In that case, the Contractor shall give Wavin and those third parties its full cooperation.
- 29.3 All external and internal reasonable costs which Wavin incurs in connection with the provisions of article 29.2 above shall be borne by the Contractor. The latter shall reimburse Wavin for such costs immediately, including a payment for supervision and overheads.

30. Completion, acceptance, putting into operation and risk

- 30.1 Completion and acceptance shall be deemed to have taken place only after Wavin has accepted the Work carried out or the Service concerned in writing.
- 30.2 Wavin shall be entitled to put the Work into operation or a part thereof, or arrange for this to be done, before it is completed. Actually putting the Work into operation shall not mean that the Work or the part concerned is regarded as completed or accepted. If the Contractor, by virtue of the Work being put into operation, is required to do more than may reasonably be expected, the consequences of this shall be arranged within reason by the parties. Until completion, the Contractor shall bear the risk in respect of the Work.

31. Transfer of rights and obligations and outsourcing

- 31.1 The Contractor shall not (a) outsource the execution of the Agreement or any part thereof to third parties or (b) engage third parties or borrow staff from third parties for this purpose except where Wavin has given its prior written consent. Wavin may attach conditions to such consent. Third parties shall include inter alia: independent workers without employees, directors and major shareholders, subcontractors and employment agencies. Subject to Wavin's written consent, the Contractor shall include the same risk-limiting measures in its agreement with one or more third parties as have been laid down in these Terms and Conditions and in the Agreement.

32. Materials, attestations, drawings and similar items made available by Wavin

- 32.1 The Contractor shall insure all the items which the Contractor receives from Wavin in connection with the execution of the Agreement against risks of total or partial loss or damage as a result of fire, theft or vandalism at its own expense and on the usual conditions.
- 32.2 Upon receipt of the items referred to in this article, the Contractor must check whether these are in agreement with the applicable specifications. The Contractor shall notify Wavin in writing within a period of seven days of receiving these items that the items referred to in this article were not made available to the Contractor in good condition and in accordance with the required specifications, failing which those items shall be deemed to have been provided in good order.

33. Wages and Salaries Tax and National Insurance Contributions (Liability of Subcontractors) Act (Wet Ketenaansprakelijkheid).

- 33.1 The Contractor must comply with the statutory obligations to pay payroll taxes and other comparable fiscal obligations in respect of its staff members, and shall indemnify Wavin in this context against any claim from the Dutch Tax and Customs Administration. This shall also include interest, fines and expenses, as well as costs of legal assistance to contest a claim for liability, where applicable.
- 33.2 The Contractor shall keep such records that the wage bill can always be established for each Agreement or, if the latter consists of several projects, for each project. Wavin shall always have the right to check these records. The Contractor shall state the actual wage costs on each invoice.
- 33.3 Wavin may pay the payroll taxes (owed) by the Contractor in connection with the Work, for which it is jointly and severally liable under the Wages and Salaries Tax and National Insurance Contributions (Liability of Subcontractors) Act, to the Contractor by transferring these taxes to the latter's blocked account within the meaning of the Wages and Salaries Tax and National Insurance Contributions (Liability of Subcontractors) Act (the G-account). Alternatively, Wavin may transfer these payroll taxes directly to the Dutch Tax and Customs Administration.
- 33.4 For the purpose of the payroll taxes owed, Wavin shall be entitled to transfer directly an applicable percentage of the wage component and if this is unknown, 50%. The amount shall be paid into the account of the tax office involved or into the Contractor's G-account. Wavin may amend this percentage if it appears that the agreed percentage does not correspond to the payroll taxes actually owed by the Contractor.
- 33.5 A direct payment or G-account payment shall count as a payment in discharge of an obligation vis-à-vis Contractor.
- 33.6 If the "VAT reverse charge mechanism" applies to the Agreement, the Contractor shall state this in every invoice.

These Terms and Conditions were filed on 1 October 2012 at the Dutch Chamber of Commerce under number 05014273 and will immediately be provided free of charge upon request, either by post or in digital form.