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1. Scope of application

1.1 These general terms and conditions of sale and delivery shall apply to all legal acts, such as but not limited to agreements regarding the supply of goods and the rendering of services by Flame Spray Technologies BV or one of its group companies (hereinafter "FST").

1.2 Deviations from these Terms and Conditions shall only apply if FST has confirmed the aforementioned deviations in writing. Herewith, the applicability of the general terms and conditions of the contracting party (hereinafter the "Buyer") are explicitly excluded.

1.3 In case of total or partial nullity or otherwise invalidity of one or more stipulations of these conditions, the other stipulations remain in force. Parties will draft a new provision in accordance with the spirit of these conditions.

2. Offer

2.1 Offers made by FST are without engagement. An offer accepted by the Buyer can be withdrawn by FST within 5 (five) working days after acceptance and without costs.

2.2 All quotations and any subsequent offers and/or agreements are at all times subject to and conditional upon export approval (i.e. granting of a permit, a generic approval or otherwise) by the competent authorities, whether Dutch, European or otherwise.

2.3 Provided data and samples, to the extent that there are specific guarantees, will be deemed informative from which FST can deviate.

2.4 FST has the right to deliver products which deviate from the agreed fabrication and/or trademark provided that these products have the same relevant features.

3. Prices, invoicing, terms of payment

3.1 Prices are based on Ex Works FST (Incoterms latest version) excluding packaging, taxes, surcharges and freight unless indicated otherwise.

3.2 Prices are in euro. If in a specific order prices in a different currency are used this shall be done based on the exchange rate against euro applicable on order date. If at date of invoice this exchange rate deviates with 2.5 % (two point five percent) or more, FST is entitled to fix the contract price anew based on the then applicable exchange rate.

3.3 In the event the total production costs of FST increase with more than 2.5% (two point five percent), FST is entitled to raise the offered and/or agreed upon price. Aforementioned does not give Buyer any right to (partially or completely) dissolve the contract.

3.4 Payment will be made in accordance with the agreed payment schedule, within 30 (thirty) days from receipt of a proper invoice. In the event the execution of FST's activities are delayed due to circumstances beyond its control, FST is entitled to deviate from the agreed payment schedule and invoice the activities which have already been performed.

3.5 FST is entitled to settle its debts to the Buyer or one of its group companies against any claim it may have on the Buyer.

3.6 In the event of nonpayment or late payment, FST can recover from the Buyer any and all extrajudicial and judicial costs of collection of outstanding payments, which extrajudicial costs will be at least € 75,- (seventy-five Euro) or in the event the aforementioned costs exceed € 75,- (seventy-five Euro), 15% (fifteen percent) of the outstanding payments as well as all legal costs deriving from such proceedings.

4. Delivery

4.1 Delivery will be in accordance with Ex Works FST (Incoterms latest version). Partial delivery is permitted. Delivery of repair parts by Buyer to FST, which parts shall be repaired by FST, will be done Duty Delivery Paid (DDP) FST (Incoterms latest version).

4.2 On delivery the Buyer inspects the delivered goods and/or provided services. No claim for short delivery of goods or goods damaged in transit can be entertained unless either a receipt is given to the carrier detailing the shortage or damage at the time of delivery or alternatively notification of the shortage or damage is given to FST within two business days of the date of delivery of the goods. In absence of the aforementioned, it is presumed the goods have been delivered in pristine conditions.

4.3 The dates or periods for the delivery of goods and/or services take effect immediately after written confirmation by FST and after the agreed conditions have been met by the Buyer such as but not limited to down payment and provision of required bank guarantees.

4.4 Any dates or periods for the delivery of goods or services are best estimates and approximate only. Any such dates or periods shall not take effect as a term of these conditions or constitute an obligation binding on FST. In any event time shall not be of the essence of this contract or any delivery based thereon.

4.5 FST's maximum liability for late delivery is limited to 2.5% (two point five percent) of the total worth of the delayed goods.

5. Passing of title and risk

5.1 Subject to 5.2, title to and usage rights of the goods shall transfer to the Buyer upon delivery.

5.2 FST retains ownership of all goods until all amounts including but not limited to service costs owed by the Buyer to FST are paid in full. The Buyer is not entitled to re-sell, assign, pledge or grant any other legal rights on all or any of the goods to third parties. Regardless of the aforementioned, the goods will be for the risk of the Buyer after delivery.

5.3 If the Buyer does not comply with the applicable terms of payment or if FST has reasonable doubt that the payment terms will be met, FST may at its sole discretion repossess the delivered goods. These goods will be credited against their market value with deduction of costs made.

6. Warranty

6.1 FST warrants that the goods and services are new, unused and, during the warranty period, free from defects in material, workmanship and design and are in accordance with the contractual specifications. The applicable warranty period is 12 (twelve) months from commissioning or 15 (fifteen) months from Delivery, whichever period expires first.

6.2 In the event a default occurs within the warranty period, FST is obliged to make good any such default by either, at its own discretion, repairing or replacing the goods and/or redo the services. This make good obligation is exclusive and excludes any liability for damages caused by any such default in the goods and/or services.

6.3 FST will not be liable for the designs and materials dictated or specified by the Buyer unless the designs and choice of materials have been explicitly approved by FST in writing.

6.4 This warranty is not applicable for consumables, repairs or for defaults caused by external forces beyond FST's control.

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6.5 This warranty does not apply to normal wear and tear, damage to or deterioration of the goods as a consequence of improper storage or use, repairs made by Buyer or third parties, use of spare parts, consumables or materials not supplied or certified by FST, improper use of the goods or use of the goods before they were officially handed over to Buyer.

6.6 If the access to the delivered goods is obstructed (eg because goods are built in), the costs made in order to access the goods are for account of the Buyer.

6.7 In the event the Buyer is not the end user of the supplied goods and/or services, the additional costs caused by the fact that the goods and/or services are not situated at the Buyer's location are for account of the Buyer.

7. Dissolution and suspension

7.1 If Buyer is in default with the performance of its contractual obligations, FST may, without prejudice to its other claims and rights under the contract, suspend further performance of the contract for such time as it shall deem fit.

7.2 In the event FST has reasonable doubt regarding the payment capacity of the Buyer, FST is entitled to postpone all obligations under the contract until the Buyer has provided sufficient security.

7.3 In the event the Buyer cannot meet its obligations under the aforementioned conditions within a reasonable period, FST is entitled to dissolve the contract without compensation of damages.

7.4 FST is entitled to terminate the contract or suspend its performance in the event of withdrawal of operation, judicial settlement, liquidation and/or bankruptcy of the Buyer.

8. Liabilities

8.1 FST shall only be liable for damages, payments, losses, costs, expenses and liabilities incurred by Buyer as a result of a breach by FST of its contractual obligations.

8.2 FST's maximum liability arising out of or in connection with this contract, whether in contract, tort or otherwise (including damages resulting from product liability) shall be limited to € 50.000,- (fifty-thousand Euro) or the total order value, whichever is the lesser.

8.3 In no event shall FST be liable for any consequential, indirect or exemplary damages, including but not limited to loss of profit or turnover, downtime costs or claims from Buyer's customers for such damages.

8.4 The above exclusions or limitations of liability apply not only in contract but also in tort or otherwise at law and shall apply notwithstanding any provisions to the contrary elsewhere in the contract.

8.5 Parties have explicitly agreed upon aforementioned exclusions and restrictions regarding FST's liability under these terms and conditions. The compensation of risk has explicitly been applied as a basis for the price-setting in these terms and conditions.

9. Intellectual and industrial Property rights

All intellectual property rights (including, without limitation, all database rights, copyrights, rights in designs, rights in know-how, patents and rights in inventions (in all cases whether registered or unregistered and including all rights to apply for registration) and all other intellectual or industrial property rights in any jurisdiction) in any information, content, materials, data or processes belong to FST. All rights of FST to any such intellectual property rights are hereby reserved. FST

will become owner of all bearers of intellectual property rights and are prohibited from being copied, shown to third parties or used in any other way, regardless of the fact that costs may have been billed to Buyer for the production or distribution of the aforementioned bearers. Buyer is obliged to return any and all bearers of FST's intellectual property rights at FST's first request.

10. Applicable Law; jurisdiction

10.1 These terms and conditions will be governed exclusively by and construed in accordance with the laws of The Netherlands.

10.2 Parties hereby irrevocably submit that all disputes concerning the contractual relationship will be subject to the exclusive jurisdiction of the Dutch court, Arnhem, The Netherlands.