

I General Conditions of Purchase

April 2022

These General Conditions of Purchase apply to: Rood Wit Blauw Water B.V. (Chamber of Commerce no. 08100063), also trading as RWB Water, RWB Water Services, RWB Water Systems, RWB Water Solutions, RWB Holding, referred to below both jointly and individually as RWB.

Article 1 – Applicability

These General Conditions of Purchase at all times govern all requests of RWB to the Contractor to make an offer, all offers made by the Contractor, all orders placed by RWB, all agreements entered into between RWB and the Contractor, and all juridical acts performed by RWB relating to the purchase of goods and services (referred to below as the 'Supplies and Services'). The applicability of any general terms and conditions of the Contractor is expressly excluded. Deviations from and additions to these General Conditions of Purchase are binding only if and insofar as RWB so agrees in writing. The Dutch version of these General Purchase Conditions prevail at all times.

Definitions

Tools: all tools, including but not limited to drawings, designs, calculations, manufacturing and construction methods, working methods, documentation, models, moulds, dies, software, technologies, schedules of requirements, advice, procedures, systems, system designs and computer programs, notes, trademarks, trade names, databases and know-how, gauges or specific instruments required for the Supplies and Services, whether or not made available to the Contractor by RWB, or manufactured or purchased by the Contractor at RWB's expense.

Supplies and Services: the goods purchased by RWB and the services provided to RWB under an agreement.

Intellectual Property Rights: all intellectual property rights in respect of works, or claims to such rights, including but not limited to Tools, model contracts and other contracts, all the above within the meaning of the *Auteurswet* (Copyrights Act), the Benelux Convention on Intellectual Property (BCIP), the *Handelsnaamwet* (Trade Names Act), the *Databankenwet* (Databases (Legal Protection) Act) or related laws/treaties or corresponding concepts and laws/treaties abroad, created by or on behalf of the Contractor, independently or otherwise, under the agreement or in the performance of the work related to the assignment, are exclusively vested in RWB, regardless of whether the intellectual property rights arose during or outside working hours, during the term of the agreement or after its termination, and regardless of whether the creation of Intellectual Property Rights directly or indirectly forms part of the Contractor's work for which the Contractor was appointed.

Confidential Information: all oral and written information, in any form, regarding (i) RWB's financial position; (ii) the agreement; (iii) the prices and rates charged at RWB; (iv) all technical and non-technical information and ideas and their development, including but not limited to copyrights, trade secrets, otherwise protected and unprotected information, manufacturing and construction methods, techniques, documents, reports, sketches, drawings, mock-ups and other models, samples, objects, specifications, the operation and set-up of machines, process technologies, engineering of products and systems, installations, the content of and information and ideas regarding the production and sales and marketing plans; (v) all goods and services developed or produced by the Contractor under the agreement; (vi) all other information made available to the Contractor, by RWB or any other party, under the agreement; and (vii) all other information of which a party knows or should know that its disclosure would not be in one of the other parties' interests.

Article 2 – Agreement

- a. All offers made by the Contractor are irrevocable and are valid for a period of 90 calendar days, unless otherwise agreed.
- b. All negotiations may be terminated by RWB at any time without stating any reason and without any liability for damages.
- c. If RWB and the Contractor agree on provisions of the agreement that differ from those of these General Conditions of Purchase, the specific provisions of the agreement prevail.
- d. All our orders and change orders must be confirmed by the Contractor by returning a signed copy of our order or change order within 14 days, unless a different deadline is stated in the order. RWB may withdraw an order until it is confirmed by the Contractor. The latter also applies if a term of validity is stated in the order.
- e. Acceptance by RWB of supplies or services and any payments made by it in this regard do not imply acknowledgement of any discrepancies.

Article 3 – Warranty regarding the quality and nature of the Supplies and Services

1. The Contractor warrants that:
 - a. the Supplies and Services are complete and are suitable for the purpose for which they are intended;
 - b. the Supplies and Services are entirely in accordance with the requirements stated in RWB's order, specifications, drawings, calculations and other documents provided by RWB;
 - c. the Supplies and Services in any event comply with the statutory requirements and government regulations that apply in the Netherlands and, where applicable, other Dutch and international government regulations; and, in accordance with the statutory European directives, comply with the CE marking and the EC declaration of conformity for machines/safety components or

Manufacturer's Declaration; the Contractor must provide the Declaration of Conformity;

- d. insofar as the Supplies and Services are provided at a location outside the Contractor's premises or grounds, the laws and government regulations that apply at that location, as well as the regulations declared applicable to that location by RWB or RWB's customer, will be observed;
 - e. the Supplies and Services will be of good quality and free from design, implementation and material errors, and new materials and skilled staff will be used or engaged in the performance of the activities related to the Supplies and Services;
 - f. if the Supplies and Services include the provision of workers, that provision complies with the legal requirements and the workers meet the agreed or (if no specific agreements have been made in that respect) generally applicable requirements of professional competence; and
 - g. the agreed number of workers will be continuously available during the agreed period.
2. If the agreement or any annex refers to technical, safety, quality or other regulations not included in the agreement, the Contractor is deemed to be familiar with them, unless it immediately notifies RWB otherwise in writing. RWB will inform the Contractor in more detail of such regulations.
 3. The Contractor must ensure at its own expense that the permission, permits or licences required for the performance of the agreement are obtained in good time and that the conditions recorded in them are complied with.

Article 4 – Interim inspections, tests and trials

- a. RWB may at any time arrange for an inspection, test or trial of the Supplies and Services, or goods and work relating to it, and monitor the progress. For that purpose the Contractor must, within reasonable limits, provide the necessary personnel and material assistance, give the persons or bodies designated by RWB access at all times to the place where the order is being executed, and provide a suitable area for the interim inspection, test or trial.
- b. If interim inspections, tests or trials have been agreed on that are to be carried out at the Contractor's initiative, the Contractor must always notify RWB in writing of the proposed time of the inspection, test or trial in such time that RWB can be present or represented if RWB so wishes.
- c. If and insofar as it has been agreed that interim inspections, tests or trials are to be carried out at the Contractor's initiative, the provisions of (a) apply.
- d. All interim inspections, tests and trials will in any event take place on the basis of the requirements, regulations and documents referred to in Article 3.
- e. All costs relating to the interim inspections, tests or trials, except for the costs of RWB's personnel and other persons designated by RWB as its representatives, are payable by the Contractor. If an interim inspection, test or trial cannot take place at the intended time, or if any interim inspection, test or trial has to be repeated, RWB may recover the resulting additional costs incurred by it from the Contractor, if and insofar as such delay or such repetition is attributable to the Contractor. The Contractor has a similar right if and insofar as such delay or such repetition is attributable to RWB or to RWB's client.
- f. In the event of rejection, RWB will notify the Contractor immediately, stating the reasons. The Contractor must then correct or replace the rejected supplies or services at its own expense within a term set by RWB.
- g. If the Contractor hires sub-contractors or sub-suppliers for the Supplies and Services, it must impose the provisions of this article on such sub-contractors or sub-suppliers for RWB's benefit.
- h. An interim inspection, test or trial, or the absence thereof, does not constitute acceptance.

Article 5 – Final inspection, final trial and acceptance

- a. RWB's written approval of the Supplies and Services constitutes their acceptance, subject to the provisions of (d).
- b. If the Supplies and Services are subjected to a final inspection or final trial, the provisions of Article 4 apply *mutatis mutandis*, except for the provisions of Article 4(g).
- c. If and insofar as the Supplies and Services must have properties whose existence cannot be established until after they have been installed, assembled or built in, the final inspection or final trial will take place as soon as the Supplies and Services or the object for which the Supplies and Services are intended is ready for it.
- d. If and insofar as the provision of certificates, attestations, assembly instructions, maintenance and operating instructions, drawings and other documents, or the provision of training and instruction has been agreed, they form part of the Supplies and Services and they are not deemed to have been accepted until they are delivered or provided.

- e. The Contractor gives RWB the right to use the Supplies and Services also before their acceptance.
- f. In the event of rejection, RWB will notify the Contractor accordingly and may, at its discretion, require replacement or repair, or may dissolve (*ontbinden*) or cancel the contract, without prejudice to RWB's right to damages.

Article 6 – Packaging and dispatch

- a. The Contractor must pack and secure the Supplies and Services in such a manner that, in the event of normal transport, they reach their destination in good condition and can be safely unloaded there. The Contractor must strictly comply with any special requirements set by RWB regarding packaging or security, provided that RWB has made them known in good time. Packaging must meet the relevant statutory regulations and may not be, or be believed to be, environmentally harmful.
- b. The Contractor must strictly comply with RWB's instructions regarding preservation, marking and shipping, insurance of the transport risk, and the provision of the accompanying shipping documents.
- c. RWB may refuse to accept consignments that do not comply with the provisions of (a) or (b).
- d. RWB reserves the right to return packaging to the Contractor at the Contractor's expense and risk, in return for a credit note for the amount charged to RWB by the Contractor. The Contractor must diligently handle and insure any return packaging made available by RWB.

Article 7 – Transfer of ownership and risk

- a. Unless otherwise provided in these General Conditions of Purchase or in the agreement, the ownership of and risk in the Supplies and Services are transferred to RWB on their delivery to RWB at the agreed location. If payments have been made before delivery, the ownership passes to RWB at the time of payment pro rata to the payment made. Any delivery conditions included in the agreement are in accordance with the definitions provided in the edition of the Incoterms that applied on the date on which the agreement was entered into, subject to the provisions of (b), (c) and (d) of this article.
- b. If RWB makes goods available to the Contractor for treatment or processing, or for mixing with goods not owned by RWB, RWB remains or becomes the owner of the goods created in that manner.
- c. The Contractor must keep goods belonging to RWB clearly marked and bears the risk in such goods until they are delivered to RWB.
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Website: www.rwbwater.nl
- d. If RWB makes goods available to the Contractor for assembly, or to test or commission goods that have already been assembled, and if RWB instructs the Contractor to supervise the assembly of these goods, the Contractor bears the risk in the goods from the moment they are made available until RWB accepts the Supplies and Services. If the Contractor both supplies and assembles the goods at the construction site, or supervises their assembly, it continuously bears the risk in the goods until their acceptance by RWB.

Article 8 – Delivery period

- a. All goods are Delivered Duty Paid by RWB at the address stated, in accordance with the version of the Incoterms that applies at the time of order, subject to the provisions of these General Conditions of Purchase.
- b. Partial deliveries are not permitted without RWB's prior written consent. All agreed delivery dates or periods are strict and firm deadlines, and apply to all the Supplies and Services, including the related Tools and other documents. If any circumstances occur as a result of which an agreed delivery date or period may be exceeded, RWB must be notified immediately.
- c. If the Contractor exceeds any agreed delivery date or period, RWB may impose on the Contractor, without any prior notice of default being required, a penalty of 1% of the price of the Supplies and Services per calendar week or part of a calendar week by which the agreed delivery date or period is exceeded, up to a maximum of 10%. That penalty is immediately payable on the date on which it is imposed.
- d. The imposing, collection or setoff of this penalty is without prejudice to RWB's right to demand performance or claim compensation or dissolution (*ontbinding*).
- e. If RWB is unable to take delivery of the Supplies and Services at the agreed time due to an event of force majeure, breach on the part of its customers, postponement of delivery to its customers, or non-performance or cancellation of orders by customers, the Contractor will, at RWB's request, postpone the delivery, without any additional costs for RWB, for a reasonable period to be determined by RWB.

Article 9 – Warranty regarding the repair of defects

- a. The Contractor warrants that it will repair, without any charge to RWB, any defects that may occur in the Supplies and Services during a period of 24 months after acceptance or initial use of the Supplies and Services or of the object for which they are intended, the last of these events triggering the warranty period, subject to a maximum of 30 months after delivery, unless the Contractor demonstrates that these defects are not the result of faults in the design or implementation of the Supplies and Services or of faulty materials. The Contractor furthermore undertakes to carry out these repairs as soon as possible but in any event within the reasonable term set by RWB in the notice given, by repairing or replacing the defective Supplies and Services or their defective parts.
- b. The Contractor must pay all the costs incurred in order to repair the defects for which it is liable under (a), including but not limited to installation and removal, transport, etc.
- c. In the event of failure to properly perform this repair duty or to do so within the specified period, and in urgent cases, RWB may carry out the necessary repairs at the Contractor's expense and risk, or have them carried out by third

parties, provided that the Contractor is notified accordingly as soon as possible.

- d. The period referred to in the first sentence of (a) above will be extended by the period during which the Supplies and Services, or the object for which they are intended, cannot be used as intended due to a defect attributable to the Contractor. With regard to the repaired or replaced parts of the Supplies and Services, the period referred to in the first sentence (a) above recommences the moment they are put to use after repair.
- e. The Contractor owns and bears the risk in goods replaced on the grounds of the aforesaid repair obligation from the time of their replacement. It must take possession of such goods as soon as possible, unless RWB requests that the replaced goods be made available to RWB for inspection.
- f. Unless RWB can be blamed for an intentional act or omission or for gross negligence, loss of or damage to Tools and instruments used by the Contractor in providing the Supplies and Services are at the Contractor's expense.
- g. The preceding provisions of this article and of the other articles of these General Conditions of Purchase do not release the Contractor from its other liability under the law.
- h. The Contractor warrants that RWB can obtain from it for a period of ten years parts of the Supplies and Services and the maintenance required to keep the Supplies and Services in good condition, or that RWB can obtain them at prices in line with the market.

Article 10 – Liability and Indemnity

- a. The Contractor is liable for all loss incurred by RWB as a result of a defect of or shortcoming in the Supplies and Services, a defect of the instruments or materials used in the performance of the agreement or as a result of any act or omission on the part of the Contractor or its agents related to the Supplies and Services.
- b. This liability of the Contractor is limited to an amount of EUR 2.5 million per harmful event, except in the event of personal injury or intent or gross negligence on the part of the Contractor or its managers. The Contractor must fully indemnify RWB against third-party claims for damages resulting from the aforesaid circumstances.
- c. The Contractor must take out and maintain adequate insurance to cover its liability towards RWB under the law or the agreement, and must also take out and maintain insurance to cover all risks in its business operations that can be insured on normal conditions. At RWB's request, the Contractor must immediately submit copies, or certified copies, of the policies and proof of premium payment. The Contractor hereby assigns to RWB in advance all claims for payment of insurance proceeds, insofar as they relate to loss for which the Contractor is liable towards RWB.
- d. If the *Wet ketenaansprakelijkheid* (Wages and Salaries Tax and National Insurance Contributions (Liability of Subcontractors) Act) applies, the Contractor also indemnifies RWB against liability in relation to the principal or third parties on the grounds of failure by the Contractor or its subcontractor to perform their obligations under that Act.

Article 11 – Ownership of, risk in and care for Tools

- a. All the Tools required for the provision of the Supplies and Services that are made available to the Contractor by RWB or are manufactured or purchased by the Contractor at RWB's expense are, remain or become RWB's property.
- b. The Contractor must keep such Tools in its possession as a borrower, clearly marked as RWB's property, must keep them in a good state of repair, and bears all the risks relating to them until they are delivered to RWB. The Contractor indemnifies RWB in this regard against loss, damage and the exercise of rights by third parties.
The Contractor may not remove or change any markings on the Tools regarding RWB's ownership rights. The Tools must be made available to RWB at its first request or at the same time as the final delivery of the goods to which the Tools relate.
- c. The Contractor may use the Tools, or have them used, exclusively for the performance of the agreement entered into with RWB. Without RWB's prior written consent, the Contractor may not use, copy or reproduce the Tools for any other purpose, may not hand them over to any third party in any manner or form, and may not give any third party access to them.
- d. The ownership of the Tools and goods passes from the Contractor to RWB the moment the Supplies and Services are provided. If RWB returns goods, the risk in those goods passes to the Contractor the moment RWB sends the goods to the Contractor.
- e. If the goods or Tools have yet to be used by the Contractor for the performance or further performance of the agreement, the Contractor continues to bear the risk of damage to or loss of the aforesaid goods until their acceptance. In the event of damage or loss, RWB is entitled to replacement of the lost or damaged goods free of charge.
- f. If the Contractor creates new goods using the goods that are still its possession, they are goods that RWB has created for itself and the Contractor holds those goods for RWB as their owner.

Article 12 – Transfer of rights and obligations; subcontracting

- a. The Contractor may not assign its rights and obligations arising from the agreement in whole or in part to any third party without RWB's prior written consent. Such consent is without prejudice to all of the Contractor's obligations under the agreement.
- b. The Contractor may not engage any contractors or subcontractors in the performance of the agreement without RWB's consent.

Article 13 – Dissolution (*ontbinding*) and termination

- a. If the Contractor fails to perform its obligations under the agreement and in the event of bankruptcy, suspension of payment or liquidation of the Contractor's business, RWB may terminate the agreement in whole or in part, without further notice of default or judicial intervention being required, without being liable for damages and without prejudice to RWB's further rights.

- b. Subject to the provisions of the preceding paragraph, RWB may at any time terminate all or part of the agreement. In that case RWB will only reimburse to the Contractor the costs incurred before the termination.
- c. Any and all claims that RWB may have or acquire against the Contractor in such cases then fall due immediately and in their entirety.

Article 14 – Price, invoicing and payment

- a. The agreed price is fixed, binding, denominated in euros and exclusive of turnover tax.
- b. Invoices must be submitted in accordance with the order and itemised per position, stating the position number(s). RWB may suspend its payment obligation until all this information is provided. Duplicate invoices must be marked as such.
- c. RWB will make payment within 60 days of acceptance of the Supplies and Services and after correct invoicing. Payment does not in any manner constitute waiver of any right of RWB to retract its position regarding the execution of the order.
- d. RWB may require a deposit or bank guarantee at the Contractor's expense before making goods available, or if full or partial payment is made in advance.
- e. Digital invoices must at all times be provided as a PDF and sent to crediteuren@rwbwater.nl.

Article 15 – Setoff

RWB may set off any claims of the Contractor against RWB that are capable of being expressed in monetary terms against similar claims that RWB has against the Contractor.

Article 16 – Intellectual property rights; licences

- a. All Intellectual Property Rights, or claims in respect of Intellectual Property Rights, arising as a result of the performance of the agreement or the execution of the order or arising from the Supplies and Services provided by the Contractor, its personnel or third parties engaged by the Contractor in the performance of the agreement, the execution of the order or the provision of the Supplies and Services, are vested in RWB. The Contractor hereby transfers all the aforesaid Intellectual Property Rights to RWB in that future event. At RWB's first request, the Contractor must fully and unconditionally cooperate in the transfer of the aforesaid Intellectual Property Rights and in the recording of that transfer in the relevant patent, trademark, design and other registers.
- b. The Contractor warrants that the Intellectual Property Rights, or claims in respect of Intellectual Property Rights, arising as a result of the performance of the agreement or the execution of the order, or arising from the provision of the Supplies and Services by the Contractor, its personnel or third parties engaged by the Contractor in the performance of the agreement, the execution of the order or the provision of the Supplies and Services, the actual Supplies and Services, or their use, including resale, of the goods supplied by it, or of the Tools purchased or manufactured by it on behalf of RWB, do not infringe any intellectual property rights, other rights or confidential information of third parties. The Contractor indemnifies RWB against third-party claims based on infringement or alleged infringement of the relevant intellectual property rights or confidential information and will reimburse to RWB any loss consequently incurred.

This Article 16 will continue to apply also after termination of the agreement and will remain in force indefinitely.

Article 17 – Force majeure

- a. In the event of temporary force majeure, the Contractor may suspend the performance of its obligations under the agreement for a reasonable period not exceeding four (4) weeks, provided that the Contractor notifies RWB accordingly immediately after the occurrence of the event of force majeure, stating the cause of the force majeure. If the Contractor is unable to perform its obligations after that period of four (4) weeks, RWB may dissolve (*ontbinden*) the agreement without being liable for any damages and costs.
- b. In the event of permanent force majeure on the part of the Contractor, the Contractor must notify RWB immediately and RWB may dissolve (*ontbinden*) the agreement with immediate effect, without being liable for any damages or costs.
- c. The Contractor is in any event, but not exclusively, liable for strikes, lockouts, shortages of manpower, illness, lack of raw materials, transport problems, non-performance of obligations by suppliers and disruptions in the Contractor's production.

Article 18 – Confidentiality

- a. The Contractor must observe absolute confidentiality in relation to third parties regarding all of RWB's Confidential Information that comes to its attention, on the grounds of the agreement or on any other grounds.
- b. Without RWB's express written consent, the Contractor therefore may not in any manner disclose to third parties or reproduce Confidential Information that has come to its knowledge.
- c. The Contractor must treat the existence, nature and content of the Confidential Information disclosed to it or brought to its attention in any manner as strictly confidential and may use it only in the performance of the agreement or the execution of RWB's order.
- d. Without RWB's prior written consent, the Contractor may not disclose the existence of the agreement to any third party in its brochures, advertisements, media or letters, etc.
- e. All Confidential Information made available by RWB to the Contractor under the agreement will remain RWB's property at all times and must be returned at RWB's first request or at the latest on delivery.
- f. The Contractor must also impose the obligations referred to in this Article 18 on its employees and on any third parties engaged by it.
- g. RWB may, if it so wishes, have the Contractor's employees and third parties engaged by the Contractor sign declarations of confidentiality.

- h. On breach of this Article 18, the Contractor forfeits an immediately payable penalty per breach of 25% of the total net contract price of the agreement entered into, or the agreements already entered into, between the Contractor and RWB. This penalty is without prejudice to RWB's right to demand performance and to claim full damages in addition to the aforesaid penalty.
- i. This Article 18 will continue to apply also after termination of the agreement and will remain in force indefinitely.

Article 19 – Arbitration

- a. Subject to (b) of this article, and without prejudice to the possibility of requesting preliminary relief from the President of the competent court, any disputes arising from an agreement that is governed in whole or in part by these General Conditions of Purchase, or from further agreements arising from such an agreement, will be settled by either the court of Almelo, the Netherlands, or an arbitral tribunal, at RWB's discretion. If a dispute is submitted to an arbitral tribunal, the tribunal will be appointed in accordance with the articles of *Stichting Raad van Arbitrage voor Metaalnijverheid en -Handel*, a foundation, having its registered office in The Hague, the Netherlands, and will rule in accordance with the articles of that foundation.
- b. Insofar as the disputes referred to in the preceding paragraph fall within the subject-matter jurisdiction of the court according to the rules of Dutch civil procedure, only the competent court may settle the dispute.

Article 20 – Governing law

The agreement and any resulting agreements are governed exclusively by Dutch law. The provisions of the United Nations Convention on Contracts for the International Sale of Goods, of 11 April 1980, Treaty Series 1981,84 and 1986,61, are excluded.

II PROVISIONS GOVERNING THE SUPPLY OF SERVICES, THE PERFORMANCE OF ASSIGNMENTS AND THE CONTRACTING OF WORK

In addition to the General Part (I), this Part II governs the provision of services, the performance of assignments and the contracting of work.

Article 21 – Provision of data

1. If and insofar as required or applicable, the Contractor must submit the following documents to RWB on making the offer or immediately after receipt of the agreement:
 - a. a current extract from the register of the Chamber of Commerce, no older than three months;
 - b. a photocopy of the G account agreement;
 - c. a photocopy of a valid certificate of registration with a trade association;
 - d. a statement regarding its statutory payroll tax payment behaviour (employee insurance contributions, national insurance contributions, income-related healthcare insurance contribution and payroll tax) from the Tax Administration, not older than three months; and
 - e. a photocopy of the applicable SCC certificate;
2. The documents referred to in (d) and (e) must be submitted to RWB without any reminder being required, as soon as possible after the end of each quarter.
3. Any changes in the information referred to in Article 21(1)(a) to (f) must immediately be reported to RWB in writing.

Article 22 – Schedule of operations

- a. The Contractor must provide RWB with a schedule of operations at its request, which must state, among other things, the dates of commencement and completion of the successive parts of the work and the staffing level. If it has been agreed that RWB will use equipment, the times of use must also be stated in the schedule. After being approved by RWB, the schedule will form part of the agreement.
- b. RWB may make changes to the schedule during its performance. The consequences of such changes will be agreed on between RWB and the Contractor in a reasonable manner. The agreement will be amended if necessary.
- c. The Contractor must report periodically, as requested by RWB, on the progress of the work and all related aspects.

Article 23 – Contractor's personnel

- a. The Contractor must register its employees at RWB. The details required are the surname, first name(s), address, date and place of birth, nationality, tax registration number and type of identification. An SSC certificate and (if applicable) the residence permit and work permit must furthermore be provided.
- b. The Contractor is responsible for the day-to-day management and supervision of the execution of the work. The number of competent and skilled supervisors made available by the Contractor for this purpose must be in keeping with the scope and nature of the work and the requirements stipulated by RWB. Supervisors must have a command of the Dutch language, unless otherwise agreed.
- c. The Contractor warrants that the services to be provided by its employees will be performed in an expert, competent and uninterrupted manner. The employees must at all times have the agreed capabilities in terms of training, expertise and experience.
- d. The Contractor must provide the employees with hand tools and personal protective equipment.
- e. The Contractor may temporarily or permanently replace employees only occasionally and only with RWB's prior consent. RWB will not withhold its consent on unreasonable grounds. RWB may attach conditions to its consent. The provisions of (a) above apply in the event of replacement of employees.
- f. RWB and the Contractor may agree on a probationary period for employees. If it becomes apparent during the probationary period that employees are not performing the work to RWB's satisfaction, the Contractor must replace them immediately. No additional costs may be charged to RWB in that regard.
- g. If employees are found not to have the necessary qualifications or expertise, the Contractor must immediately replace them at RWB's first request with other employees who do meet the requirements. The same applies to employees who fail to comply with the applicable regulations or who misbehave in any manner. No costs may be charged to RWB for the replacement of employees.
- h. The work must be performed in accordance with the working hours and rules of conduct in force at RWB at the time. The Contractor must instruct its employees to observe these rules.
- i. Any additional costs incurred because work needs to be performed outside normal working hours in order to meet the delivery date stated in the agreement are payable by the Contractor. In the event of force majeure, the additional costs of measures are payable by RWB. Measures must be agreed in advance.
- j. RWB is authorised to conduct regular checks on the workforce. The Contractor must cooperate in this regard. The Contractor must also fully cooperate with any other reasonable administrative arrangements made or to be made by RWB regarding the checking of staffing levels at work or regarding the work. The Contractor may, for instance, be asked to provide a daily overview of the staff planning at the site, with a breakdown based on all the work in progress at the Contractor. RWB may also ask the Contractor to submit time sheets per employee, signed by RWB.

Article 24 – Health, safety, welfare and the environment

- a. The Contractor is responsible for the health, safety, welfare and sound environmental conditions of its part of the work. The Contractor must comply with all applicable statutory regulations, standards and locally applicable safety and environmental regulations.
- b. The materials, equipment and instruments used by the Contractor (such as hoisting and lifting gear, and climbing and scaffolding equipment) must in any event meet the statutory requirements and be in a perfect state of repair. This is partly at RWB's discretion and subject to the rules of RWB or its principal.
- c. Employees who, in RWB's opinion, act in an unsafe manner at work must be removed from the site at RWB's first request. The Contractor must ensure that those employees are replaced immediately, without any costs being charged to RWB.
- d. RWB may have the work suspended if it discovers an unsafe situation caused by the Contractor. RWB is not liable for damages in that case and such a delay in no event constitutes an event of force majeure.

Article 25 – Intervention in the work

- a. If, in RWB's opinion, the work is proceeding in such a manner that it will exceed the period of time specified for all or part of its performance, RWB will notify the contractor accordingly in writing. The same applies if, in RWB's opinion, the work is not being or has not been performed in accordance with the agreements made or the standards of good workmanship.
- b. Within two weeks of receiving notice as referred to in (a) of this article, the Contractor must take measures to ensure that, in RWB's opinion, the backlog is eliminated in a short period of time or that the aforesaid provisions and requirements are met. If it fails to do so, RWB may take all measures it considers necessary, without any legal intervention being required. RWB, or third parties acting on its behalf, may, for instance, take over the Contractor's work. In that case the Contractor must provide RWB and such third parties with all the cooperation they require.
- c. All external and internal costs incurred by RWB in respect of (b) of this article are payable by the Contractor. The latter must immediately reimburse RWB for the costs, including reimbursement for supervision and overheads.
- d. RWB may also immediately intervene in the work in circumstances other than those referred to in (a) of this article if business circumstances, safety or statutory regulations so require. This does not release the Contractor from its liability. RWB will always notify the Contractor of such intervention as soon as possible.

Article 26 – Transfer of rights and obligations; subcontracting

- a. Without RWB's written consent, the Contractor may not transfer, pledge or assign the rights or claims under the agreement to third parties on any ground whatsoever. Nor may the Contractor allow any third party to perform work without RWB's consent.
- b. Without RWB's written consent, the Contractor may not (1) subcontract the agreement or any part thereof or (2) engage third parties in that regard. This does not apply to the part of the agreement in respect of which the agreement or specification provides for the engagement of third parties. Third parties include self-employed persons, directors-major shareholders, subcontractors and temporary employment agencies. If RWB gives its written consent, the Contractor will include the same risk-reducing measures in its agreement with the third party or parties as those included in these General Conditions of Purchase and the agreement with RWB.
- c. Without RWB's written consent, the Contractor may not hire any third-party staff.
- d. The consent referred to in (a), (b) and (c) does not mean that any obligation arising from this agreement lapses.

Article 27 – *Wet ketenaansprakelijkheid*

- a. The Contractor must comply with the statutory obligations to remit payroll taxes in respect of its employees.
- b. The Contractor indemnifies RWB against any claim of the Tax Authorities in respect of payroll taxes payable in respect of its employees. This includes interest, penalties and costs, and the costs of legal assistance to challenge liability, if any.
- c. Subject to the provisions of (a) and (b), the Contractor must keep such records as to make it possible to determine the payroll total for each project. RWB may audit these records at any time. The Contractor must state the wage costs in each invoice.
- d. RWB may pay the Contractor the statutory payroll tax payable by the Contractor in respect of the work, for which it is jointly and severally liable under the *Wet ketenaansprakelijkheid* (Wages and Salaries Tax and National Insurance Contributions (Liability of Subcontractors) Act), by transferring the amount to the Contractor's blocked account within the meaning of the *Wet ketenaansprakelijkheid* (the G account). RWB may also transfer the statutory payroll tax directly to the Tax Authorities. In the latter case RWB is no longer liable for payment of the statutory payroll tax to the Contractor.
- e. Unless otherwise agreed, RWB will directly transfer the applicable percentage of the wage component (or 30%, if that component is unknown) in respect of the statutory payroll tax due. The amount will be transferred to the account of the tax authority in question or to the Contractor's G account.

- f. RWB may change this percentage if it become apparent that the agreed percentage does not correspond to the actual statutory payroll tax payable by the Contractor.
- g. A direct transfer or G account transfer is regarded as a payment in full discharge of liability.
- h. If the “VAT reverse charge mechanism” applies to the agreement, the Contractor must state that in each invoice.

III SPECIAL PROVISIONS REGARDING THE PROVISION OF WORKERS

In addition to the General Part (I), the Special Provisions of Part (II) and this Part (III) also govern the provision of workers.

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Article 28 – Permit

- a. Insofar as necessary, the Contractor must have a permit for the provision of workers, as well as a valid NEN 4400-1 or NEN 4400-2 certification.
- b. All employees who are deployed must carry valid identification, an SCC certificate and (if applicable) a valid work and residence permit.

Article 29 – Personal protective equipment and hand tools

- a. The Contractor must provide employees with safety goggles, safety shoes and hand tools.
- b. If necessary, RWB will provide employees with a safety helmet and work clothing bearing RWB’s logo. The Contractor must ensure that the employees actually wear this protective equipment.
- c. The protective equipment referred to in (b) must be returned to a designated RWB employee within one week after the end of the work. A €250 deposit will be deducted from the Contractor’s final invoice for each set of protective equipment that is not returned.

Article 30 – Timekeeping

The Contractor must cooperate fully with any other reasonable administrative arrangements made or to be made by RWB for the purpose of checking staffing levels at work or work signed off by RWB, such as time sheets for each employee.

Article 31 – Invoicing and payment

- a. Invoices must comply with the *Wet op de omzetbelasting 1968* (Turnover Tax Act 1968). The Contractor must in any event state the following information clearly and transparently in the dated and numbered invoices:
 - RWB’s and the Contractor’s purchase number relating to the work;
 - the work and the place(s) of performance to which the invoice relates;
 - the period and the performance to which the invoice relates;
 - the wage costs; and
 - the timesheets signed by RWB.
- b. When staff are hired, the Contractor must indemnify RWB against any claim of the Tax Authorities in respect of VAT due.
- c. When staff are hired, the entire VAT amount invoiced may be transferred directly to the account of the tax authority in question or to the Contractor’s G account.
- d. Direct transfer or transfer to a G account is regarded as a payment in full discharge of liability.

Article 32 – Termination of the agreement/notice of termination of employees

RWB may prematurely terminate the agreement for the provision of workers. In the event of normal termination, RWB will notify the Contractor accordingly no later than three working days beforehand.