Procurement Terms and Conditions

of PreZero Recycling & Recovery Netherlands B.V. and its affiliated companies

I General requirements

1. Definitions

a. Procurement Terms and Conditions:
these Procurement Terms and Conditions.

b. Acceptance of work:
the Agreement under which the Contractor commits to completing specified work of a material nature for PreZero.

c. Delivery:
supplying the Products to PreZero or delivering the Deliverables to PreZero.

d. Services:
all services and/or activities of a non-material nature carried out by the Contractor on behalf of PreZero that are not based on an employment contract.

e. Installation:
the placement and/or connection of a Product or a compilation of Products and preparing this for use in such a way that the Product or composition of Products functions in accordance with the Specifications.

f. Employee:
any person who works for the Contractor, whether or not under an employment contract, and is engaged by the Contractor during the implementation of the Agreement.

g. Quotation(s):
any written statement made by the Contractor regarding Deliverables, prices and/or instalments.

h. Contract:
the Agreement, other than based on an employment contract, under which the Contractor commits to carrying out Activities for PreZero that comprise the provision of anything other than completing a task of a material nature, the storage of goods, issuing work, or transporting or arranging the transport of persons.

i. Contractor:
any counterparty that enters into an Agreement with PreZero or submits a Quotation to PreZero, or with which PreZero is in any legal relationship, or towards which PreZero performs any legal or other act.

j. Order(s):
any written order from PreZero to the Contractor regarding delivery of the Deliverables.

k. Agreement(s):
any written agreement concluded between PreZero and the Contractor, and any amendment or addition thereto.

l. Parties:
Contractor and PreZero.

m. Deliverables:
the Products, Installations, Services and/or other work offered by or to be delivered by the Contractor.

n. Products:
the items offered by the Contractor and property rights to those items.

o. PreZero:
PreZero Recycling & Recovery Netherlands B.V., having its registered office in Arnhem, and all legal entities and enterprises affiliated to it, jointly and/or individually hereinafter referred to as 'PreZero'; insofar as such legal entities and enterprises declare these Procurement Terms and Conditions applicable to their legal relationships with Contractors.

p. Specifications:
the technical and other specifications or descriptions of the Deliverables as laid down in the Agreement or other documents signed by the Parties in this respect.

q. Activities:
the delivery and/or implementation of the Deliverables.

2. Applicability

2.1 These Procurement Terms and Conditions apply to all Quotations, Orders and Agreements as well as to all other legal relationships and legal acts between PreZero and the Contractor, including the pre-contractual and implementation phase.

2.2 Deviations from these Procurement Terms and Conditions may only be agreed in writing. The Contractor cannot rely on deviations made in a previous contractual relationship.

2.3 The delivery of Products shall be: 'Delivery Duty Paid' according to the International Chamber of Commerce's Incoterms that are in force at the time. In the event of inconsistency between the Incoterms and these Procurement Terms and Conditions, these Procurement Terms and Conditions shall prevail.

2.4 The Contractor's general terms and conditions, however these are referred to, shall not apply unless expressly agreed otherwise in writing between the Parties.

2.5 In the event of inconsistency between these Procurement Terms and Conditions and the specific provisions of the Agreement, the provisions of the Agreement shall prevail, unless otherwise agreed.

2.6 PreZero is entitled to amend these Procurement Terms and Conditions at any time. The Contractor will be notified of such changes and given the opportunity to make any comments or observations. The Contractor shall be deemed to have accepted the amended Procurement Terms and Conditions if it does not object to them in writing within 30 days of the date that PreZero issued written notification of the amendments.

3. Quotations, Orders and the formation and cancellation of Agreements

3.1 Requests for a Quotation are not binding for PreZero and are considered to be an invitation to make an offer.

3.2 In submitting a Quotation, the Contractor commits to providing the Deliverables to PreZero for payment of the stated price or price formula within the term set for the Delivery.
The Quotation remains valid for a period of sixty calendar days.

3.3 In the event of obvious errors in or inconsistencies between parts of the request for a Quotation, the Contractor shall
consult with PreZero before making a Quotation. If the Contractor issues a Quotation based on an obvious error and/or inconsistencies, the Contractor shall bear the full risk.

3.4 PreZero is not obliged to provide the Contractor with any information about whether or not an Order and/or Contract will be issued. If no Order or Contract is issued and/or at PreZero's first request, the documentation provided by PreZero to the Contractor relating to the submission of a Quotation shall be returned to PreZero free of charge.

3.5 An Agreement is only concluded if and insofar as PreZero accepts a Quotation by issuing an Order and/or Contract. The text of the Order or Contract shall reflect the content of the Agreement.

3.6 In the event of apparent errors in or inconsistencies between parts of the Order or the Contract, the Contractor shall consult with PreZero before commencing the implementation of the Agreement, in order that the Order or Contract can be amended if necessary.

3.7 As long as the Contractor has not yet commenced implementation of the Contract or Agreement, PreZero is entitled to amend or cancel the Contract or Agreement without costs. Any right to compensation shall also be disallowed.

3.8 If the Contractor commences Activities before an Agreement has been concluded, it does so at its own expense and risk.

4. Change or additions

4.1 Changes or additions to any provision in an Agreement or in the Procurement Terms and Conditions, shall apply only if agreed in writing.

4.2 Where an amendment or supplement as referred to in Article 4.1 is agreed, this only applies to the relevant Agreement.

4.3 PreZero is entitled to require the Contractor to implement contract variations (additional or less work). At PreZero's first request, Parties shall consult in this respect and negotiate a price agreement within an agreed term and, failing this, within ten working days of PreZero's first request.

4.4 If, in PreZero's opinion, the consequences of contract variations (additional or less work) with respect to the price or the delivery term are unreasonable in relation to the extent of the change, PreZero is entitled to demand the implementation of the Agreement unchanged or to terminate the Agreement in whole or in part, unless this would be unreasonable in the circumstances. Termination pursuant to this article shall not entitle the Contractor to damages.

4.5 Contract variations (additional work) shall never include additional activities that the Contractor could or should have foreseen when concluding the Agreement to provide the agreed Deliverables and Activities, or that are the result of a shortcoming on the part of the Contractor.

5. Quality and description of the Deliverables

5.1 The Deliverables must
- conform in all respects with the Agreement;
- serve the functional purpose intended by PreZero;
- comply with the Specifications and/or samples provided by the Contractor;
- meet all legal requirements regarding design, composition, quality, quantity, packaging and similar;
- comply with all applicable legal requirements and other regulations;
- be accompanied by the necessary instructions to PreZero or its employees to enable them to use the Deliverables independently;
- include all drawing and other preparatory and/or development work required for the implementation of the Agreement.

5.2 If the Deliverables comprise Products, the Contractor shall guarantee, except where expressly agreed otherwise in writing, that
- the Products are made from sound materials and are well-constructed;
- the Products are delivered in accordance with the quantity specified in the Agreement;
- the Products are free from design, material and manufacturing defects;
- the Products are suitable for the purpose for which they are intended;
- the Products are manufactured from components and raw materials of which the origin is traceable;
- the Products do not contain asbestos or carcinogenic substances, or are otherwise hazardous to health;
- the Products are delivered with all accessories, including title deeds and records and all necessary documents, such as packing lists, warranty or quality certificates, attestations, drawings, instruction manuals, spare parts list and maintenance instructions;
- the Products shall bear a type, serial and appliance number and an indication of origin by means of an appropriate mark originating from the manufacturer or importer or, if this is not possible, the packaging of the Products shall bear such marks;
- the invoices shall not be issued to PreZero before the date of Delivery and in addition to the date, invoice number and order number, they shall also include the name of the manufacturer and importer, type, serial and appliance number.

5.3 The Contractor guarantees the accuracy of the advice, recommendations, etc. provided to PreZero prior to or in connection with the Agreement.

5.4 The Contractor guarantees that all Products and/or Deliverables comply with the required certificates and CE inspection requirements, in evidence of which the Contractor shall provide PreZero with insight of the relevant certificates. The Contractor is obliged to keep PreZero informed annually regarding whether and if certain certificates are still relevant and up to date. For Products or Deliverables in which chemical raw materials and/or auxiliary materials are required, the Contractor will present the so-called Data Safety Sheets on delivery. If and to the extent applicable, Products and Deliverables shall comply with the European Union Directive (EC 1907/2006) on the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH). The Contractor shall also provide all information that is or could reasonably be required for the proper, safe use and/or operation of the Products. If the Contractor fails to comply with the provisions of this article, the Contractor is liable for all damage, as referred to in article 15 of the Procurement Terms and Conditions. PreZero is also entitled to terminate the Agreement, without being obliged to pay any form of damages to the Contractor.

6. Inspection in advance of Delivery

6.1 Prior to Delivery and without this resulting in any costs for PreZero, the Contractor shall carefully inspect whether the Deliverables are in accordance with the Agreement and, if PreZero so requires, the Contractor shall give PreZero timely prior notice of such an inspection. PreZero and third parties appointed by it are entitled to be present during the inspection. The Contractor is obliged to produce an inspection report and shall provide a copy of such inspection report(s) to PreZero free of charge, upon PreZero's request.

6.2 Insofar as not prohibited by trade secrets, PreZero and third parties appointed by it are authorised to inspect the realisation and progress of the Deliverables, irrespective of where this takes place.

6.3 If PreZero exercises its right of inspection, the Parties shall pay the associated costs themselves.

6.4 If, after inspection, PreZero considers that the Deliverables are partly or are not at all in accordance with the Agreement, or that this will not be the case after completion of the Deliverables, PreZero shall notify the Contractor in writing. In this case and at its own expense and risk, the Contractor shall immediately take such measures as are necessary to ensure compliance with the terms and conditions of the Agreement. The costs of any necessary second inspection by PreZero shall be borne by the Contractor.

6.5 Inspection by PreZero as referred to in this article, does not absolve the Contractor from any obligation and/or liability and does not indemnify the Contractor.

7. Packaging, transport, storage and installation

7.1 The Deliverables must be properly packaged and secured and transported in such a way that the Deliverables reach the destination in good condition.

7.2 With respect to the implementation of the Agreement, the Contractor shall bear all associated costs of packaging, transport, storage (other than as referred to in article 8) and Installation of the Deliverables and of the items made available by PreZero as referred to in article 21, as well as the costs of insurance of transport, storage and Installation. The Contractor shall immediately reimburse these costs to PreZero if and to the extent that PreZero has incurred these costs.

8. Storage for PreZero

8.1 If the Deliverables are ready for Delivery but PreZero is unable to take delivery at the agreed time, the Contractor shall store the Deliverables, segregated and recognisably earmarked for PreZero, sufficiently secured and insured and furthermore take all necessary measures to prevent any deterioration in quality until the Deliverables have been delivered. In that case, PreZero shall reimburse any reasonable costs incurred by the Contractor in this regard.

9. Transfer of ownership and risk

9.1 The ownership of the Deliverables shall transfer at the moment of payment, unless the Parties have described a different time of ownership transfer in the Agreement, while the risk for the Deliverables, as well as for components of the Deliverables such as materials, transfers to PreZero on Delivery, unless PreZero has indicated that it does not accept the Deliverables or components of these. The Deliverables shall be delivered and ownership transferred free of all charges and restrictions.

9.2 Contrary to the provisions of article 9.1, in the case referred to in article 8, PreZero acquires ownership of the Deliverables at the moment they are stored for PreZero; however, the risk remains with the Contractor until Delivery of the Deliverables.

9.3 Products issued by PreZero to the Contractor for repair, processing or treatment are at the risk of the Contractor during the repair, processing or treatment period.

9.4 If PreZero exercises its right to terminate the Agreement or replace the Deliverables on good grounds, the Deliverables shall remain at the risk of the Contractor.

9.5 If, contrary to the provisions of article 13, full payment in advance of what is due to PreZero under the Agreement has been agreed upon, PreZero shall immediately become the owner of all materials, raw materials and semi-finished products used or intended to be used by the Contractor for the execution of the Agreement, as well as of all Products being processed.

9.6 Insofar as necessary, the Contractor confirms (in advance) that it shall transfer all those items referred to in article 9.5 to PreZero at the moment that the Contractor receives the advance payment.

9.7 From the moment the Contractor receives the advance payment, it shall hold all items referred to in article 9.5 in trust for PreZero and the Contractor is obliged to individualise all such items properly and store them for PreZero separately from other items, mark them as PreZero property, adequately secure and insure them and furthermore take all necessary measures to prevent deterioration in quality until the Deliverables have been delivered. Until the time of Delivery, the Deliverables remain at the risk of the Contractor.

10. Time and place of Delivery

10.1 The Contractor shall deliver the Deliverables at the delivery address indicated in the Agreement and on the date or within the period as included in the Agreement. Time periods specified in only a small number of
days start from the date of the Agreement.

10.2 The delivery time indicated in the Agreement and/or the delivery period is binding. As soon as the Contractor knows or expects that the Deliverables cannot be delivered on time, it shall immediately notify PreZero in writing, stating the cause.

10.3 If the Contractor fails to comply with an obligation and fails to do so even after a written notice of default, in which it is given a reasonable period for compliance, the Contractor shall be in default. In such cases, PreZero is entitled
to terminate the Agreement entirely or in part from a date determined by PreZero without prejudice to other rights and privileges to which PreZero is entitled under the law or the Agreement.

10.4 If a penalty has been agreed in cases of non-timely Delivery by the Contractor, this penalty does not affect any compensation obligation that applies to the Contractor.
In addition to the penalty, PreZero is entitled to demand compliance with the Agreement and/or compensation.

11. Inspection on Delivery and acceptance

11.1 If it appears on Delivery that the Deliverables are partly or not at all in accordance with the Agreement, PreZero shall issue a written notice of rejection to the Contractor. In such cases, the Contractor shall ensure that the Deliverables are in accordance with the terms and conditions of the Agreement within a period to be determined by PreZero.

11.2 The supplied Deliverables will be accepted if it appears that the Deliverables comply in all respects with the Agreement. If the Deliverables contain hidden defects that only become apparent after Delivery, the Deliverables shall be deemed not to have been accepted.

11.3 If an acceptance test has been agreed, the procedure shall be followed, as described in the Agreement, and PreZero shall accept the Deliverables provided the results of such a test demonstrate that the set requirements have been met. Following acceptance of the Deliverables, PreZero still has the right to conduct a functional test (use of the Deliverables in practice). If the Deliverables then appear to have defects or hidden defects, PreZero is still entitled to not accept the Deliverables. This is without prejudice to PreZero's other rights.

11.4 Acceptance as referred to in article 11 does not preclude a later appeal by PreZero for non-compliance by the Contractor with its obligations.

12. Price

12.1 The agreed price remains fixed during the term of the Agreement and can never be changed as a result of such things as changes in currency rates, purchase prices, freight rates, import or export duties, excise duties, levies, taxes, prices of raw materials or semi-finished products, wages and/or any other deliverables owed by the Contractor to third parties.

12.2 The following are included in the price:
- all costs referred to in article 7;
- import duties, excise duties, levies and taxes (excluding sales tax);
- fees and all other levies or charges relating to applications for permits required for the implementation of the Deliverables;
- costs relating to instructions given by the Contractor to PreZero and/or its Employees;
- fees for the use of the intellectual property rights referred to in Article 20;
- all costs relating to or arising from the implementation of the Deliverables, as referred to in Article 5;
- all other costs to be borne by the Contractor under or pursuant to the Agreement or these Procurement Terms and Conditions; and furthermore
- all that is necessary for the proper implementation of the Agreement with due observance of the applicable standards, regulations and requirements of good professional practice, even if not explicitly mentioned in the Agreement.

13. Payment

13.1 The Contractor shall not invoice amounts due by PreZero earlier than the date of Delivery of the Deliverables. Unless otherwise agreed in writing,
PreZero shall settle any amount invoiced following full and proper implementation of the Agreement within sixty days of the invoice date, following approval of that invoice.

13.2 The Contractor shall submit invoices electronically.

13.3 The invoice shall at least contain the following details:
- names and billing address details of the PreZero company with which the Agreement has been entered into;
- the Contractor's name, address details, Chamber of Commerce number and VAT number;
- invoice date;
- the price excluding and including VAT and a statement of the VAT amount;
- a description of the Deliverables;
- the date on which the Deliverables were delivered or were completed;
- the statement 'VAT transferred' if PreZero is obliged to pay VAT on the Deliverables to the Tax Authorities, as well as the VAT number of the PreZero company with which the Agreement was concluded;
- when applying a VAT exemption or the VAT zero rate, an indication thereof;
- PreZero's procurement number;
- bank account number(s) of the Contractor as well as the IBAN and BIC numbers of this/these account(s);
- any other legal requirements applicable to an invoice at any time.

13.4 Invoices that do not comply with that stipulated in 13.3 will be returned to the Contractor by PreZero and will not be paid. In such cases, PreZero shall not be in default or arrears with regard to the payment of this invoice.

13.5 Whether or not due and payable, PreZero is at all times entitled to set off amounts owed by PreZero to the Contractor (or the Contractor's contracting party and/or any legal entity or company affiliated to it) against all that PreZero has or shall claim from the Contractor (or the Contractor's contracting party and/or any legal entity or company affiliated to it) at any time. The parties hereby expressly intend to deviate from Section 6:127(3) of the Dutch Civil Code.

13.6 Invoices sent to PreZero after six months have expired, starting from the Delivery of the Deliverables, shall not be accepted and the expiry of such a period shall result in the Contractor's right to payment of such invoices lapsing.

13.7 In addition to or instead of the transfer of ownership and before payment is made, PreZero is entitled to require
that the Contractor issues an unconditional and irrevocable bank guarantee at its own expense, based on conditions to be specified by PreZero.

14. Warranty obligation

14.1 The Contractor guarantees that the Deliverables comply in all respects with the provisions of Article 5.

14.2 If, after acceptance of the Deliverables, PreZero notifies the Contractor in writing within the guarantee period provided for in the Agreement, of any defect in the Deliverables, the Contractor is obliged to repair such a defect without delay and free of charge, unless the Contractor can prove that the defect was caused by incorrect
or improper use by PreZero. If, in PreZero's reasonable opinion, a satisfactory repair as referred to above requires the replacement of components of the Deliverables and/or the Products, the Contractor is obliged to do so.

14.3 In the event of a defect,
PreZero is entitled to return the relevant Deliverables or part thereof to the Contractor at the Contractor's expense and risk, unless it has been agreed between the Parties that the necessary replacement or repair by
the Contractor will be implemented at the PreZero work site.

14.4 If the Contractor repeatedly remains in non-compliance, even after the Contractor has been offered a reasonable period of time to comply, and therefore fails to comply with its obligations
as referred to in article 14.2, PreZero is entitled, in urgent cases or if the Contractor is unreachable, to carry out or instruct another party to carry out the replacement or repair at the Contractor's expense without any further notice.

14.5 For replaced or repaired Deliverables, the agreed warranty period starts anew at the moment that the Deliverables are accepted by PreZero.

14.6 The Contractor guarantees that spare parts for the Deliverables can be supplied for at least ten (10) years for the repair of any defects in the Deliverables. The parties may agree a different period in the Agreement.

14.7 If the Deliverables are intended to be incorporated into PreZero Installations or systems, the warranty period shall commence from the acceptance by PreZero of those Installations or systems, in accordance with article 11 of these Procurement Terms and Conditions.

14.8 If the Agreement does not include a warranty period, a minimum warranty period of one year shall apply.

15. Liability of and indemnification by the Contractor

15.1 The Contractor shall fully compensate PreZero for all direct damage suffered by PreZero as a result of or in connection with the implementation of the Agreement and/or for which PreZero is held responsible by third parties and/or is responsible for by virtue of its agreement with third parties, regardless of whether such damage was caused by the Contractor, an Employee or any other legal person engaged by the Contractor.

15.2 The provisions of Article 15.1 also qualify as a clause as referred to in Article 6:253 of the Dutch Civil Code. The clause cannot be revoked by the Contractor and can be made against any third party free of charge.

15.3 The Contractor shall indemnify PreZero for or against all claims, demands, rights and legal actions that third parties pursue against PreZero at any time that arise as a result of or in connection with the implementation of the Agreement. The Contractor shall fully indemnify PreZero in respect of such claims, demands, rights and legal actions.

16. Liability

16.1 Except in the event of damage caused by intent or gross negligence by PreZero or its manager and/or its employees, PreZero shall not be liable for any damage that the Contractor or its employees suffer (including, but not limited to, damage as a result of loss, destruction or damage of items due to fire, theft, embezzlement and destruction). PreZero's total liability shall at all times be limited to the relevant contract sum, whereby PreZero's total liability shall not exceed €500,000.

16.2 In addition to article 16.1, in the event of personal injury PreZero's maximum total liability shall not exceed €1,000,000 per event.

16.3 In no case is PreZero liable for damages consisting of loss of turnover or goodwill, reduced proceeds, loss of profit or indirect damages for others.

17. Force majeure

17.1 If the Parties are unable to fulfil their obligations to each other due to force majeure, the fulfilment of these obligations shall be suspended for the duration of the force majeure situation.

17.2 The following non-exhaustive circumstances do not justify a force majeure claim: non-performance or late performance by the Contractor's suppliers, transporters or subcontractors, shortage of materials or labour, strikes, illness of personnel, weather conditions, breakdown of machinery and installations, power failure or any other failure in the Contractor's business or third parties engaged by it, and business interruption.

17.3 If a force majeure situation arises, the Parties shall discuss the measures necessary to prevent damage or hindrance to PreZero and the Contractor shall, if possible, cooperate in implementing these measures and shall make every effort to minimise damage or hindrance to PreZero.

17.4 The party that did not invoke the force majeure situation is entitled at any time during a force majeure situation to terminate the Agreement in whole or in part by means of a registered letter and without any obligation to pay damages and without judicial intervention.

17.5 If the force majeure situation lasts longer than three months, each of the Parties has the right to dissolve the Agreement. In this case, neither Party shall be liable to pay damages to the other.

18. Default, suspension and termination

18.1 All deadlines specified in the Agreement for the Contractor's fulfilment of an obligation are final and the expiry thereof shall cause the Contractor to be in default. Requests addressed to the Contractor to comply with the aforementioned obligation do not detract from the above-mentioned provision.

18.2 PreZero is in any event authorised, without being liable to pay any damages to the Contractor, to terminate all Agreements with immediate effect (without further notice of default) in each of the following cases: if the Contractor fails to meet any obligation under the Agreement after the Contractor has been granted a reasonable term to do so;

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- if the Contractor or the person who has guaranteed or provided security for the Contractor's obligations applies for a provisional suspension of payments, is declared bankrupt, goes into voluntary or involuntary liquidation, discontinues business activities or makes a decision to liquidate or file for bankruptcy or suspension of payments;
- if a direct or indirect change occurs in the control or controlling relationship regarding the Contractor;
- if the Contractor's assets are seized or threatened with seizure or other legal measures.

18.3 In each of the cases referred to in article 18.2, PreZero has the right and is entitled to suspend the implementation of all Agreements and all its obligations towards the Contractor on any grounds whatsoever until compliance has been sufficiently secured.

18.4 In each of the cases mentioned in clause 18.2, all PreZero's claims against the Contractor are due immediately and payable in full.

18.5 The provisions of article 18 are without prejudice to PreZero's other rights under law and the Agreement, including but not limited to PreZero's right to compliance, full or partial termination and the Contractor's obligation to compensate PreZero for all damages in whatever form that PreZero suffers as a result.

19. Transfer of rights and obligations and outsourcing

19.1 Without PreZero's written consent, the Contractor is not authorised to transfer, pledge or otherwise encumber its rights or obligations under the Agreement or any part thereof to third parties.

19.2 Without PreZero's written consent, the Contractor shall not subcontract the Agreement or any part thereof to a third party unless:

- parts of the Agreement, which are of minor importance, are subcontracted to a third party, or;
- part of an Agreement, in respect of which the third party is named in the Agreement or the Specifications, is subcontracted to that relevant third party.

19.3 The consent referred to in articles 19.1 and 19.2 shall not release the Contractor from any obligation under the Agreement, including (article 15 of) the Procurement Terms and Conditions.

19.4 PreZero is entitled to transfer its rights or obligations under the Agreement to third parties, including companies affiliated to PreZero.

20. Intellectual property rights

20.1 Any intellectual property rights to Deliverables specifically developed by the Contractor for PreZero shall be transferred to PreZero, insofar as such rights are not already vested in PreZero by operation of law.

20.2 If the Deliverables are not developed specifically for PreZero, the Contractor shall grant PreZero a non-exclusive licence to any intellectual property rights relating to the Deliverables. The fee for this licence shall be included in the price of the Deliverables. This licence cannot be terminated as long as PreZero is entitled to use the Deliverables.

20.3 To the extent that the transfer of intellectual property rights as referred to in Article 20.1 or the granting of a licence as referred to in Article 20.2 require a special deed, the Contractor already confirms that it will lend its cooperation to such a deed.

20.4 The Contractor guarantees that the Deliverables will not infringe any third-party intellectual property rights, including intellectual property rights such as copyright, patent and trademark rights. The Contractor shall indemnify PreZero against all third party claims based on any alleged or actual infringement of such rights.

20.5 In the event of third party infringement of intellectual property rights for which PreZero has been granted a licence as referred to in article 20.2, the Contractor shall render all cooperation and/or take all action necessary for the enforcement of the relevant rights. The Contractor shall also indemnify PreZero against all third party claims and any costs incurred, including costs for legal assistance. The Client reserves the right to claim full compensation for the damages it has suffered.

21. Materials, equipment, parts, attestations, drawings and similar items made available by PreZero

21.1 Materials, equipment, parts, attestations, drawings and similar items made available to the Contractor by PreZero for the implementation of the Agreement shall remain the property of PreZero and must be returned in good condition after implementation of the Agreement as well as upon PreZero's first request.
Any attestations shall be destroyed after the expiry of the Agreement. The Contractor shall not use these items for purposes other than those for which they were made available.

21.2 Until the items referred to in article 21.1 have been returned to PreZero, these items are at the Contractor's risk and the Contractor is obliged to ensure that these items are properly maintained. The Contractor shall clearly mark the items referred to in article 21.1 as PreZero property.

21.3 The Contractor shall insure for the benefit of PreZero all items received from PreZero in connection with the Agreement. The Contractor shall do this at its own expense and under standard conditions, which at least include insurance against the risks of total or partial loss, or damage due to fire, theft and damage.

21.4 Upon receipt of the items referred to in this article, the Contractor shall check whether the items correspond to the Specifications agreed between the Parties.

22. Contractor's design documents

22.1 All drawing works associated with the Agreement shall be produced and delivered in digital form, using sufficient contrast and of a sufficient size to enable good reproduction.

22.2 Drawings should at least include all relevant data on dimensions, materials and production and, where necessary, be supported by calculations using generally accepted methods.

22.3 All design documents required to produce the Agreement shall be submitted by the Contractor to PreZero for timely review. PreZero will communicate whether it agrees with the draft documents as soon as possible after receiving them.

22.4 Involvement of PreZero in the assessment of the design documents does not relieve the Contractor of its liability in this regard. PreZero accepts no liability whatsoever with regard to the assessment, involvement and/or consequences of design documents. The Contractor indemnifies PreZero
of any liability to third parties in relation to the design documents.

22.5 If the Contractor uses automated systems, software and similar tools to produce the design documents, the Contractor shall provide these draft documents on data carriers as determined by PreZero.

23. Confidentiality

23.1 The Contractor shall keep confidential all data and/or information it obtains from and about PreZero and/or PreZero's business partners in the context of implementing the Agreement, and shall not disclose these to third parties - apart from third parties engaged by the Contractor to implement the Agreement - without PreZero's written consent. The Contractor shall impose the same duty of confidentiality on such third parties, including the Contractor's Employees, and shall ensure that these third parties comply with this duty of confidentiality.
At the end of the Agreement and/or upon PreZero's first request, the Contractor shall return to PreZero the documentation and specifications received from PreZero in the context of implementing the Agreement, without reproducing them in any way whatsoever, in whole or in part, and without giving or making them available to third parties.

23.2 In the event of a breach of the provisions of article 23.1, the Contractor shall forfeit to PreZero an immediately due and payable penalty, not subject to mitigation, of €50,000 per event, and of €5,000 for each day that the breach continues. This is without prejudice to PreZero's entitlement to claim full damages
if and to the extent that the damages exceed the penalty amount.

24. Privacy

24.1 The Agreement may require the Contractor to process data, and in particular personal data, about PreZero (or PreZero customers).

24.2 The Contractor shall ensure that when personal data are provided by PreZero, these personal data are processed in accordance with current privacy protection laws and regulations, such as the provisions as included in, inter alia, the General Data Processing Regulation or laws and regulations that replace this.

24.3 The Contractor shall process the personal data exclusively for the implementation of the agreement that exists between PreZero and the Contractor, in accordance with the instructions given by PreZero and only in the context of the purpose specified by PreZero. Upon request or without delay, the Contractor shall inform the Client about the way in which the Contractor fulfils its obligations under the GDPR. The Contractor is a data processor within the scope of said laws and regulations and PreZero is the data controller.

24.4 The Contractor and its staff shall treat the Personal Data supplied in the strictest confidence, in accordance with the provisions of this article and, on PreZero's request, shall immediately return the Personal Data to PreZero, after the Personal Data have been processed or upon termination of the Agreement, accompanied by a statement in which the Contractor declares that the Personal Data have been returned and that they are not stored on other Contractor databases.

24.5 Under the Agreement, the Contractor shall indemnify PreZero, against any claim, costs, damages, fines, losses, liabilities and expenses (including legal fees, claims from customers or natural persons and expenses) suffered by PreZero and caused by the Contractor, directly or indirectly, as a result of a breach of the GDPR.

24.6 If the Contractor is considered a data processor within the meaning of Article 4.8 of the GDPR and/or the services provided by the Contractor are considered to be data processing within the scope of Article 4.2 of the GDPR, the Parties shall enter into a Data Processing Agreement. The Contractor shall indemnify PreZero, against all claims, costs, damages, penalties, losses, liability and expenses.

24.7 The Contractor shall cooperate with PreZero when:
- a data subject makes a request to exercise their rights such as, but not limited to, the right to access, rectify, delete or object to the processing of personal data, and a request to transfer their personal data;
- the Dutch Data Protection Authority conducts an investigation into personal data processing by or on behalf of PreZero.

25. Code of Conduct

25.1 As part of Schwarz Gruppe, social and ecological sustainability are extremely important to PreZero. Our Code of Conduct for business partners states that cooperation can only take place in accordance with applicable laws and in compliance with internal guidelines and ethical principles. This includes our commitment to uphold human rights and environmental standards with all our business partners. By signing the Agreement, the Contractor indicates that it has taken note of the Code of Conduct for Business Partners and declares that the Contractor agrees to and shall comply with the Code of Conduct for Business Partners without reservation. The Code of Conduct for Business Partners can be viewed on our website under https://prezero-international.com/ueber-uns/unsere-verantwortung/code-of-conduct and can be sent free of charge on request.

25.2 If PreZero determines, based on an investigation, that the Contractor has not acted in accordance with PreZero's Code of Conduct, PreZero will notify the Contractor in writing, indicating the adjustments that need to be made in order to act in accordance with PreZero's Code of Conduct, within a timeframe to be determined by PreZero.

25.3 In the event of non-compliance or non-adherence with the PreZero Code of Conduct, PreZero has the right to terminate the Agreement with immediate effect. In this case, the Contractor is not entitled to any form of compensation. The provisions of Article 18 apply without prejudice.

26. Insurance

26.1 Regarding its liability in the broadest sense, the Contractor is obliged to take out and maintain adequate liability insurance cover at its own expense, including but not limited to professional liability, product liability and statutory risk liability towards third parties.

26.2 At PreZero's request, the insurance policy or policies shall name PreZero as a co-insured client as well as a beneficiary and shall state that insurers are entitled to indemnify PreZero directly and/or any third parties designated by it. At PreZero's request, the Contractor is obliged to provide the insurance policy or policies and evidence that the insurance premiums have been paid.

27. Validity

27.1 If one or more provisions of these Procurement Terms and Conditions are held to be invalid by any competent authority, this shall not affect the validity and binding nature of all other provisions. The parties shall conduct fair negotiations and attempt to agree on a viable alternative provision that is as close as possible in scope to the provision deemed invalid or unenforceable, in order to replace the provision in question.

27.2 In the event of uncertainties and/or contradictions between these Procurement Terms and Conditions and translations thereof, the Dutch version prevails.

28. Jurisdiction and competent Court

28.1 The Quotation, Order and Agreement, as well as further Agreements arising between PreZero and the Contractor from the Agreement and these Procurement Terms and Conditions, are governed exclusively by Dutch law.

28.2 The applicability of the Vienna Convention 1980 (CISG) is excluded.

28.3 All disputes between the Parties shall, to the extent not otherwise considered mandatory by law, be subject exclusively to the judgment of the competent court in Arnhem, on the understanding that PreZero is entitled to bring claims, concurrently or otherwise, against the Contractor before other courts that are competent to take cognisance of such claims on the basis of national legislation.

II Special provisions regarding the Contract and Acceptance of work

If the General Provisions (I) differ from the Special Provisions (II), the Special Provisions (II) shall prevail.

29. Issue of the Order

29.1 PreZero is entitled to subject a Contractor that is not certified according to a quality system accepted by PreZero to a quality audit before issuing the Order.

29.2 If Contractor certification is an explicit PreZero condition for forming the Agreement, PreZero is entitled to terminate the Agreement in whole or in part (extrajudicially), without being liable for any damages if the Contractor loses its certification after the formation of the Agreement. PreZero may also require the Contractor to provide additional guarantees and/or securities in such a situation.

29.3 If personnel are to be supplied, the Contractor shall demonstrate that the activity of 'supplying personnel' is registered as such with the Chamber of Commerce (Waadi-check).

29.4 If the Contractor is not based in the Netherlands, but in an EU or EEA country or in Switzerland, the Contractor is obliged to register with posted workers. The Contractor shall demonstrate to PreZero's satisfaction that this registration obligation has been met.

30. Acceptance/quality audit

30.1 If an acceptance test or a quality audit has been agreed, or if certification is a condition for realising the Agreement, the Contractor will also impose the relevant obligations on its subcontractor(s).

30.2 PreZero is at all times entitled to conduct an unannounced quality audit during the implementation of the Agreement, within standard working hours.

31. Implementation schedule

31.1 At PreZero's request, the Contractor shall provide PreZero with an implementation schedule including the times of commencement and completion of the successive parts of the Activities, the location at which the Activities are to be implemented and the staffing. If it has been agreed that PreZero shall deploy equipment, the times of such deployment shall be specified in the implementation schedule. Following approval by PreZero, this implementation schedule forms part of the Agreement.

31.2 PreZero is entitled to make changes to the implementation schedule during the implementation. The consequence of such changes shall be arranged fairly between PreZero and the Contractor. In such cases, and where necessary, the Agreement shall be amended in accordance with Article 4 of these Procurement Terms and Conditions.

31.3 In accordance with PreZero's requirements, the Contractor shall report periodically on the progress of the Activities and all related aspects.

32. Quality and quantity of Employees

32.1 Day-to-day management and supervision of the implementation of the Activities rests with the Contractor. The number of competent and knowledgeable supervisory Employees provided by the Contractor for this purpose must be in line with the scope and nature of the Activities and the requirements set by PreZero in this respect.

32.2 The Contractor guarantees PreZero that the services to be provided by Employees shall be performed competently, in a skilled way and without interruption, and that Employees shall meet and continue to meet the agreed qualities with regard to training, expertise and experience.

32.3 The Contractor will provide Employees with hand tools, workwear and personal protective equipment.

32.4 The Contractor shall only replace Employees temporarily or permanently on an incidental basis and with the prior approval of PreZero. PreZero shall not withhold its consent on unreasonable grounds. PreZero is entitled to attach conditions to its consent.

32.5 The parties may agree a trial period with respect to Employees. If, during this trial period, Employees appear to be unable to implement the Agreement to PreZero's satisfaction, the Contractor shall replace such Employees without delay, without additional costs being charged to PreZero.

32.6 Insofar as the Activities are carried out at PreZero and/or its business partners, such Activities shall be carried out with due observance of the working hours, rules of conduct, company regulations and other rules applicable at that time to employees at PreZero and the involved business partners. Furthermore, all written and oral instructions given by PreZero and/or its relevant business partners shall be strictly complied with. The Contractor guarantees that its employees shall comply with these obligations.

32.7 PreZero is authorised to count Employees at the work frequently, and the Contractor shall cooperate with this. The Contractor shall also be obliged to cooperate with other reasonable administrative arrangements that have been or will be made by PreZero with regard to the control of staffing for the Activities, such as having the Contractor provide a daily overview of staffing at the work site, distributed according to each work in progress at the Contractor.

32.8 Prior to the commencement of the activities, the Contractor is obliged to provide at least the following information about the Employees that are to be deployed. Name, address and residence details; date of birth; citizen service number; nationality; type of proof of identity, number and period of validity; if applicable, the presence of an A1 certificate, residence permit and work permit.

33. Working conditions, safety and the environment

33.1 The Contractor is responsible for the working conditions, safety and the environment during the work. The Contractor shall comply with and ensure compliance with all applicable statutory regulations, Labour Inspectorate regulations and safety and environmental regulations that apply on site.

33.2 The materials, equipment and tools used by the Contractor (including, but not limited to, hoisting and lifting equipment, and climbing and scaffolding equipment) must, as a minimum, comply with the legal and other requirements set by the Labour Inspectorate or other competent authorities. All the above-mentioned materials, equipment and tools should also be in a good state of repair, which will also be assessed by PreZero.

33.3 Depending on the project, the Contractor shall conduct periodic safety and/or environmental inspections at the work site. The results of such inspections shall be reported to PreZero in writing.

33.4 The Contractor shall participate in periodic safety and environmental meetings relating to the work.

33.5 Employees who, in PreZero's opinion, behave in an unsafe way at work, and/or fail to comply with the environmental regulations, shall be removed from the work at PreZero's first request. The Contractor shall ensure that these Employees are replaced without delay.

33.6 Upon observing an unsafe situation caused by the Contractor and/or non-compliance with environmental regulations, PreZero is entitled to have the Activities halted without being liable for compensation, without such a delay constituting force majeure for the Contractor and without costs resulting from such delay being charged to PreZero as contract variations (additional work).

33.7 PreZero accepts no liability for damage of whatever nature to the Contractor, its business, its Employees or other legal persons engaged by the Contractor in the implementation of the Agreement. The Contractor shall indemnify PreZero against third parties in respect of the aforementioned liability.

34. Permits and legal requirements

34.1 The Contractor is deemed to be aware of and to have taken into account in the Quotation the regulations of central and decentralised government agencies, public utility companies and recognised classification agencies that are relevant to the performance of the Agreement, as well as all other regulations as set by PreZero, including site regulations.

34.2 The Contractor shall ensure that the subcontractors are familiar with all regulations referred to in article 34.1 as well as with all other conditions and provisions that the Contractor is obliged to observe under the Agreement. The Contractor guarantees PreZero that its subcontractors shall comply with and observe all such regulations, conditions and provisions, insofar as they relate to the Activities to be carried out by the Contractor.

34.3 The Contractor shall ensure that it is in possession of all permits and orders required for the Activities in good time.

35. Intervention in the Activities

35.1 If, in PreZero's opinion, the Activities progress in such a way that the time period determined for realising the Deliverables or part thereof will be exceeded or if, in PreZero's opinion, the Contractor does not implement or has not implemented the Activities in accordance with the provisions of the Agreement and/or in accordance with the requirements of good workmanship, PreZero shall notify the Contractor thereof in writing.

35.2 If the Contractor has not taken such measures within a reasonable period after receiving a notification as referred to in article 35.1 and, in PreZero's opinion, the backlog will not be addressed within a short period of time or the above-mentioned provisions and requirements will not be met, PreZero is entitled, without prejudice to its other rights, to take all such measures as PreZero deems necessary, without judicial intervention, including denying the Contractor the right to carry out the Activities, denying the Contractor access to the company premises and having PreZero or third parties acting on its behalf take over these Activities. In such cases, the Contractor shall provide all necessary cooperation to PreZero and those third parties.

35.3 All external or internal costs that PreZero incurs in connection with the provisions of article 35.2, shall be borne by the Contractor. The aforementioned costs will be immediately reimbursed to PreZero. These costs include at least a fee to PreZero for supervision and so-called 'overhead' costs.

35.4 PreZero is also entitled, outside the circumstances mentioned in article 35.1, to intervene immediately in the Activities without releasing the Contractor from liability, if this is necessary in view of business circumstances, safety and/or statutory regulations. PreZero shall notify the Contractor of such an intervention as soon as possible.

36. Contributions and tax payments

36.1 The Contractor's invoice shall comply with legal requirements, in particular the requirements as included in the Turnover Tax Act. Furthermore, in addition to Article 13.3, invoices must always include:
- the date of the Agreement between PreZero and the Contractor;
- the name of the project to which the Activities relate;
- the project number;
- the period covered by the invoice, expressed as the start date and the end date.

PreZero is not obliged to pay invoices that do not meet all the aforementioned requirements.

36.2 The Contractor shall be punctual in its compliance with its statutory obligations to pay employee insurance contributions, national insurance contributions and payroll tax, as well as turnover tax related to the Deliverables, and furthermore, where applicable, to comply strictly with the applicable Collective Labour Agreement (CLA). If and to the extent that PreZero is sued by an Employee of the Contractor or the Tax Authorities for payment of wages, turnover tax, payroll tax, national insurance contributions and/or employee insurance contributions owed by the Contractor or a third party, PreZero is entitled to recover these amounts from the Contractor, including interest, penalties and costs.

36.3 At PreZero's first request, the Contractor must hand over a positive 'declaration of payment behaviour' from the Tax Authorities. As long as the Contractor does not provide such a declaration, PreZero shall not be liable to pay the Contractor any amount owed by PreZero.

36.4 If the Contractor is of the opinion that PreZero is not required to withhold and remit any payroll tax, national insurance premiums or employee insurance premiums on amounts owed by PreZero under the Agreement with the Contractor, the Contractor shall, upon PreZero's first request, submit a written statement from an authorised employee of the competent unit of the Tax and Customs Administration evidencing such. As long as the Contractor has not fulfilled the obligation referred to in the previous sentence, PreZero shall not be obliged to pay any amount to the Contractor without deduction of the said taxes and contributions.

36.5 If PreZero has had to pay these taxes and premiums, after being held liable for taxes and premiums not paid by the Contractor or subcontractors engaged by it (in the event of, for example, re-subcontracting), PreZero shall have recourse against the Contractor for the entire amount, without prejudice to its statutory rights against third parties.

37. Early termination of the Agreement

37.1 PreZero is at all times entitled to terminate the Agreement prematurely against reimbursement of all Deliverables already delivered by the Contractor and accepted by PreZero, plus a reasonable compensation for the costs incurred by the Contractor as a result of non-completion of the Agreement, at all times up to a maximum of the contract price or the price of the Order, plus or minus any contract variations (additional or less work).

37.2 In the cases referred to in Article 18, only the arrangement mentioned in Article 18 shall apply.

These Procurement Terms and Conditions were filed with the Registry of the District Court of Arnhem, under registration number 5/2024.