



GENERAL PURCHASING CONDITIONS KWR WATER B.V. 2024

Chapter 1 General provisions

Article 1: Definitions

- a **Agreement:** any Agreement concluded between KWR and the Contractor with regard to the delivery of Goods and/or the provision of Services by the Contractor, any amendment or addition thereto, as well as all (legal) acts in preparation and execution of that Agreement;
- b **Confidential Information:** any tangible or intangible information, privileged or proprietary information or trade secrets provided to a Party by or on behalf of the other Party, expressly labelled in writing as confidential either at the time of disclosure or, if disclosed orally, confirmed in writing within thirty (30) days of the original disclosure, as well as any other information that the Parties should reasonably understand to be confidential;
- c **Contractor:** any natural person, legal person or company with whom KWR concludes an Agreement for the purchase and delivery of Goods and/or the provision of Services or with whom KWR negotiates the formation of an Agreement;
- d **Goods (Good):** all items and all property rights within the meaning of Article 3:1 of the Dutch Civil Code;
- e **KWR:** the company KWR Water B.V., trading under the name KWR Water Research Institute;
- f **Offer:** the offer and/or quotation issued by the Contractor to KWR regarding the delivery of Goods and/or the provision of Services, according to an accompanying description provided;
- g **Order:** any Offer accepted by KWR;
- h **Parties (Party):** KWR and the Contractor separately and jointly respectively;
- i **Purchasing Conditions:** these KWR General Purchasing Conditions 2024, which apply to and form part of the Agreement;
- j **Services (Service):** the work to be performed by the Contractor for the benefit of a specific need of KWR, not being works or Goods.

Article 2: Applicability

- 2.1 These Purchasing Conditions shall form part of and apply to all legal relationships between KWR and the Contractor.
- 2.2 Deviations from these Purchasing Conditions or deviating provisions, conditions and/or agreements shall only be valid if and insofar as they have been expressly confirmed by KWR in writing.
- 2.3 If KWR has agreed in writing to the applicability of deviating conditions, the present purchasing conditions shall otherwise remain in force, even if this is not expressly stated.
- 2.4 The applicability of any general or special conditions or stipulations of the Contractor is expressly rejected by KWR, unless expressly agreed otherwise in writing.
- 2.5 In case of any conflict between what has been separately agreed between the Parties and these Purchasing Conditions, what has been separately agreed shall prevail.
- 2.6 KWR cannot derive any future rights from any agreed deviations from these Purchasing Conditions.
- 2.7 Any inconsistencies between the Agreement and the documents accompanying the Agreement, such as drawings, models and specifications, shall be brought to KWR's attention by the Contractor as soon as possible after the Order has been placed. If the Contractor fails to do so, the inconsistencies will be interpreted in KWR's favour.
- 2.8 If any provision of these Purchasing Conditions is void or is nullified, the other provisions shall remain in full force and effect and the Parties shall consult with each other in order to agree on a new provision (or

provisions) to replace the void or nullified provision(s), taking into account as much as possible the purpose and purport of the void or nullified provision(s).

- 2.9 In case of any conflict between the Dutch text of these Purchasing Conditions and any translations thereof, the Dutch text shall always prevail.

Article 3: Conclusion of the Agreement

- 3.1 An Offer shall be deemed to bind the Contractor unless such Offer is expressly issued by the Contractor in writing without obligation.
- 3.2 An Agreement between the Contractor and KWR shall not be concluded until KWR has sent a written confirmation to the Contractor. All actions taken by the Contractor prior to this shall be for the account and risk of the Contractor.
- 3.3 KWR shall always regard consultancy and other costs estimated by the Contractor as a maximum amount, unless otherwise agreed in writing. This shall also apply to Orders and cost-plus pricing or settlement of time spent and actually incurred costs.
- 3.4 Additional agreements and/or amendments to the Agreement shall not bind the Parties, unless expressly confirmed in writing by the Parties.
- 3.5 With regard to Agreements and/or activities for which no written offer or order confirmation has been made, the invoice, completion note or delivery note shall also be regarded as an order confirmation, which shall then be deemed to accurately and fully reflect the Agreement between the Parties.

Article 4: Price and payment

- 4.1 Unless otherwise agreed in writing, the agreed or quoted prices shall be fixed and cannot be changed unilaterally by the Contractor.
- 4.2 The agreed or quoted prices are in Euros (excluding VAT), unless otherwise agreed in writing.
- 4.3 KWR shall be entitled to set off its payment obligations to the Contractor against its claims against the Contractor on any account whatsoever.
- 4.4 Payment shall be made as indicated in the Agreement. A payment term shall never be a deadline.
- 4.5 Payment shall be made within 30 days of the invoice date and approval of items and any installation/assembly by KWR, unless otherwise agreed in writing.
- 4.6 Invoices must state: the Order, the name of the project, the project number and the name of the contact person at KWR.
- 4.7 Payment shall in no way imply any waiver of rights, in particular not of rights arising from an attributable shortcoming by the Contractor.
- 4.8 Changes in (prices of) raw materials, exchange rates, manpower or other cost-determining factors will not be passed on, unless otherwise agreed in writing.
- 4.9 If and insofar as it has been agreed that the Contractor may pass on price increases to KWR, a price increase may only be passed on three months after KWR has received written notification of that increase. Within the aforementioned period KWR shall be entitled to terminate the Agreement immediately as a result of the announced increase, without being obliged to pay any compensation for costs and/or damages.
- 4.10 In case of delay in the performance of the Agreement, KWR shall be entitled to pass on any additional costs, unless the delay is attributable to KWR.

Article 5: Auxiliary items

- 5.1 Unless otherwise stated in the Offer, when working in connection with the Agreement, KWR shall make the necessary facilities, such as auxiliary persons, auxiliary equipment and materials available to the Contractor

free of charge, in such a way that the work to be performed by the Contractor can be carried out in a safe manner.

- 5.2 KWR guarantees that the auxiliary persons, auxiliary items and materials comply with current safety regulations.
- 5.3 Auxiliary items made available by KWR or purchased or manufactured by the Contractor on behalf of KWR shall remain or become the property of KWR at the time of purchase or manufacture, unless the Parties agree otherwise in writing.
- 5.4 The Contractor shall be obliged to mark the auxiliary items referred to in the previous paragraph as KWR's recognisable property, to keep them in good condition and to insure them at its expense against all risks for as long as the Contractor acts as holder of those auxiliary items.
- 5.5 Auxiliary items used by the Contractor in the performance of the Agreement shall be submitted to KWR for approval at KWR's first request.
- 5.6 Changes to or deviations from the auxiliary items provided or approved by KWR shall only be permitted after the Parties have agreed to this in writing.
- 5.7 The manner of using the auxiliary items shall be entirely at the Contractor's risk.
- 5.8 When staying in buildings and/or on premises of KWR, the Contractor shall comply with the (house) rules and instructions provided by or on behalf of KWR.
- 5.9 In the event of (imminent) bankruptcy or (provisional) suspension of payments of the Contractor, attachment of whatever nature levied under the Contractor, or if by virtue of any provision of law an administrator is appointed for the Contractor, the Contractor shall be obliged to notify KWR thereof immediately in writing. The Contractor shall also immediately provide the receiver, administrator or attaching court bailiff access to these Purchasing Conditions.

Article 6: Assignment and subcontracting

- 6.1 The Contractor shall not be authorised to transfer or cause to be transferred to third parties all or part of the rights and obligations under the Agreement or any other agreements arising therefrom, except with KWR's prior written permission.
- 6.2 If KWR grants permission for that which has been provided in the first paragraph of this Article, it shall be entitled to attach conditions to that permission. Even in the event of granted permission, the Contractor shall remain fully responsible and liable to KWR for the correct performance of its obligations under the Agreement and/or any other agreement arising therefrom.
- 6.3 If the Contractor uses the Services of third parties as subcontractors, suppliers or otherwise in the execution of an Order, the Contractor shall ensure that these third parties are also bound by these Purchasing Conditions, to the exclusion of any general terms and conditions of those third parties.
- 6.4 In urgent cases and, in addition, if, after consultation with the Contractor, it must reasonably be assumed that the latter cannot or will not properly fulfil its obligations under the Agreement or will not do so on time, KWR shall be entitled to demand that the Contractor contracts out performance of the Agreement at its risk and expense, in whole or in part, to one or more third parties to be designated by KWR. The foregoing shall not release the Contractor from its obligations under the Agreement.

Article 7: Industrial and intellectual property

- 7.1 The Contractor guarantees that the use, including resale, of the Goods delivered by it does not infringe any industrial or intellectual property rights, such as, inter alia, patents, trademark rights, model rights, copyrights and/or other third-party rights. The Contractor shall indemnify KWR against all claims of third parties arising from any infringement of the rights referred to in this paragraph. The Contractor shall compensate KWR for all damage, costs and interest resulting from any infringement of the rights referred to in this paragraph.

- 7.2 The Contractor shall be obliged to notify KWR in writing of any industrial or intellectual property rights of third parties resting on delivered Goods.
- 7.3 If the guarantee in paragraph 1 is not met, the Contractor shall be obliged to provide KWR with the right of use, or to make such changes that the unlawfulness ceases to exist, or to deliver an equivalent replacement, which does not infringe, for the delivered Goods.
- 7.4 The Contractor shall not reproduce any drawings, models, constructions, schedules and (technical) documents received from KWR for the execution of the Agreement other than necessary for a proper execution of the Agreement. At the end of the Agreement, all drawings, models, constructions, schedules and (technical) documents as referred to hereinabove shall be made available to KWR.
- 7.5 All information relating to KWR's intellectual property shall be Confidential Information.
- 7.6 If the Contractor develops items for KWR in the context of the Agreement, any intellectual property rights that are invoked or created shall accrue exclusively to KWR. Compensation for this shall be deemed to be included in the agreed price of Goods. To the extent necessary, the Contractor shall fully cooperate in the establishment of such rights for the benefit of and/or the transfer of such rights to KWR.
- 7.7 The Contractor may not use Goods or auxiliary items created through joint developments by KWR and the Contractor for the benefit of third parties without KWR's written permission.
- 7.8 If a dispute arises between KWR and the Contractor regarding industrial and/or intellectual property rights, KWR shall be presumed to be the proprietor, subject to proof to the contrary by the Contractor.

Article 8: Confidentiality

- 8.1 The Parties shall treat the Confidential Information received from the other Party as strictly confidential and shall not disclose it or make it available to third parties.
- 8.2 The Parties shall ensure that in order to prevent disclosure of Confidential Information to third parties, the Confidential Information received enjoys the same level of protection as their own Confidential Information. In doing so, the Parties guarantee at least the level of protection that can reasonably be expected of them due to the nature of the information and the branch of industry in which the Parties operate.
- 8.3 All Confidential Information and all patents, copyright, trade secrets, trade names, trademarks and other intellectual property rights therein contained or transferred by one Party to the other shall always remain the exclusive property of the providing Party.
- 8.4 The Parties agree that information that constitutes Confidential Information under the provisions of this Agreement will not be considered Confidential Information if it can be shown by documentary evidence that the information:
 - a. is or will become part of the public domain, without violating this Agreement and without any unlawful conduct on the part of the receiving Party;
 - b. is known to the receiving Party prior to the provision thereof under the Agreement;
 - c. was lawfully obtained by the receiving Party from a third party not bound by similar confidentiality provisions;
 - d. was developed by the receiving Party entirely independently of the provision thereof by the providing Party;
 - e. is available through a freely available product;
 - f. has been made available pursuant to legal proceedings, provided that the receiving Party has made all reasonable efforts to maintain confidentiality, including by drawing attention in such proceedings to the confidentiality and the obligations entered into under this Agreement, and shall, if this situation arises or threatens to arise, inform the providing Party as soon as possible and enable the providing Party to take legal action to seek to secure confidentiality.

If only part of the Confidential Information falls within the exception categories defined in this paragraph, only that part shall be subject to the exception described hereinabove to the applicability of the confidentiality provisions of this Agreement.

- 8.5 In the event that either Party is subpoenaed, receives an official request or is otherwise required by a judicial, administrative, regulatory or legislative authority to disclose the Confidential Information, that Party shall inform the other Party thereof as soon as possible so that the Parties may jointly seek to prevent the disclosure of the Confidential Information or take other appropriate measures against the disclosure of the Confidential Information.
- 8.6 If it is not possible to take a measure as referred to in the previous paragraph, the Parties may only disclose that part of the Confidential Information which they are required to disclose by law, provided that, to the extent permitted by law, that Party indicates in writing to the other Party which Confidential Information is to be disclosed. In doing so, the Parties shall consult as much as possible on the timing and content of the Confidential Information to be disclosed.

Article 9: Changes

- 9.1 KWR shall be entitled to require a change in the scope and/or quality of the Goods to be delivered and/or the Services to be provided.
- 9.2 KWR shall be entitled to make changes to texts, (visual) materials, drawings, models, instructions, specifications, inspection regulations and the like relating to Goods to be delivered and/or Services to be provided.
- 9.3 If, in the opinion of the Contractor, this has consequences for the agreed price and/or delivery time, the Contractor shall, before giving effect to the change requested by KWR, inform KWR of this in writing as soon as possible, but no later than eight (8) days after notification of the requested change. If in KWR's opinion these consequences for the price and/or delivery time are unreasonable in relation to the nature and scope of the change, KWR shall be entitled to dissolve the Agreement by means of a written notification to the Contractor. KWR shall not exercise the right to dissolve the Agreement on unreasonable grounds.
- 9.4 If upon a dissolution as referred to in the previous paragraph Goods have already been taken into production, these Goods shall be compensated by KWR at a reasonable cost price, increased by a reasonable mark-up for overheads for the Goods already taken into production at that time, if the Contractor demonstrates that the Goods in question cannot be used elsewhere. Dissolution under this Article shall not entitle either Party to any further compensation for any damage whatsoever.
- 9.5 The Contractor may not make or carry out any changes without KWR's prior written permission. If the changes have not been approved by KWR, there shall be no basis for KWR to pay compensation.
- 9.6 If, in connection with the execution and related costs of the Agreement, the Contractor deems it useful, it is authorised to propose changes in the scope and/or quality of Orders to be executed.

Article 10: Termination of the Agreement

- 10.1 If the Contractor fails to comply with the Agreement concluded between the Parties by not fulfilling one or more of its obligations under the Agreement or any other agreements arising therefrom, or by not fulfilling them on time or properly, KWR shall give the Contractor written notice of default and give the Contractor a reasonable period to yet fulfil its obligations under the Agreement, or to at least remedy the performances. If the Contractor does not remedy the performances within the period set, the Contractor shall be in default. KWR shall in that case be entitled to unilaterally terminate the Agreement in whole or in part, without judicial intervention, by means of a written notification to the Contractor. In that case, KWR shall also be entitled to suspend its payment obligations and/or suspend execution of the Agreement.

- 10.2 In the event that a circumstance as referred to in paragraph 1 occurs, all KWR's claims on the Contractor shall be immediately due and payable in full, and statutory commercial interest (Article 6:119a in conjunction with Article 6:120 of the Dutch Civil Code) shall be due thereon from that moment or from the earlier payment due date. In addition, the Contractor shall also pay KWR the extrajudicial costs in accordance with Article 6:96(2)(c) of the Dutch Civil Code in conjunction with Article 6:96(5) of the Dutch Civil Code.
- 10.3 KWR shall be entitled, without prejudice to its right to compensation, without notice of default and without judicial intervention being required, to suspend the execution of the Agreement with immediate effect and/or to dissolve the Agreement in whole or in part, if:
- a a request for bankruptcy or suspension of payments has been filed in respect of the Contractor;
 - b the Contractor's business is dissolved, liquidated or shut down;
 - c executory attachment is levied on a substantial part of the Contractor's assets;
 - d KWR has well-founded reasons to fear that the Contractor is or will not be able to fulfil its obligations arising from the Agreements concluded with KWR, and the Contractor, at KWR's request, does not or not sufficiently provide security for the fulfilment of its obligations;
 - e the Contractor ceases its current business;
 - f there is a withdrawal of a permit of the Contractor that is required for execution of the Agreement.
- 10.4 Upon partial termination of the Agreement, KWR shall be entitled, without prejudice to its statutory rights to compensation, to return to the Contractor, at the risk and expense of the Contractor, the Goods already delivered to which the partial termination relates, with recovery of any payments already made in respect of the partial termination.
- 10.5 If the execution of the Agreement is interrupted by either Party for more than six (6) months, the other Party shall be entitled to consider the Agreement terminated. The starting date of the interruption shall be the date of the letter of the interrupting Party in which it notifies the other Party of the interruption, or, failing that, the date of a letter in which the other Party notices the interruption. For each interruption, the Party interrupting the Agreement shall be obliged to compensate the other Party for the costs (including idle costs) and damages resulting therefrom.
- 10.6 Obligations which by their nature are intended to continue even after termination or dissolution of the Agreement shall remain in force after termination or dissolution, regardless of the ground for termination or dissolution. These obligations include, inter alia, confidentiality, liability, dispute resolution and applicable law.

Article 11: Liability and insurance

- 11.1 The Contractor shall be liable to KWR for all damage that is the direct result of an attributable failure in performance of its obligations arising from the Agreement concluded with KWR.
- 11.2 The Contractor shall indemnify KWR against all third-party claims brought against KWR for compensation for direct and indirect damage based on liability as referred to in the previous paragraph of this Article.
- 11.3 The damage to be compensated by the Contractor shall be capped to an amount of € 2,500,000 per event.
- 11.4 If KWR should be liable, it shall only be liable for damage (i) if this damage is covered by its liability insurance and up to the amount paid out by its insurance plus the excess, or (ii) if there is intent or gross negligence on the part of KWR or one of its managers.
- 11.5 If (i) there is no question of intent or gross negligence, or (ii) the insurance does not pay out and KWR is nevertheless liable, such liability shall be limited to direct damage only (whereby liability for indirect damage is expressly excluded) and to the order value, with a maximum of € 25,000.
- 11.6 Liability for indirect damages, including immaterial damages, consequential damages, lost profits and missed savings, is excluded at all times.

- 11.7 All claim rights and any other rights and powers, on whatever basis, which the Contractor has vis-à-vis KWR must have been received in writing by KWR within 6 months of the moment the Contractor became aware of them or could reasonably have become aware of them, failing which they will lapse.
- 11.8 The Contractor shall be obliged to take out and maintain adequate liability insurance. The Contractor shall allow KWR inspection of the policy and of payment receipts on request. The Contractor undertakes to assign all claims, including future ones, under the policy referred to above to KWR on demand.
- 11.9 For the purposes of this Article, staff and employees of a Party shall also be considered third parties.

Article 12: Force majeure

- 12.1 If the non-performance is due to force majeure as referred to in Article 6:75 of the Dutch Civil Code, the Parties shall immediately take the necessary measures to limit the adverse consequences for the Parties as much as possible.
- 12.2 In case of a non-attributable failure in the performance (force majeure) of either Party, the performance of the Agreement shall be suspended during the period of force majeure, without either Party being obliged to pay damages to the other Party.
- 12.3 The Parties may only invoke force majeure vis-à-vis each other if the relevant Party notifies the other Party in writing of such invocation as soon as possible, but no later than 5 working days after the force majeure occurs, submitting the necessary documentary evidence.
- 12.4 If the force majeure situation lasts longer than six (6) months, the other Party shall have the right to terminate the Agreement with immediate effect and without judicial intervention, by means of a written notification, without this leading to any right to compensation.
- 12.5 The Parties shall be entitled to claim payment of the performances which have been performed in the execution of the relevant Agreement before the circumstance causing force majeure became apparent.

Article 13: Personal data

- 13.1 If and to the extent that personal data are processed by a Party under this Agreement, it shall take legal and practical measures to comply with laws and regulations, including but not limited to the General Data Protection Regulation.
- 13.2 With regard to the protection of personal data, each of the Parties shall comply with all applicable laws and regulations, including but not limited to the General Data Protection Regulation.

Article 14: Disputes and applicable law

- 14.1 All legal relationships governed by these Purchasing Conditions are exclusively governed by Dutch law, to the exclusion of the provisions of international treaties, including the Vienna Sales Convention.
- 14.2 A dispute shall exist as soon as either Party has notified the other thereof in writing.
- 14.3 All disputes, of whatever nature, which may arise between the Parties and cannot be resolved amicably, shall be settled in accordance with the Arbitration Rules of the Netherlands Arbitration Institute.
- 14.4 The foregoing shall be without prejudice to the Parties' right to agree otherwise in writing with regard to (the manner of) dispute resolution.

Article 15: Miscellaneous

- 15.1 KWR shall be entitled to make amendments to these Purchasing Conditions. The amendments shall take effect at the announced time of entry into force, except with regard to Agreements concluded before that date. KWR shall send the amended Purchasing Conditions to the Contractor in a timely manner. If no time of entry into force has been announced, the amendments shall take effect vis-à-vis the Contractor as soon as the

amendment has been communicated or has become known to it, except with regard to Agreements concluded before that date.

- 15.2 The Contractor shall be completely independent in executing the Agreement. There shall never be any employment, representation or agency relationship, etc., with KWR.
- 15.3 The approval or permission granted to the Contractor by KWR in respect of any fact, as referred to in these Purchasing Conditions, shall not release the Contractor from its obligations under the Agreement.

Chapter 2 Specific provisions applicable to purchasing of Services by KWR

Article 16: Scope of application

In addition to the provisions in Chapter 1 under these Purchasing Conditions, the provisions under Chapter 2 of these Purchasing Conditions shall apply to KWR's purchasing of Services. If the provisions under Chapter 1 and the provisions under Chapter 2 contain conflicting clauses, the provisions under Chapter 2 shall prevail.

Article 17: Services

- 17.1 Execution of Services shall take place in accordance with these Purchasing Conditions and the requirements laid down in the Agreement.
- 17.2 KWR shall evaluate the Services and will accept them if the Services meet the conditions set.
- 17.3 If Services are performed at KWR, they shall be performed on working days within normal working hours of KWR, unless otherwise agreed.
- 17.4 The Contractor must ensure adequate supervision, direction and, if necessary, replacement of persons commissioned by it with the performance of Services.
- 17.5 The Contractor shall be obliged to comply with KWR's house rules and to have them complied with by the persons commissioned by it to perform Services.
- 17.6 If KWR so requires, the Contractor shall provide a written statement of the personal details including qualifications of the persons involved in the execution of Services.

Article 18: Price

Without prejudice to Article 4, the price for the provision of Services shall include all costs, social insurance contributions, social charges, special taxes and levies related to the provision of Services.

Article 19: Personnel and auxiliary persons

- 19.1 With respect to the personnel deployed by the Contractor for the performance of the Services, the Contractor shall act in accordance with the applicable laws and regulations and shall comply with the applicable employment conditions (including but not limited to any applicable collective labour agreement). The Contractor shall record all employment conditions agreements for the purposes of the execution of the Agreement in a transparent and accessible manner. The Contractor shall cooperate with any control, audit or wage validation by KWR. The Contractor shall indemnify KWR against any claims from the Contractor's personnel pursuant to Article 7:616a of the Dutch Civil Code.
- 19.2 The Contractor shall inform KWR in writing and without delay in the event of receipt of any complaint or claim from a member of staff or a workers' association in connection with underpayment or an (un)announced inspection by a supervisor or regulator relating to the Contractor's compliance with the applicable laws and regulations and/or conditions of employment referred to in paragraph 1. The Contractor shall inform KWR of the background, details and outcome of the complaint, claim or inspection. The Contractor shall cooperate with mediation by KWR to reach a resolution of a complaint or dispute regarding underpayment.
- 19.3 In case of an Agreement for the provision of Services, the Contractor guarantees that the personnel deployed by it in the process, in terms of level of training, expertise and experience, shall meet the qualifications expressly stated in the Agreement.
- 19.4 If KWR is of the opinion that there are insufficiently qualified staff and/or auxiliary persons, KWR shall be entitled to order the removal of the persons in question and the Contractor shall be obliged to replace them without delay, whereby the provisions of paragraph 1 of this Article must be observed. The costs of replacement shall be borne by the Contractor.

- 19.5 The personnel deployed by the Contractor shall work entirely under the management, supervision and responsibility of the Contractor. There shall never be an employment relationship with KWR.
- 19.6 The working hours of staff and/or auxiliary persons engaged by or on behalf of the Contractor shall as far as possible be equal to the working hours customary at KWR. Such staff and/or auxiliary persons shall be subject to the safety regulations and instructions applicable to KWR's own staff.
- 19.7 The Contractor shall ensure that personnel are instructed fully and at least two (2) days before commencement of work on the usual safety rules on KWR's sites and any risks associated with the workplace or performance of work, as well as general risks. It is the Contractor's responsibility to monitor and ensure that personnel comply with the rules and regulations applicable at KWR.
- 19.8 The Contractor shall be liable for any damage suffered by KWR or third parties as a result of shortcomings in the performance of the Agreement by the Contractor or as a result of any negligent acts or omissions by the Contractor. There shall in any event be a shortcoming in the performance if the performance of Services does not comply with what KWR and the Contractor have agreed or KWR could expect, and if the Contractor has acted contrary to what may be expected of a diligent and competent professional.
- 19.9 Acts or omissions of employees and other third parties engaged by the Contractor in the execution of the Order shall be attributed to the Contractor.
- 19.10 For the purposes of this Article, third parties shall include supervisors, directors, employees and other persons working for KWR.

Article 20: Auxiliary items

- 20.1 This Article shall apply without prejudice to Article 5.
- 20.2 Auxiliary items shall be made available to KWR at KWR's first request or at the same time as the final performance of Services.
- 20.3 The Contractor shall not use auxiliary items as referred to in Article 5.1 (or cause them to be used) for or in connection with any purpose other than execution of the Services ordered by KWR, unless KWR has given its written permission.

Article 21: Independence and impartiality

- 21.1 In order to provide reliable, independent and impartial Services, the Contractor guarantees to act independently and impartially.
- 21.2 The Contractor understands the importance of impartiality and independence in the execution of the activities, with adequate (preventive) measures taken on any (potential) possibility of conflict of interest to ensure impartiality.
- 21.3 External workers who come to perform work on behalf of the Contractor shall be obliged to act in an independent and impartial manner.

Article 22: Additional work and reduction in work

- 22.1 The Contractor shall only be entitled to payment for additional work if the Contractor has submitted a quotation to KWR in advance and that quotation has been approved by KWR in writing. The quotation should make clear and comprehensible what the scope of the quoted additional work is, what the consequences of the additional work are for the price, for the execution of the performance under the Agreement, and for the time of delivery.
- 22.2 If there is any reduction in work, this shall accrue to KWR in full and without any reductions or setoff. The Contractor shall not be entitled to compensation for costs or loss of profit. The Contractor shall be obliged to report circumstances that could lead to reduction in work to KWR, and shall consult with KWR on this.
- 22.3 Additional and reduction in work shall only be accepted if the Parties have so agreed in writing.

22.4 If a fixed price has been agreed for the provision of Services, KWR shall not reimburse costs for additional work and/or exceeding any (agreed) number of hours, unless otherwise agreed in writing. If the Contractor is of the opinion that an extension of agreed Services or number of hours is necessary for the proper execution of the relevant Service, this must be notified to KWR in writing in advance and with reasons.

Article 23: Time accounting

If a price for the agreed Services is - partly - calculated on the basis of a number of hours, the Contractor shall provide a monthly, or as often as agreed, statement of the number of hours worked by it and the related price. The Contractor shall instruct personnel and/or auxiliary persons engaged by it to independently submit to KWR a statement of the number of hours worked.

Article 24: Right of reproduction

KWR shall be entitled to copy or reproduce all documentation provided to it in connection with the Services to be provided by the Contractor to the extent that this is necessary or useful for its business operations.

Chapter 3 Specific provisions applicable to purchasing of Goods by KWR

Article 25: Scope of application

In addition to the provisions in Chapter 1 under these Purchasing Conditions, the provisions under Chapter 3 of these Purchasing Conditions shall apply to KWR's purchasing of Services. If the provisions under Chapter 1 and the provisions under Chapter 3 contain conflicting clauses, the provisions under Chapter 3 shall prevail.

Article 26: Prices

- 26.1 Without prejudice to Article 4, the price agreed between the Contractor and KWR shall be based on 'Delivery Duty Paid' (DDP), unless otherwise agreed in writing.
- 26.2 KWR shall be entitled, before payment is made, in addition to or instead of transfer of ownership, to require the Contractor to have an unconditional and irrevocable bank guarantee issued for its account by a banking institution acceptable to KWR in order to secure performance of its obligations.
- 26.3 KWR shall be entitled to suspend payment if it detects a defect in the Goods or in the installation/assembly thereof (if any).

Article 27: Delivery

- 27.1 Unless otherwise agreed in writing, delivery shall take place 'Delivery Duty Paid' (DDP) at KWR's premises. Partial deliveries shall not be permitted, unless expressly agreed in writing with KWR.
- 27.2 The Contractor shall be obliged to deliver the Goods to KWR within the agreed delivery period.
- 27.3 The delivery period shall be 30 days. If this deadline is not met, Article 10 paragraph 1 of these Purchasing Conditions shall apply.
- 27.4 If the Contractor expects the delivery period to be exceeded, it shall immediately notify KWR thereof in writing with reasons. KWR shall set the Contractor a further period within which the Contractor will yet have to perform its obligations.
- 27.5 Delivery shall take place at the agreed place and time.
- 27.6 KWR shall be entitled to postpone delivery. In that case the Contractor shall, at its own risk and expense, store, preserve, secure and insure the items properly packaged, separated and identifiable.
- 27.7 The Contractor shall be responsible for the timely availability of any shipping notices, delivery notes, customs forms and the like. Delivery shall also be made stating KWR's purchase order number, as well as any other references and any other deliveries yet made.
- 27.8 Before or on delivery, an external assessment of Goods may be made by KWR. Such assessment does not imply acceptance or inspection of Goods.

Article 28: Packaging and shipment

- 28.1 Goods shall be marked in accordance with statutory regulations and KWR's regulations, so that in case of normal transport they reach the place of delivery recognisable and in good condition. The Contractor shall be liable for any damage caused by insufficient and/or - in view of the nature of the Goods - unsuitable packaging.
- 28.2 The method of transport, shipment and the like shall, if no further conditions have been provided by KWR, be determined by the Contractor as a good contractor, taking into account the applicable legal rules for this purpose.
- 28.3 Transport of the Goods shall be at the risk of the Contractor.
- 28.4 Each delivery of Goods shall be accompanied by: a packing list indicating the type and quantity of Goods and a waybill with corresponding purchase order and/or order numbers.

- 28.5 Returnable packaging must be clearly marked as such by the Contractor. Return of returnable packaging shall take place at the risk and expense of the Contractor to a destination to be specified by the latter.

Article 29: Transfer of ownership

- 29.1 Ownership of the Goods shall pass to KWR at the time of acceptance of the delivered Goods or delivery thereof to KWR in working order.
- 29.2 The Contractor shall recognisably mark the Goods as KWR's property and shall indemnify KWR against any loss, damage and exercise of rights by third parties. If, prior to payment by KWR, security is provided by the Contractor to KWR by means of a bank guarantee, ownership shall pass at the time of delivery.
- 29.3 If KWR makes materials such as raw materials, auxiliary materials, tools, drawings, specifications and software available to the Contractor for the performance of its obligations, these shall remain KWR's property. The Contractor shall keep these separate from items belonging to itself or to third parties. The Contractor shall mark them as KWR's property.
- 29.4 The moment that materials, such as raw materials, auxiliary materials, and software of KWR are processed in items of the Contractor, there is a new item whose ownership belongs to KWR.
- 29.5 The risk of the items shall pass to KWR at the time of delivery and subsequent approval of the items.
- 29.6 Upon discovery of a defect in the delivery, which constitutes a general rejection, ownership of the items shall revert to the Contractor from the time of receipt of the notification thereof. If the Contractor has not collected the delivered items from KWR within 5 working days of receipt of the notification, KWR may return the delivered items to the Contractor at the Contractor's risk and expense.
- 29.7 The Contractor shall bear the risk of, inter alia, damage or loss of the Goods until the time of acceptance or, if later, until the time of actual delivery. Products lost or damaged before acceptance or actual delivery - other than through fault or negligence on the part of KWR - shall be replaced or repaired by and at the expense of the Contractor, or the Contractor shall be held to compensate KWR in full.

Article 30: Warranty

- 30.1 The Contractor warrants that the items and any installation/assembly thereof comply with what has been agreed, and that the Contractor has all necessary permits and licences.
- 30.2 The Contractor guarantees that the goods are fully complete and ready for use and free from any design defects, manufacturing defects and material defects.
- 30.3 The warranty period for Goods, including installation and/or assembly thereof, shall be at least twenty-four (24) months, counting from the moment of commissioning by KWR or, if there is no commissioning, from the moment of delivery. The expiry of the warranty period shall not affect KWR's rights under the law and the Agreement.
- 30.4 The Contractor shall ensure that, inter alia, all parts, auxiliary materials, accessories, tools, spare parts, the latest software and firmware, user manuals and instruction manuals which are necessary for the realisation of the purpose specified by KWR in writing, are included even if they have not been mentioned by name.
- 30.5 The Contractor guarantees that the Goods delivered conform to the state of the art and comply with all relevant statutory provisions concerning, inter alia, quality, the environment, safety and health. The Contractor shall ensure that each Good delivered complies with all requirements, legislation and other standards applicable in the country of delivery and/or installation/assembly. The Contractor must take cognisance thereof in full and comply with them.
- 30.6 All defects occurring during the warranty period shall be repaired immediately by the Contractor at KWR's first request, or the relevant items shall be replaced or the Contractor shall immediately provide what is lacking, without passing on costs. If possible, repairs will be carried out on site.

- 30.7 For Goods or parts thereof that have been replaced during the warranty period, the warranty period shall start anew from the date of delivery of the replacement product.
- 30.8 If the delivery, after having been agreed in writing, takes place in parts, each part delivered will be inspected separately. In the event of a rejection of a delivered part, the Contractor shall not be able to invoke the approval of another delivered part.
- 30.9 The Contractor shall keep spare parts in stock for a reasonable period, given the nature of the delivered Goods, even if it ceases the production or importation of those Goods. The Contractor shall always inform KWR in writing and with the utmost urgency of its intention to cease production or importation of spare parts, or the intention of its supplier(s) to cease production.
- 30.10 If, after prior notification by KWR, the Contractor indicates that it will not repair the defect, fails to indicate that it will repair the defect within a reasonable period of time and/or has not repaired the defect within a reasonable period of time, KWR shall be entitled to carry out the repair work itself or to have it carried out by a third party at the Contractor's risk and expense, without consequences for the Contractor's warranty obligations.
- 30.11 Any agreed procedure or inspection before, during or after the production process shall not release the Contractor from its warranty obligations.
- 30.12 At KWR's first request, KWR shall be given the opportunity to inspect the agreements and other documents exchanged between the Contractor and its subcontractors and suppliers.

Article 31: Inspection

- 31.1 KWR shall be entitled to inspect or test the Goods to be delivered prior to, during or after delivery.
- 31.2 The Contractor cannot derive any rights from the results of an inspection or from an inspection not having taken place.
- 31.3 If necessary, the Contractor shall give KWR timely advance notice of when the assessment can take place.
- 31.4 At first request, the Contractor shall grant KWR or its representative access to the place of production, processing or storage. The Contractor shall cooperate with the inspection free of charge.
- 31.5 In the event of delivery of a new product developed by the Contractor, the Contractor shall be obliged to inform KWR in good time of the time when the product will be ready for inspection or testing, in order to give KWR the opportunity to be present. Furthermore, the Contractor shall be obliged to provide KWR with all the information and facilities required for the inspection or testing. The inspection or testing costs shall be borne by the Contractor, with the exception of KWR's personnel costs.
- 31.6 Inspection, control and/or testing or acceptance of the Goods shall not release the Contractor from any warranty obligation or liability arising from the Agreement.
- 31.7 Without prejudice to all other rights and claims of KWR, KWR shall be entitled, without being bound to any payment or compensation towards the Contractor, to demand from the Contractor in the event of rejection of the Goods delivered or to be delivered:
 - a delivery of what is lacking; or
 - b repair of the delivered Good; or
 - c replacement of the delivered Good.
- 31.8 If the assessment is carried out by an independent body, the result of the inspection or test shall be binding on the Parties.
- 31.9 In the event of rejection, KWR shall notify the Contractor of the rejection. KWR shall store the rejected items or have them stored at the risk and expense of the Contractor. In case of rejection of the delivered items, the Contractor shall within 5 working days of notification by KWR arrange for repair or replacement of the delivered items. If the Contractor fails to perform this obligation within the period set out in this Article, KWR shall be entitled to purchase the required items from a third party, at the Contractor's risk and expense.

- 31.10 If the Contractor does not take back the rejected delivered items within 5 working days, KWR shall have the right to return the items to the Contractor at the Contractor's risk and expense, without requiring the approval of the Contractor for that. If the Contractor refuses to take delivery of the items, KWR shall be entitled to store, sell or destroy the items at the Contractor's risk and expense.
- 31.11 The Contractor shall be authorised to be present at the inspection.