



GENERAL CONDITIONS OF BOODE B.V.

1 Definitions

In these general conditions the following terms have the following meanings:

Boode: the private company with limited liability Boode B.V., whose registered office is located in Zevenhuizen and which is entered in the commercial register under number: 29018634

The Client: a natural or legal person who concludes or wishes to conclude an agreement with Boode, and also any natural or legal person to whom Boode makes offers, whether or not upon request.

2 Applicability

- 1 These general conditions apply to all offers, drawn up by Boode and agreements concluded between it and the Client. Deviations from these general conditions are only valid if they have been agreed explicitly in writing.
- 2 These general conditions also apply to all commitments that follow from agreements later concluded between Boode and the Client.
- 3 The applicability of the client's own (general) conditions is excluded, unless their applicability has explicitly been accepted in writing by Boode and then only in so far as those conditions do not conflict with the provisions in the present conditions. If conditions of the client conflict with the present conditions, Boode's conditions will always prevail.
- 4 If any provision of these general conditions is void or voided, the other provisions of these general conditions will remain fully in force and Boode and the Client will consult in order to agree on new provisions to replace the void or voided provisions, in which connection the purpose and the tenor of the void or voided provisions will be observed as much as possible.

3 Offer and acceptance

1. All Boode's offers and/or quotations will be without engagement and irrevocable, unless something else has been stated explicitly in writing. Therefore they will not bind Boode in any way, unless the opposite has been provided explicitly in the offer itself.
2. An agreement with Boode will only take effect after written confirmation on behalf of Boode (the acknowledgement of order). Any additional or deviating arrangements will only bind Boode if they have been confirmed by Boode in writing and properly authorized.
3. With regard to the Client a written offer of Boode or, if no written offer has been made, a written acknowledgement of order of Boode will serve as full proof of the contents of the agreement, barring counterevidence to be furnished by the Client.



4. Oral promises by and agreements with subordinates of Boode will not bind Boode unless they are confirmed in writing.
5. Offers made by Boode will include: designs, drawings, models, samples, descriptions, images, dimensions and the like, and also any annexes and documents that relate to these offers. All this will remain Boode's property and must be returned to Boode on first demand. Barring Boode's explicit written permission, it is explicitly not permitted to copy and/or surrender to third parties the documents mentioned here. All possible rights of intellectual and industrial ownership and other rights in connection with the documents and data forming part of or added to Boode's offers and/or agreements, laid down in any way whatsoever, will remain vested in Boode.
6. The client will be bound by the order and will be obliged, in the event of alteration or cancellation of the order, to compensate the damage consequently caused to Boode, explicitly including costs made, loss of profit, reservation of production capacity and loss of interest, irrespective of the reason for alteration or cancellation.

4 Prices

1. Prices offered and/or agreed, will always be "ex warehouse", excluding turnover tax and other taxes and levies that are imposed by the authorities and packing, unless something else has explicitly been agreed in writing. The price applies only to the performances included in the agreement.
2. If Boode agrees a certain price with the client, it will nevertheless be entitled to raise the price if during the currency of the agreement any change occurs in the wages and/or other costs of the company as a result of laws, decisions or decrees of the authorities of a mandatory nature or if changes occur in cost-price determining factors, such as but not limited to an increase of the costs of telecommunication and/or transport.

5 Delivery

1. Delivery periods stated by Boode will commence on the day on which the agreement is concluded, provided that Boode has all data required for execution of the order in its possession at that time. The relevant delivery periods are only indicative and never to be considered deadlines. Boode is not liable for the consequences of their transgression and therefore not obliged to make any compensation and neither will such a transgression entitle the client to cancel the order.
2. An agreed (delivery) period will be observed by Boode as much as possible but will never be considered a deadline; the mere transgression of a (delivery) period will not put Boode in default. Boode is not bound by (delivery) periods that cannot be kept any more as a result of circumstances beyond its control that have occurred after conclusion of the agreement.



In the event of transgression of any agreed (delivery) period Boode will enter into consultation with the Client.

3. Any transport of the goods will be entirely at the client's expense and risk; the client must take care of any insurance himself, also if delivery is free. This clause may only be deviated from if this has been confirmed explicitly in writing by Boode.
4. If delivery must be made differently than ex warehouse, Boode will be empowered to charge freight to the client. If it has been agreed in deviation from this that transport will be effected by Boode, the goods will be dispatched in the way that is most favourable in Boode's opinion, with carriers chosen by Boode.
5. The Client is obliged to make available sufficient personnel and equipment to unload the goods bought.
6. The Client is obliged to see to it that the Location is always available and accessible to Boode. For the purpose this Location must be flat, without obstacles above, on or in the ground that may prevent or hamper execution of the work. The Client is obliged to remove from the Location, at his own expense and risk, any obstacles, foreign objects or substances that may delay or impede progress of the Work
7. If delivery is made in instalments, Boode is entitled to consider each delivery a separate transaction.

6 Complaints

1. The client is obliged to check the goods delivered and their packing immediately on delivery, but at any rate within 1 (one) working day for possible defects and/or damage. Any defects and/or damage must be communicated to Boode in writing by registered letter within 7 (seven) days after delivery, with a clear and accurate description of the complaint and with mention of the invoice with which the relevant goods have been invoiced.
2. Defects that were not externally observable at the time of delivery and could not be detected with a careful and timely inspection must have been communicated to Boode by the client in the manner as mentioned in the preceding paragraph within 7 (seven) days after they have been discovered.
3. Minor deviations with regard to the data supplied by Boode, dimensions, weights, colour fastness and the like, and also differences with shown samples and customary margins do not constitute a (hidden) defect or damage as referred to in this article. Such subordinate alterations and minor differences in size and quantity do not produce a ground for compensation.
4. Any right of action of the client on Boode in connection with defects in the goods delivered will lapse if:
 - a: the defects have not been reported to Boode within the periods provided in this article, or, if hidden defects are concerned, within the period of warranty mentioned in article 6 and/or have not been reported in the indicated manner;



- b: the client renders insufficient cooperation in an investigation into the soundness of the complaints;
- c: the client has not set up, treated, used, stored or maintained the goods properly or has used or treated them under circumstances or for purposes other than anticipated by Boode. If goods delivered by Boode have been processed, any defects occurring will be deemed to have arisen during the processing by the client;
- d: the application and use of the goods in connection with which the complaints have been uttered by the client are continued.

7 **Warranties**

1. All goods delivered by Boode must be used in accordance with its directions and/or the instructions for use.
2. Use contrary to the directions of Boode and/or the instructions for use or careless use and also repair for which Boode has given no permission will cause any warranty given by Boode to expire. In no event will the warranty include the consequences of normal wear and tear or injudicious or incorrect use.
3. Within the limits of the provisions in this article Boode undertakes to repair, at its own expense, defects to the goods delivered by it. Boode will only be obliged to do so during 6 months after delivery of the goods. Furthermore the obligation will only apply to defects that were already present at the time of delivery of the goods. This obligation does not apply if the agreement has been terminated in a manner as described in article 13 (termination).
4. To be able to qualify for the warranty mentioned in this paragraph the Client must:
 - a. report defects to Boode in writing immediately upon discovery;
 - b. make it plausible that it concerns defects that were already present at the time of delivery;
 - c. make it plausible that the defects are a direct consequence of a culpable error of Boode;
5. The costs of repair of the defects must be in a reasonable proportion to the Client's interest in their repair, this at Boode's assessment. If the costs of repair are not in a reasonable proportion to the Client's interest in repair, Boode will be free, for the execution of the warranty provided in the first paragraph, instead of repair of the defects, to grant the Client a reasonable compensation, whose size will be determined by Boode.
6. The warranty referred to in the first paragraph is furthermore limited to the part that has actually been delivered by or on behalf of Boode.
7. The Client is obliged to render Boode all cooperation that is necessary to enable Boode to repair the defects within a reasonable period.



8 Termination

1. Boode and the Client will only be empowered to dissolve the agreement, if the other party culpably fails in the fulfilment of essential obligations in pursuance of the agreement, after a proper and detailed written notice of default in which a reasonable period for correction of the shortcoming is set.
2. Boode may terminate the agreement without notice of default and without judicial intervention by written notification with immediate effect, in full or in part if:
 - a. the Client is granted or has applied for suspension of payments, whether or not provisional.
 - b. the Client has been declared bankrupt or an application has been submitted for the purpose.
 - c. the Client's enterprise is liquidated or terminated, otherwise than for the benefit of reconstruction or merger of enterprises. Boode will never be obliged to make any compensation because of this termination.
3. If at the time of dissolution as referred to in paragraph 1 the Client has already received performances for the performance of the agreement, these performances and the corresponding obligations of payment will not be an object of cancellation, unless Boode is in default with regard to those performances. Amounts that Boode has invoiced before the dissolution in connection with what it has already performed or delivered for the performance of the agreement will remain payable in full with observance of the provisions in the preceding sentence, and will become immediately claimable at the time of dissolution.

9 Liability

1. The client can only enforce claims (on warranty) if with regard to the goods delivered by Boode no warranty obligations and/or claims of third parties (such as manufacturers) exist. In that case Boode's liability is always limited to defects that are the result of manufacturing - construction - and equipment errors.
2. In the event of a complaint, if the soundness of a complaint is established by Boode and liability exists for Boode as referred to in the first paragraph, Boode will only be obliged (at Boode's choice) to:
 - a: repair the defects found (free of charge);
 - b: deliver replacement goods or parts (only after return of the defective goods or parts);
 - c: pay back the received purchase price or credit the invoice sent to the client, with extrajudicial dissolution of the agreement concluded, in so far as the purchase price, the invoices and the agreement relate to the defective goods delivered by Boode;
 - d: pay the client compensation in another form.



3. Subject to the provisions in this article Boode will never be obliged to make any compensation of damage, of any nature whatsoever, directly or indirectly, including, trading loss, by whatever name, to movable or immovable property or to persons, suffered by the client or third parties.
4. Boode's liability is always limited to the value of the goods delivered by Boode to which the damage relates. Liability for consequential damage, by whatever name, will be excluded at all times.
5. The Client is obliged to indemnify Boode for all claims that third parties enforce against Boode with regard to the performance of the agreement, in so far as the law does not resist that the damage and costs resulting from these claims are for the client's account. More in particular the client indemnifies Boode for claims of third parties on the basis of intellectual or industrial property rights in connection with a product that has been manufactured by or on behalf of Boode on the Client's instruction.

10 Retention of ownership

1. Goods delivered by Boode will remain Boode's property until the time of full payment of everything that the client owes to Boode on the strength of, connected with or following from the agreement, including due interest and costs. On Boode's first demand the client will be obliged to provide security with regard to the fulfilment of his obligations.
2. As long as the ownership of the delivered goods has not passed to him, the client will not be entitled to pledge the relevant goods, to create a non-possessory pledge or any other real or personal right on them for the benefit of a third party.
3. Subject to the above provisions buyer is permitted to sell the goods to third parties within the framework of his normal conduct of business after Boode's written approval.
4. In the event of bankruptcy, suspension of payments, debt consolidation, postponement of payment, liquidation of the client or death if the client is a natural person, Boode will be entitled, without notice of default or judicial intervention to dissolve the agreement in full or in part, and to demand back goods that have remained unpaid, without prejudice to the right of compensation.
5. The client is obliged to insure the risk of fire and theft with regard to the goods delivered by Boode and to show proof thereof at Boode's request.

11 Payment

1. Unless something else has been agreed in writing, payment must be made in euros without discount or set-off, in cash at Boode's office, or by transfer to a bank account designated by Boode at the time of delivery. The value day indicated in Boode's bank administration will be decisive and will be considered the day of payment.
2. If the client does not proceed to (full) payment in good time, he will be in default without further notice of default, in which case all claims that Boode has on the client will become



payable immediately. In that case Boode is entitled to suspend the fulfilment of its obligations to the client, without prejudice to its other rights.

3. If the client is in default, Boode will be entitled to dissolve the agreement(s) existing between the parties without judicial intervention. If the client defaults in payment, he will forfeit to Boode without further notification being required for the purpose, a contractual interest that is equal to the statutory commercial interest plus 2% (two per cent) per annum from the invoice date until the day of full payment.
In addition, the client will in that case be obliged to pay Boode the extrajudicial collection costs.
4. Payments made by the client will primarily serve to pay any interest and extrajudicial costs made by Boode and will subsequently be deducted from the oldest outstanding invoices.

12 Force majeure

1. Force majeure will be: any circumstance beyond Boode's control or unforeseeable, of such a nature that performance of the agreement cannot be required in reason by the client any more.
2. If in Boode's opinion the force majeure will be of a temporary nature, Boode will be entitled to suspend performance of the agreement until the circumstance that produces the force majeure no longer exists.
3. If in Boode's opinion the force majeure situation is of a permanent nature, it will be entitled to consider the agreement dissolved, in so far as the part not yet performed is concerned, or to suspend the agreement for an indefinite period, this at its choice. Force majeure will never give the client any claim on compensation in respect of Boode.

13 Limitation period

Any right of action and defence that the client can enforce against Boode will lapse by the mere expiry of one year after creation of the relevant claim. If a shorter limitation period applies by law, this shorter period will apply between Boode and the client.

14 Applicable law and disputes

1. All offers made by Boode and all agreements entered into by it, including their performance, will be governed exclusively by Dutch law.
2. Any disputes that should arise in connection with the agreement to which these general conditions apply or in connection with further agreements that are related thereto will be submitted in the first instance exclusively to the competent court of Rotterdam, subject to the right of appeal and choice of forum in accordance with the law.
3. This is a fair English translation of the general conditions of Boode B.V.. In preparing the English translation of the general conditions of Boode B.V. an attempt has been made to translate as literally as possible without jeopardising the overall continuity of the text. Inevitably, however, differences may occur in translation, and if they do, the official



BOODE

WATERWELL SYSTEMS

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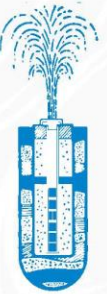
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Dutch text will by law govern. In this translation, Dutch legal concepts are expressed in English terms and not in their original Dutch terms; the concepts concerned may not be identical to concepts described by the English terms as such terms may be understood under the laws of other jurisdictions.



Lloyd's Register
LRQA