

TERMS AND CONDITIONS OF PURCHASE
SDS SEPARATION TECHNOLOGY B.V.

1. GENERAL

1.1 Definitions

"SUPPLIER" means an entity which signs the CONTRACT documents as counterpart to SDS Separation.

"CONTRACT" means the confirmed PURCHASE ORDER plus all documents referred to therein.

"DELIVERY TERM" shall have the meaning as established in the version of the INCOTERMS in place as of the effective date of the contract .

"EFFECTIVE DATE" means the date of the ORDER CONFIRMATION. If SUPPLIER expresses its objection to the ORDER CONFIRMATION within three (3) working days after receipt of the ORDER CONFIRMATION, EFFECTIVE DATE shall be the date on which SDS SEPARATION and SUPPLIER reach common agreement on the CONTRACT.

"END USER" shall have the same meaning as SDS SEPARATION. However, if SDS SEPARATION and END USER are not the same individual or entity, then the term "END USER" shall mean the individual or entity for which the SDS SEPARATION is obtaining the SCOPE OF SUPPLY.

"ENGINEERING SERVICES" means engineering work included in the CONTRACT required to be carried out for the delivery of EQUIPMENT, FIELD SERVICES, STUDIES and such goods and or services offered, if specified in the CONTRACT.

"EQUIPMENT" means skid mounted process equipment or other goods which are specified in the CONTRACT.

"FIELD SERVICES" shall mean the deployment of SDS SEPARATION personnel to a SDS SEPARATION 'S or END USER'S PLANT to provide technical assistance with specified maintenance, inspection, installation, repair and/or modification work or other services, if specified in the CONTRACT.

"FINAL ACCEPTANCE" means the document issued by the SDS SEPARATION or the END USER at the beginning of the warranty period triggering the payment term.

"GENERAL TERMS" means these General Terms and Conditions of Purchase of SDS SEPARATION.

"INSTALLATION SERVICES" shall have the same meanings as "FIELD SERVICES".

"ORDER CONFIRMATION" means the document provided by SDS SEPARATION to SUPPLIER as a response to SUPPLIER'S purchase order documents either by e-mail, facsimile or as a hardcopy.

"PACKAGE" means skid including all integrated equipment, instrumentation, wiring.

"PLANT" means the SDS SEPARATION or END USER facility for which SDS SEPARATION work is produced and/ or supplied or services provided.

"PURCHASE ORDER" means the purchase order

documents. In case of non-substantial deviations between said purchase order documents and the ORDER CONFIRMATION, the version of the PURCHASE ORDER shall become the binding document unless SUPPLIER expresses its dissent within three (3) working days after receipt of the PURCHASE ORDER.

"SCOPE OF SUPPLY" means the goods and/or services to be delivered as specified in the CONTRACT and the pertaining documentation, to the extent explicitly specified in the PURCHASE ORDER and agreed upon by both parties.

"SKID" means the frame, pipe support structure, can be hoisted & transported, providing structural support and integrate to instrumentation, equipment and piping or other goods which are specified in the CONTRACT.

"SDS SEPARATION" means SDS Separation Technology B.V. (registered at Chamber of Commerce with number 66808286), and its legal successors or affiliated organizations and partners that will enter into a CONTRACT with SUPPLIER and have declared these GENERAL TERMS applicable.

1.2 These GENERAL TERMS apply to all work provided by SUPPLIER except items specifically agreed between parties. SUPPLIER is hereby given notice that any deviations from these GENERAL TERMS are expressly rejected unless such deviations are otherwise agreed upon in a mutually signed document.

1.3 The SCOPE OF SUPPLY and delivery terms (as per INCOTERMS) will be defined in the PURCHASE ORDER.

1.4 In case of contradiction between CONTRACT documents, the following order of precedence shall apply:

- a) PURCHASE ORDER in the version accepted in the ORDER CONFIRMATION or other negotiated, agreed and mutually signed document, including all documents made a part thereof
- b) SUPPLIER's offer
- c) These GENERAL TERMS
- d) SDS SEPARATION's request for an offer
- e) SDS SEPARATION's Purchase Terms and Conditions

1.5 All documents making part of the CONTRACT can be changed only by a written, duly signed document.

1.6 SUPPLIER shall not engage sub-suppliers for the performance of the CONTRACT unless agreed by SDS SEPARATION in writing.

2. DELIVERY

2.1 SUPPLIER shall deliver the SCOPE OF SUPPLY on the dates specified in the CONTRACT.

2.2 Parties acknowledge and agree that in case of Force Majeure the delivery of the SCOPE OF SUPPLY may be changed upon mutual agreement.

2.3 In the case of revised or additional specifications initiated by SDS SEPARATION, SDS SEPARATION and

SUPPLIER will agree on the revised SCOPE OF SUPPLY and the resulting deviations and additions to the list prices and delivery times specified in the PURCHASE ORDER.

2.4 Any deviation to the SCOPE OF SUPPLY requires a formal, written request by SUPPLIER to SDS SEPARATION upon which SDS SEPARATION and SUPPLIER will negotiate the revised SCOPE OF SUPPLY and the resulting deviations and additions to listed prices and delivery times specified in the PURCHASE ORDER.

3. PRICE AND PAYMENT

3.1 The prices for the SCOPE OF SUPPLY are those stated in the CONTRACT and are fixed and firm until fulfilment of CONTRACT. For work carried out on a time basis, the prices shall be determined in accordance with the hourly rates specified in the CONTRACT. All prices are exclusive of excise duties, VAT, sales or similar taxes and duties.

4. INTELLECTUAL PROPERTY

4.1 SDS SEPARATION shall provide the technical documentation (e.g. drawings, descriptions, charts, instructions) that is necessary for the delivery of the SCOPE OF SUPPLY and is specified in the CONTRACT, on the basis of a separately signed non-disclosure agreement (NDA). SDS SEPARATION confirms that SUPPLIER is fully authorized to use (or have used) the technical documentation provided to SDS SEPARATION for the performance of the SCOPE OF SUPPLY by SUPPLIER, respectively.

4.2 Each party to the CONTRACT retains all rights to any technical documents provided to the other party. The party receiving such documents recognizes these rights and shall, without previous written consent of the other party, not make these documents available to any third party, either in whole or in part, nor use them for any purpose other than to fulfil the CONTRACT.

4.3 Any know-how, inventions, patents or copyrights or the like belonging to or provided by SDS SEPARATION and used for or developed in the course of the fulfilment of the CONTRACT shall remain SDS SEPARATION's property, and no ownership shall be transferred to SUPPLIER with respect to such know-how, inventions, patents and copyrights, independent of the hardware on which such know-how, inventions, patents or copyrights is made available (machinery, paper, electronic medium, etc.).

4.4 SDS SEPARATION will respect the know-how, inventions, patents or copyrights belonging to or provided by SUPPLIER to SDS SEPARATION.

4.5 SUPPLIER warrants that the SCOPE OF SUPPLY and any part thereof, in the particular form sold to SDS SEPARATION, shall not infringe any intellectual property rights of third parties.

5. WARRANTY

Articles 5.1 through 5.3 contain specific warranties referring to various SCOPES OF SUPPLY.

5.1 EQUIPMENT

- a) SUPPLIER shall remedy any defect arising within twelve (12) months from the date of initial operation of the EQUIPMENT or eighteen (18) months from the date of shipment, and, if dispatches, erection, supervision of erection and/or commissioning are delayed due to reasons within SUPPLIER's control, the warranty period shall be extended with twelve (12) months starting from the date that the delay is remedied.
- b) If requested to do so by SDS SEPARATION in writing, SUPPLIER agrees to either repair or replace the faulty parts of the EQUIPMENT, or supply SDS SEPARATION with non-defective EQUIPMENT or part thereof. These remedies shall be provided for the defects notified to SUPPLIER during the warranty period under the conditions defined in Article 6.4 herein.
- c) The warranty period for any EQUIPMENT which is repaired or replaced shall be for a period of twelve (12) months or the remainder of the original warranty period, whichever period is longer.

5.2 FIELD SERVICES

- a) SUPPLIER warrants that the FIELD SERVICES will be performed as specified in the CONTRACT and will comply with applicable industry standards and practices. SUPPLIER shall remedy any defect arising within hundred-and-eighty (180) days from the date of completion of the FIELD SERVICES work unless they are the result from faulty utilization performed by SDS SEPARATION.
- b) If requested to do so by SDS SEPARATION in writing, SUPPLIER shall repair the defective FIELD SERVICES or re-perform such FIELD SERVICES. These remedies shall be provided for the defects notified to SUPPLIER during the warranty period under the conditions defined in Article 6.4 herein.
- c) All FIELD SERVICES work which is remedied shall be warranted for a period of hundred-and-eighty (180) days from the date of the completion of repair or reperformance.
- d) SUPPLIER shall bear the costs for the corresponding repair or the re-performance of work whether occurring at SUPPLIER or SDS SEPARATION or END USER facility to the extent that they are reasonable under the circumstances. SDS SEPARATION or END USER shall grant SUPPLIER the first opportunity to remedy any defect in the FIELD SERVICES. If SDS SEPARATION or END USER has obtained the services of a third party to perform the FIELD SERVICES, SUPPLIER shall bear the costs

for the corresponding repair or re-performance work.

5.3 ENGINEERING SERVICES

- a) SUPPLIER's obligations consist of using proper care and skills in performing the work described in the CONTRACT. Defects arising from faulty ENGINEERING SERVICES arising within twelve (12) months from completion thereof shall be re-performed by SUPPLIER at its own cost.
- b) The warranty period for any engineering services which have been re-performed under the warranty shall be for a period of six (6) months.

5.4 General Conditions applicable to Warranty

- a) **Maximum Extension of Warranty Period**
The warranty period for any part of the SCOPE OF SUPPLY which is repaired or replaced shall be for the applicable period specified under 6.1 through 6.3 or the remainder of the original warranty period, whichever period is longer.
- b) **Place where Warranty Work will be executed**
SUPPLIER shall perform the warranty work at SDS SEPARATION's or END USER's facility, and as soon as reasonably practicable after receipt of written notification by SDS SEPARATION's or the END USER. SDS SEPARATION's or END USER shall make the SCOPE OF SUPPLY available for SUPPLIER to repair or replace.
- c) **Dismantling and Reassembly**
To the extent necessary to remedy the defect, SUPPLIER shall, at its own expense, arrange for any dismantling and reassembly of EQUIPMENT.

5.5 Hazard Warning Responsibility

SDS SEPARATION and SUPPLIER acknowledge that each have respective obligations with respect to maintaining compliance with all safety and health related regulations concerning SCOPE OF SUPPLY. Parties shall maintain compliance with all safety and health related governmental requirements concerning SCOPE OF SUPPLY and shall inform, warn, and familiarize its employees, agents, contractors, and customers with the hazards associated therewith.

6. OVERALL LIMITATION OF LIABILITY

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS CONTRACT, INCLUDING ALL DOCUMENTS MAKING PART THEREOF AND TO THE MAXIMUM EXTENT PERMITTED BY LAW, IN NO EVENT SHALL SDS SEPARATION BE LIABLE TO THE SUPPLIER FOR LOSS OF PROFIT OR REVENUE, LOSS OF USE, INTERRUPTION OF PRODUCTION, COST OF CAPITAL, COST OF PURCHASED OR REPLACEMENT POWER, ANY AND ALL COSTS RELATING TO DELAY, OR FOR INDIRECT, PUNITIVE, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, OR CLAIMS BY THE END USERS FOR SUCH DAMAGES, IN CONNECTION WITH THIS CONTRACT, WHETHER SUCH LIABILITY IS BASED ON CONTRACT, TORT (INCLUDING

NEGLIGENCE), STATUTE OR ANY OTHER BASIS OF LEGAL LIABILITY. THE REMEDIES OF SUPPLIER SET FORTH HEREIN ARE EXCLUSIVE, AND SDS SEPARATION'S LIABILITY WITH RESPECT TO ANY CONTRACT, INDEMNITY, TORT (INCLUDING NEGLIGENCE), UNDER ANY WARRANTY, STRICT LIABILITY OR OTHERWISE SHALL NOT EXCEED 100% OF THE CONTRACT PRICE, UNLESS CLAIMS ARISE FROM GROSS NEGLIGENCE OR WILFUL MISCONDUCT OF SDS SEPARATION.

7. EXPORT AND OTHER GOVERNMENTAL

DOCUMENTS

7.1 Delivery will take place according to DAP INCOTERMS.

7.2 SUPPLIER, SDS SEPARATION and END USER shall support and assist each other without undue delay with obtaining any necessary information or documentation required by any authority in connection with the CONTRACT. SDS SEPARATION's acceptance of the CONTRACT shall be subject to the receipt of all necessary export authorizations required from any governmental authority which has jurisdiction over this CONTRACT.

7.3 The SUPPLIER hereby represents and warrants that it is, and will remain in compliance with the requirements of all applicable export laws and regulations, including but not limited to EU law, the U.S. Export Administration Regulations and International Traffic in Arms Regulations. Such requirements include, but are not limited to obtaining all required authorizations or licenses for the export or re-export of any controlled item, product, article, commodity, software or technology. Without limiting the generality of the foregoing, the SUPPLIER hereby represents and warrants that it has not been, and is not currently, debarred, suspended or otherwise prohibited or restricted from exporting, re-exporting, receiving, purchasing, processing or otherwise obtaining any item, product, article, commodity, software or technology regulated by any agency of the United States or any other state. The SUPPLIER agrees to indemnify and hold harmless SDS SEPARATION from any costs, penalties or other losses caused by, or related to, any violation or breach of the warranties contained in this provision.

8. FORCE MAJEURE

Parties shall not be liable for any non-performance, loss, damage, or delay as a result of circumstances, which can be considered beyond a party's fault, and for which a party cannot be held accountable by law, legal act, or generally accepted practices, as but not limited to severe weather conditions, fire, flood or war, riots, strikes or labour difficulty and governmental acts such as but not limited to trade restrictions including embargoes. In the event of delay in performance due to such cause, the date of delivery or time for

completion will be extended to reflect the length of time lost by reason of such delay. If the grounds for Force Majeure continue for more than six (6) months, Parties will discuss a reasonable solution to remedy the situation within seven (7) days' of a written notice by either party.

9. FREE ISSUE MATERIALS

Materials supplied by SDS SEPARATION's to SUPPLIER (any materials to be used for implementation in the SCOPE OF SUPPLY) shall at all times remain the property of SDS SEPARATION. Subject to Article 6 and 7 hereinabove, SUPPLIER shall be solely liable for damages caused by gross negligence or wilful misconduct to free issue materials.

10. CONFIDENTIALITY

SDS SEPARATION and SUPPLIER mutually commit themselves to the confidentiality of all data and information concerning each other's organization, SDS SEPARATION's, files and products and services, of which they become aware while working for each other or for SUPPLIER's suppliers or SDS SEPARATION's clients. Data and information may only be used in order to carry out the agreement between parties. SUPPLIER will not enter into any direct or indirect commercial, employment, or other such relations with employees from SDS SEPARATION during the agreement and for a period of 12 (twelve) months after termination or dissolution of the agreement, without the written consent of SDS SEPARATION. SUPPLIER will ensure that its SUPPLIERS will comply with the foregoing obligation. In the event that SUPPLIER breaches this clause SUPPLIER will be charged, without further notification required, a fine of € 50.000,- (fifty thousand euros) for each breach, undiminished the right of SDS SEPARATION to claim full compensation for damages incurred.

11. MISCELLANEOUS

11.1 Applicable Laws and Jurisdiction

- a) The CONTRACT shall be construed and shall be interpreted solely in accordance with the laws of The Netherlands excluding and without application of any conflict of law rules.
- b) Nothing contained in this CONTRACT shall limit the rights of SDS SEPARATION available under the applicable law.
- c) In case of a dispute, the parties shall make their best efforts to resolve such dispute amicably. If an amicable resolution should not be possible, the competent court at Rechtbank Rotterdam (The Netherlands) shall have exclusive jurisdiction. However, SDS SEPARATION reserves the right to initiate a claim against SUPPLIER at SUPPLIER's location.

11.2 Assignment

Any attempt to assign, transfer, or delegate any of the rights, duties or obligations herein to a third party without prior written consent of the other party shall render such attempted assignment or transfer null and void. SDS SEPARATION's affiliated companies shall not be considered third parties for this purpose.

11.3 Waiver of Rights

SDS SEPARATION's failure to exercise any of its rights shall not constitute or be deemed a waiver or a forfeiture of such rights.

11.4 Severability

If one or more terms (or part of a term) of the CONTRACT is nullified, determined to be void or unenforceable, or having lost their validity in another way, the other terms (or part of the term in question) of the CONTRACT will remain in force undiminished. With regard to terms (or part of the term) that are nullified, declared to be nullified, or having lost their validity in another way SDS SEPARATION and BUYER shall make their best endeavours to replace such terms by a valid one covering the original commercial intention as far as legally possible.