

GENERAL TERMS AND CONDITIONS OF SALE OF DEMCON convergence B.V.

1. Applicability

1.1 These General Terms and Conditions (hereinafter to be referred to as the "Terms") govern the offering, sale and delivery of all goods and/or services (the goods and services hereinafter both separately and jointly referred to as "Goods") from, or on behalf of, Demcon Convergence B.V. (hereinafter to be referred to as "Convergence" or the "Supplier") to the customer (hereinafter also to be referred to as "Customer") and apply to all similar dealings and agreements between Convergence and the Customer. Convergence expressly rejects the applicability of any of the Customer's general terms and conditions (of purchase).

1.2 Deviations from these Terms shall be permitted only if and insofar as Convergence has expressly accepted any such deviation in writing, with a specific reference to the articles of these Terms to which the deviations relate, and then, only in respect of the mere request or agreement for which the relevant deviations have been agreed.

2. Quotations, orders and the conclusion and annulment of agreements

2.1 All quotations issued by Convergence shall not be binding upon Convergence. All quotations issued by Convergence shall be revocable and subject to change effective immediately within three (3) days' notice.

2.2 An agreement (hereinafter to be referred to as "Agreement") shall be deemed to have been concluded in case and to the extent an agreement has been confirmed by Convergence in writing to the Customer and by the Customer in writing to Convergence under the conditions stated by Convergence in writing (hereinafter to be referred to as "Convergence's Confirmation"). Convergence shall be entitled to refuse an order without indication of reasons.

2.3 The contents of a written Confirmation by Convergence shall be binding upon the Customer, unless the Customer contests the correctness of the provisions of that Confirmation in writing, with a statement of reasons, within eight (8) business days of the Confirmation having been dispatched by Convergence. If the Customer proves that it was not reasonably possible for it to communicate the objections to the Confirmation within said period, Convergence may, upon request, but at its own discretion, extend the prescribed term by a reasonable time period.

2.4 Any electronic communication between Convergence and the Customer shall be considered to be a "writing" and/or "in writing". The electronic communication system used by Convergence shall serve as sole proof for the content and the time of delivery and receipt of such electronic communication.

3. Delivery

3.1 Delivery times and dates quoted by Convergence shall have the meaning of guidelines and shall never be of the essence for Convergence. Convergence shall not be liable for any damage(s) which may result from non-adherence to times of delivery.

3.2 All deliveries of Goods shall be on the basis of Free Carrier from Convergence's production facility (FCA Enschede, Incoterms 2010). The term Free Carrier shall have the meaning set forth in the INCOTERMS published by the International Chamber of Commerce at Paris, France at the time of Convergence's Confirmation. As of the time of delivery by Convergence, the Customer shall assume the full risk of the Goods.

3.3 All prices shall be quoted FCA Enschede, Incoterms 2010.

3.4 Convergence may assign its obligations under the Agreement to third parties or have these performed by third parties.

4. Price and payment

4.1 Convergence shall be (with immediate effect after written prior notice) entitled to increase the price of the Goods still to be delivered if the cost price determining factors have been subject to an increase. These factors include, but are not limited to: raw and auxiliary materials, semi-finished products, consumables such as oil, water and energy; governmental measures and changes in foreign exchange rates, products and services obtained from third parties, freight rates, import and export duties, excise duties, levies, taxes (insofar as such rates, duties, levies and taxes are included in the price of the Goods), wages, salaries, social security contributions, freight costs and insurance premiums; Convergence shall also be entitled (with immediate effect after written prior notice) to increase the price of the Goods in case of a delay of the delivery times and delivery dates referred to in clause 3 herein which is not attributable to Convergence; Unless specifically agreed, the price shall not include import duties, levies and taxes, fees or other charges or costs relating to the application, granting and maintenance of the permits which are necessary to carry out the Agreement, or travelling and hotel expenses, which charges, costs and expenses shall be reimbursed separately by the Customer to Convergence.

4.2 The Customer shall pay hundred percent (100%) of the invoice price in advance before production starts, unless Convergence and the Customer have explicitly deviated from this clause in accordance with clause 1.2 of these Terms.

4.3 The Customer shall pay invoices in a manner and currency decided by Convergence, without any discount, set-off or postponement, within thirty (30) days of the invoice date, unless otherwise indicated by Convergence. Convergence is entitled to do periodic billing.

4.4 Every payment by the Customer shall in the first place serve to pay any judicial and extrajudicial costs and the interest owed by it, and afterwards shall be deducted from the oldest outstanding claim, except when the transaction explicitly refers to a specific payment.

4.5 Any complaint with respect to the invoice must be notified to Convergence within eight (8) business days after the date of invoice by email or regular mail. Thereafter, the Customer shall be deemed to have approved the invoice.

4.6 If Convergence has at any time any doubts about the Customer's financial position, Convergence may demand that the Customer provide (additional) security for its compliance with its payment obligations. The Customer is obliged to provide the requested security within the term set by Convergence. If the Customer fails to provide the requested security, Convergence shall be entitled to postpone the supply of the Goods.

4.7 In the event of any late payment by the Customer, the Customer shall be in default, without any prior reminder or notice of default being required, as of the date on which payment should have been made. Said date of payment shall be considered of the essence and, as of that date, Convergence shall be entitled to suspend its obligations under the Agreement and/or rescind the Agreement, whilst as from that moment, the Customer shall owe interest on the amount outstanding at the legal interest rate as stipulated in section 119a of Book 6 of the Dutch Civil Code plus one percent (1%) per month.

4.8 If any of the following events occur in respect of the Customer, then at that time all amounts to be paid by the Customer shall become immediately due and payable and Convergence shall be entitled to suspend its obligations under the Agreement and/or rescind the Agreement without prior notice: (a) if an application for a suspension of payments (moratorium) or for the bankruptcy of the Customer is filed or granted; (b) if a material part of the assets of the Customer is frozen by an attachment or sold to a third party; (c) if a trustee or receiver or administrator is appointed for all or a substantial part of the assets of the Customer; (d) if the Customer enters into a deed of arrangement or makes any assignment for the benefit of its creditors; (e) if there is a change in control in respect of the business of the Customer; (f) if the Customer's company is liquidated or if the business carried on by the Customer is discontinued in whole or in part; (g) if the Customer fails to comply in full or in part with its obligations towards Convergence. The Customer shall be under an obligation to immediately notify Convergence if any of the events described above occurs.

4.9 The Customer shall reimburse Convergence for any costs of collection incurred by Convergence due to non-payment or late payment of its receivables by the Customer.

4.10 In case of customer cancellation during any time of the production, Convergence will charge the following costs: 10% of PO if canceled within the first week after PO, 30% of PO if canceled within 5 weeks after PO and 80% of PO if canceled later than 5 weeks after PO

5. Retention of title

5.1 Goods supplied by Convergence shall remain its property until the Customer has fully complied with all its obligations towards Convergence.

5.2 As long as Convergence's retention of title exists, the Customer is entitled to use the Goods solely to the extent required in its ordinary course of business, and, to the extent possible, shall: keep the Goods separate and in a clearly identifiable manner; notify Convergence immediately of any claim by third parties which may affect the Goods; and adequately insure the Goods.

6. Intellectual and industrial property rights

6.1 Convergence is the sole owner of all right, title and interest in all intellectual and industrial property rights, including proprietary rights in any and all confidential information, including - but not limited to - technical know-how and other trade secrets, in and to all (I) products, membrane modules, machines, installations and equipment and other hardware ("Hardware"), (II) computer programs, (source) codes and databases ("Software"), and (III) any and all related materials, documentation and information ("Documentation") provided under any proposal/offering from Convergence or developed under any Agreement between Convergence and the Customer ("Proprietary Materials"). Unless otherwise agreed in writing, the Customer shall only have a non-exclusive and non-transferable right to use such Proprietary Materials to the extent required for the customary use of the Hardware as acquired from Convergence, and shall not be entitled to reproduce, alter, adjust or reengineer any part thereof. The Customer shall not disclose or publish any part of the confidential information provided by, or obtained from, Convergence, and shall take all customary measures to maintain the confidentiality thereof.

6.2 The Proprietary Materials shall not be used, and are not intended or represented to be suitable, for any purpose other than the customary use of the Hardware as acquired from Convergence. The Customer shall be liable for, and shall hold Convergence harmless from and against, any claims, damages and costs related to any use in violation of these provisions and any such use shall be at the Customer's sole risk and account.

6.3 Convergence has not verified the possible existence of third party intellectual property rights which might be infringed as a consequence of the sale and delivery of the Goods, and Convergence shall not be held liable for any losses or damages in that respect. The Customer expressly assumes all risks of any intellectual property infringement by reason of its importation and/or use of the Goods.

7. Warranty

7.1 Convergence solely warrants that on the date of delivery, the Goods shall be free from defects in materials and workmanship. Excluding the afore-mentioned warranty, Convergence shall issue warranties if and insofar as specifically stipulated by Convergence in writing. If, and to the extent that, the Goods fail to meet such warranty, Convergence may at its own option within a reasonable time either repair or replace the Goods, or issue a credit for any such Goods to the maximum of the amount of the original invoice price. Accordingly, Convergence's liability shall be limited solely to the repair or replacement of the Goods or to issuing credit for the Goods.

7.2 The warranties and remedies, as laid down in clause 7.1 herein, shall be exclusive, and all other express or implied statutory and other warranties, representations, remedies and other obligations shall be excluded.

7.3 No warranty shall be given in respect of: emergency repairs; used parts and/or parts which are subject to wear and tear and/or are vulnerable; Goods or installations not supplied, or supplied only in part, by Convergence or not installed and/or put into operation by Convergence; or incomplete payment for the Goods.

7.4 Any and all warranties shall cease to be valid completely and with immediate effect if: the Customer has not fully complied with Convergence's instructions regarding the use and maintenance of the Goods, in which case the Customer must prove that said instructions have been observed by the Customer; the Customer (or a third party) has made any change to the Goods or installation

in which the defect has been discovered without having obtained Convergence's consent; the Customer has not offered Convergence the opportunity to do everything which would be necessary or desirable to repair the defect concerned.

8. Complaints

8.1 Any complaints as to defects regarding the Goods (including hidden defects) and claims based on warranties must be submitted in writing to Convergence within eight (8) business days from the date of delivery of the Goods in respect of any defect which would be apparent from an inspection on delivery, and not later than eight (8) business days after the discovery of the defect by the Customer, but in no event later than six (6) months from the date of delivery of the Goods (unless another term has been explicitly agreed), failing which the right to complain shall lapse.

8.2 If the Goods have been approved by the Customer, the Customer shall lose the right to complain. Use or processing of the Goods shall be deemed to be an unconditional acceptance of the Goods and a waiver of all claims in respect of the Goods.

8.3 In the event that a written complaint with respect to the Goods has been submitted to Convergence, the Customer shall fully cooperate to the taking of samples or the conducting of any further investigation by, or on behalf of, Convergence.

8.4 Defects in parts of the Goods do not entitle the Customer to reject the entire delivery of the Goods. Complaints, if any, do not affect the Customer's obligation to pay as defined in clause 4 herein. Upon receipt of a written complaint, Convergence is entitled to suspend all further deliveries until the complaints are established to be unfounded and/or refuted or until the defect has been totally cured.

8.5 Return shipments shall be accepted only if Convergence has given its prior written consent to the return of the Goods, in all other cases, the costs for transport are at the expense of Customer. Convergence may attach conditions to any such consent.

9. Liability and indemnity

9.1 Under no circumstances shall Convergence be liable, on any ground whatsoever, to the Customer or any other person for any kind of damage or loss, cost or expense, whether caused by assumption based on incorrect or incomplete information provided by the Customer.

9.2 Convergence shall only be liable for direct damages.

9.3 Direct damages exclusively imply: the reasonable costs to determine the cause and extent of the damage, where the determination relates to damage under these Terms; the reasonable costs made for compensating, if occurred, the poor performance of Convergence to reciprocate the agreement, insofar as these can be attributed to Convergence; the reasonable costs made to prevent or minimize damages, insofar as the Customer can demonstrate that such costs have led to the limitation of the direct damage as stated in these Terms.

9.4 Convergence shall never be liable for indirect damages, including consequential damages, lost profits, lost savings and damage due to business interruption.

9.5 If Convergence should be liable for any loss, the liability of Convergence shall be limited to a maximum of one time the invoice value of the order, at least for that part of the order to which the liability relates.

9.6 The liability of Convergence shall always be limited to the amount of the benefits paid by its insurer.

9.7 The limitations of liability herein shall not apply if the damage is due to intent or gross negligence of Convergence or its senior subordinates.

9.8 Clause 9 herein shall prevail over any other provision of these Terms and any other provision agreed between Convergence and the Customer, unless Convergence and the Customer have explicitly deviated from this clause in accordance with clause 1.2 of these Terms.

10. Force Majeure

Convergence shall not be liable for any damage(s), losses, costs or expenses arising out of, or in connection with, any failure to fulfill any term of the Agreement caused by any circumstance or event beyond Convergence's reasonable control. In such event of force majeure, which shall be understood to include any situation or circumstance which is to be interpreted as such an event by general legal standards (but in any case include fire, natural disaster, war, acts of aggression and terrorism, blockade, export or import embargos, non-availability of skilled labour caused by the fact that no work permits or equivalents were issued, delays in acquiring other permits, governmental regulations, law, ordinance, legislative measures, court orders, business interruptions, labour disputes - in particular strikes and lock out - epidemic, pandemic, lack of or failure of earthquake, breakdown of plant or essential machinery, or delay in delivery or defects in goods supplied to Convergence by suppliers or subcontractors) Convergence is entitled to suspend its obligations of delivery for a period equal to the time loss by reason of Force Majeure. If a Force Majeure event continues for a period of six (6) months after the agreed delivery date, Convergence shall be entitled to rescind the Agreement, without any liability or further obligation for Convergence whatsoever.

11. Applicable law; jurisdiction

These Terms, as well as every Agreement which is subject to the provisions thereof, shall be exclusively governed by, and must be construed and enforced in accordance with, Dutch law, excluding principles of conflict of laws and the applicability of the United Nations Convention on Contracts for the International Sale of Goods. Any disputes that may arise from these Terms and/or the Agreements shall be submitted solely to the competent court in the nearest located judicial district of Convergence and the relevant court of appeal.

12. Miscellaneous

12.1 If a court of law finds that any of the provisions herein is in conflict with any applicable statutory provision, the remaining provisions shall nonetheless remain in full force and effect. The invalid provision shall in that case be deemed to have been replaced by a similar, legally enforceable provision which approximates the purpose and intent of the invalid provision as closely as possible. The headings contained in these Terms are included for reference only and shall not affect the construction or interpretation of these Terms.

12.2 The Customer shall grant the right, or obtain permission on behalf of its customers wherever necessary, to Convergence to use information on realised sales and projects by the Customer (including third end user company name and logo, project location and details, etc.) in the promotional materials (website, reference lists, case studies, etc.) of Convergence.

I. SPECIAL SECTION: INSTALLATION WORK

Installation work shall be governed not only by clauses 1 through 12 of these Terms, but also by clauses 13 through 16 of this Special Section. In the event of any deviating or conflicting terms and conditions, the clauses of this Special Section shall prevail over clauses 1 through 12 of these Terms, except for clause 9 (Liability and indemnity) which shall always prevail unless Convergence and the Customer have explicitly deviated from this clause in accordance with clause 1.2 of these Terms.

13. Performance of work

13.1 If it has been agreed that Convergence shall carry out installation work for the Customer, Convergence shall perform such work in accordance with the agreed specifications. Convergence shall have the right, but shall not be obliged, to check the accuracy of the information reported and, in the event of any errors discovered, to postpone the work until such errors have been resolved to the satisfaction of Convergence.

13.2 The Customer shall ensure that all facilities and tools required to carry out the work - to be interpreted in the broadest sense of the word and at Convergence's discretion - are present. Convergence shall be entitled, if it sees reasons to do so, to order any requisite facilities for, and at the expense of, the Customer, or to take any such other measures for, and at the expense of, the Customer as Convergence may deem appropriate. Upon Convergence's first request, the Customer shall make available at its own responsibility a qualified person to Convergence to coordinate the work onsite or assist in such coordination.

13.3 The Customer shall check the work performed periodically, as to be agreed further, but at least once per week, and approve the work in writing. If the Customer fails to check and/or approve the same, the work shall be deemed to have been checked, approved and completed. Convergence may postpone the work until the Customer has approved the work performed in writing; any delay or other damage resulting from the postponement shall be for the Customer's account.

13.4 The Customer guarantees that all costs incurred by Convergence in connection with the work, including any travelling and hotel expenses, shall be duly reimbursed.

14.1 The performance of additional work or the cancellation of work must be agreed in writing and shall be executed in exchange for an agreed price or on the basis of an agreed calculation method. If more or less work is carried out without any such written agreement, Convergence shall be entitled to determine the price for the work in question unilaterally, according to the principles of reasonableness and fairness.

15. Acceptance and completion

15.1 If an acceptance test has been agreed in writing, the installation shall be tested within three (3) business days of it having been finished.

15.2 The installation shall be considered to have been accepted as follows: (a) if no acceptance test has been agreed: upon delivery or, if installation to be executed by the Supplier has been agreed in writing, upon completion of the installation work; or (b) if the parties have agreed on an acceptance test in writing: on the first day following the test period; or (c) if the Customer has made any use of the system prior to the moment of acceptance: upon commencement of that use.

15.3 The Customer may not withhold its acceptance on grounds other than those relating to the specifications expressly agreed between the parties, nor on the ground of minor errors, which are understood to mean errors which do not stand in the way of the system's use or productivity.

16. Transfer of obligations and subcontracting

Convergence may transfer its obligations under the agreement, or any part thereof, to third parties without requiring the prior written consent of the Customer. These Terms are the translation of the Dutch original, which shall be provided upon first written request. In the event of a conflict of interpretation, the Dutch version shall be decisive.