

**ARTICLE 1 DEFINITIONS**

In these Conditions "equipment" and "services" are deemed to mean any materials, spare parts or consumables or activity or knowledge supplied by Paradigm Technology Services B.V. (hereinafter PARADIGM) by virtue of contract and "Client" denotes any legal entity or person with whom a contract to supply exists with PARADIGM.

**ARTICLE 2 PARADIGM EQUIPMENT GUARANTEE**

PARADIGM guarantees all quoted equipment and materials delivered for a period of twelve months from ex-works delivery against any and all design, materials and manufacturing defects.

In case of identification of a fault, PARADIGM is to be notified immediately, but in any case within 14 days by facsimile, e-mail or otherwise in writing concerning the nature of the defect. Upon agreement of defect being subject to guarantee, PARADIGM will repair defects free of charge on ex-works conditions. Expenses which are not related to the repair of design, materials and manufacturing defects, like, but not limited to, travel and related expenses, flight tickets, hotel charges, etc., will be for account of the Client. Alternatively upon agreement with PARADIGM prior to the commencement of repairs the Client may be reimbursed against costs of necessary local repairs by a vendor approved by PARADIGM to a level agreed to with PARADIGM or PARADIGM may choose to replace the equipment wholly.

This guarantee is subject to the following:

- The Client has accepted and paid for the equipment and materials in question.
- The defect concerned is not due to, nor related to, operational, transportation, storage or other traumatic damage.
- The defect concerned is not related to equipment wear-and-tear.
- The equipment has not been modified, altered, or in any way affected by changes not authorized by PARADIGM
- PARADIGM retains the right to inspect (also using appointed agents) the equipment prior to acceptance of guarantee liability.
- The equipment concerned has been used according to PARADIGM instructions and within PARADIGM operation specifications. In case PARADIGM has reasonable suspicion of incorrect use, evidence to the contrary is to be provided by the Client.
- The equipment concerned has been maintained according to PARADIGM maintenance procedures using PARADIGM listed spare parts, or otherwise PARADIGM approved spare parts and consumables. The evidence hereto is to be provided by the Client.
- The Client will remain responsible for all transport and associated costs for equipment movement to and from the nearest PARADIGM location where required.

**ARTICLE 3 EXCLUSION OF TERMS**

- 3.1. All statutory and other warranties, conditions and terms as to the quality of the equipment supplies, or as to their fitness for a particular purpose, are excluded save as is provided herein.
- 3.2. PARADIGM is not bound in any way by any information (or inference) or commitment regarding the equipment and/or services provided by PARADIGM or any authorized agent of PARADIGM (i.e. in brochures, specifications and other general information and documentation), unless such information, inference or commitment forms part of the agreement or these conditions.

**ARTICLE 4 LIMITATION OF LIABILITY**

- 4.1. PARADIGM shall not be liable for any damages to or malfunction of the equipment insofar as coverage is not provided by the guarantee as provided for in these conditions.
- 4.2. PARADIGM shall not be liable for any consequential or associated losses or damages arising from (the transport or use of) the equipment and/or services provided by PARADIGM (in the broadest sense), nor from any damages or injuries sustained by third parties arising from any incident associated with (the transport or use of) the equipment and/or services provided, including incidents involving negligence on the part of PARADIGM or any of her agents, whether related to malfunction or incorrect use of the equipment and/or services.
- 4.3. Client assumes liability for, and hereby agrees to indemnify, protect, save and keep harmless PARADIGM, its agents, employees, officers, directors, successors and assigns from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs and expenses, including reasonable legal fees and expenses, of whatsoever kind and nature imposed on, incurred by or asserted against PARADIGM, its agents, employees, officers, directors, successors and assigns, in any way relating to or arising out of (I) any negligent act or omission of Client or any of its employees or agents under these Standard Sales Conditions, or (II) Client's (or any of its employees or agents) breach of Client's obligations under these Standard Sales Conditions.

**ARTICLE 5 EQUIPMENT AND/OR SERVICES DELIVERY**

- 5.1. Commitment to equipment or fabrication will only be made upon receipt of the Client's original purchase order and 40% prepayment. Equipment will be released by PARADIGM after receipt of signed release note by the Client, or the Client's nominated inspector, and the remaining 60% payment. Article 6.4 is applicable.
- 5.2. In execution of the contract, PARADIGM will provide reasonable resources to ensure timely and correct execution of the required work within the delivery time (if any) provided for in the contract. However, liability is excluded regarding any damages in respect of or arising directly or indirectly from any product or service not being provided within the stated delivery time by PARADIGM.
- 5.3. PARADIGM considers all drawings proprietary information and will only provide general arrangement drawing, hydraulic, pneumatic, and electric schematics, and a parts list. PARADIGM does not provide manufacturer's information but limits this to PARADIGM part numbers.

**ARTICLE 6 SOFTWARE LICENSE**

- 6.1. In the event the Equipment includes Software, PARADIGM grants to the Client a non-exclusive, non-transferable Software License to use the Software with the Equipment for the specific purpose and according to PARADIGM instructions and within PARADIGM operation specifications, subject to the conditions set out in this Article 6.
- 6.2. In consideration of PARADIGM providing the Software License under clause 1 of this Article, and for the maintenance of said Software, the Client agrees to pay to PARADIGM an Annual Software License Fee, being 1,5% of the Purchased Equipment price for which the License is applicable, or as detailed in the offer to the Client by PARADIGM.
- 6.3. Client cannot use the Equipment, for the purposes other than in accordance to PARADIGM instructions and within PARADIGM operation specifications.
- 6.4. Client will not distribute, sell, License or sub-License, let, trade or expose for sale the Software to a third party.

- 6.5. No copies of the Software are to be made other than as expressly approved by PARADIGM.
- 6.6. No changes to the Software and/or Equipment or its content may be made by Client.
- 6.7. Client shall ensure that the Software retains all PARADIGM copyright notices and other proprietary legends and all trademarks or service marks of PARADIGM.

#### ARTICLE 7 PAYMENT

- 7.1. Unless otherwise agreed to in writing prior to acceptance of the contract, all pricing for equipment and/or services delivered and all payments will be in Euros (EUR).
- 7.2. The equipment will remain the property of PARADIGM until the total amount invoiced has been paid, whether release of the equipment has taken place or not, unless otherwise agreed in writing. The Client will be fully liable for all damages and other costs in the meantime.
- 7.3. Unless otherwise agreed the following schedule will be applicable to invoicing: 40% of the contract value will be due at receipt of Client's purchase order, 60% of the contract value will be due at works completion. Upon receipt of these funds (40% + 60%) the equipment will be released.
- 7.4. Only if agreed in writing, invoices can be paid after a certain agreed payment term.
- 7.5. If the Client fails to pay any amount due in the manner described above, he shall be in default without prior notice of default. If the Client remains in default with any payment, and other claims from PARADIGM on the Client shall be immediately due and the default becomes effective also with respect to those other claims, and without notice of default. As from the day the Customer is in default, overdue payment interest equal to the statutory interest (wettelijke rente) shall be due from the date until (and including) the date that the amount due has been received in full. All judicial and extrajudicial costs incurred by PARADIGM shall be paid by the Client. The extrajudicial costs are deemed to amount to at least 15% of the amount claimed by PARADIGM.

#### ARTICLE 8 CLIENTS INSTRUCTIONS, SPECIFICATIONS, DRAWINGS, ETC.

- 8.1. Where goods are manufactured or supplied or work is executed in accordance with instructions, specifications, drawings, particulars, patterns or models supplied by or on behalf of Client or prepared to these requirements, the following subsections are applicable.
- 8.2. PARADIGM accepts no responsibility for the suitability, safety, correctness nor accuracy of the aforesaid instructions, etc., nor for the suitability, safety, correctness or fitness for purpose of any resulting equipment and/or service.
- 8.3. If PARADIGM considers the design, materials or manufacturing process to be inadequate or impractical to comply with the contract, PARADIGM reserves the right to cancel the contract. In such an event, the Client will be held responsible for any and all equipment and/or services supplied or manufactured and for any work done pursuant to the contract.
- 8.4. The Client is to obtain at his own expense any necessary license or consent in respect of patent rights, copyrights or trademarks and is to indemnify PARADIGM against all liability, claims, damages, costs and expenditure whatsoever arising from or in respect of any infringement of patent rights, copyrights or trademarks or passing off occasioned by or resulting from compliance with the Client's express or implied instructions.

#### ARTICLE 9 CARRIAGE CHARGES, LICENSES, PERMITS, INSURANCE.

- 9.1. Unless otherwise provided in the contract, all equipment and/or services shall be delivered by PARADIGM ex-works. The client shall be responsible for the carriage and associated insurance for all

equipment, and the travel and related expenses for personnel providing services, including the costs of any required license, permit or consent related to the supply, transport, export or delivery of the equipment and/or services. In the event of these costs being incurred by PARADIGM on behalf of the Client, these payments shall be additional to the contract price of the equipment and/or services and subject to the same conditions.

- 9.2. If any such license, permit or consent is not obtained or is delayed so as to prevent shipment or delivery of the contractual equipment and/or services, the Client shall remain liable for payment of the equipment and/or services as per the date of ex-works release. In the event of cancellation of shipment due to the inability of the Client to procure the required permits, the Client will pay for any equipment and/or services available for delivery or shipment pursuant to the contract.

#### ARTICLE 10 INTELLECTUAL PROPERTY RIGHTS

PARADIGM warrants that it owns all Intellectual Property Rights and shall indemnify, defend and hold the Client harmless from and against all and any claims, liabilities, loss, costs and expenses howsoever arising out of or in connection with a breach of Intellectual Property Rights.

#### ARTICLE 11 RECISSION

Under no circumstances shall the Client lay a claim to rescission and/or termination of the contract between the parties hereto, unless otherwise agreed in writing.

#### ARTICLE 12 APPLICABLE LAW AND JURISDICTION

This contract (in the broadest sense) is governed exclusively by Dutch law. Any dispute arising between the parties hereto under or in connection with the contract shall be brought before the court of Rotterdam, the Netherlands.

#### ARTICLE 13 APPLICABLE CONDITIONS

- 13.1. Under no circumstances shall any standard conditions employed by the Client apply. These standard conditions shall prevail at all times and under all circumstances. A prior referral to standard conditions by the Client shall be deemed to be null and void.