

GENERAL CONDITIONS OF SALE AND PAYMENT KINDRSANITAIR, VENLO THE NETHERLANDS

Article 1. Application

1. These general conditions of sale and payment apply to all quotations, agreements and all contracts arising with or from Kindersanitair from such contacts. Kindersanitair will be further referred to as Kidsan.
2. These general conditions of sale and payment apply unless otherwise expressly agreed in writing by the parties concerned.

Article 2. Quotations

1. All quotations and estimates given are free of engagement, unless otherwise expressly agreed. All price lists and brochures supplied with quotations and estimates contain information that is as accurate as possible. These are only binding if agreed in writing.
2. All information given by Kidsan in a quotation or estimate remains the (intellectual) property of Kidsan and should be returned to Kidsan on request for the account of the other party. No information may be used, copied, passed on to third parties, or otherwise made public without the express permission of Kidsan.
3. If Kidsan sends a quotation to the other party, they are in no way obliged to actually deliver and/or accept the order
4. If the other party expressly requests a quotation to be made but within 2 months no confirmation of the order for the quotation concerned has been received, Kidsan retains the right to invoice any expenses occurred in relation to the offer to the other party.

Article 3. Settlement of contract

1. All contracts, even if they have been entered into with persons in the employment of Kidsan, will only be settled upon written or verbal confirmation by a person authorized by Kidsan or if Kidsan has commenced work on the order.
2. The engagement letter will be considered correct and accepted, unless Kidsan receives a written objection within 7 days following the date of the letter of engagement.
3. The content of the agreement is determined by the terms of the letter of engagement. Any additional agreements or modifications as well as agreements or commitments made by Kidsan or made by sales assistants, agents or sales representatives or other intermediaries on behalf of Kidsan are only binding if they have been confirmed in writing by Kidsan. In the last case Kidsan retains the right to modify the price. A consequence may be that Kidsan exceeds the agreed terms of delivery. Kidsan disclaims responsibility for any such delays.

Article 4. Prices

1. Unless otherwise stated Kidsan prices are:

- excluding VAT, import duties, other taxes, levies and other duties;
- ex factory;
- are stated in Euros.

2. In case Kidsan has to make any extra costs because of the agreements in the contract, such as travel costs, accomodation costs or administrative costs, those costs will be for account of the other party.

3. A compounded contract sum will not obligate kidsan to accomplish a part of the contract for the price given in the contract, or a in part of the contract.

3. In case price effects occur after the contract date, wich will change the prices given in the contract or in a part of the contract, kidsan will have the right to adjust the given prices before accepting the contract.

Article 5. Terms of delivery

1. The delivery time stated is not a deadline unless expressly agreed otherwise.

2. All deliveries are ex factory.

3. The other party is, unless otherwise agreed, bound to arrange transport for the goods when Kidsan provides them for delivery. In the event the other party does not arrange transportation within the agreed time, Kidsan will have the right to charge the storage costs for account of the other party. The risks relating to the foregoing shall be for account of the other party.

4. Exceeding the delivery time, as a result of force majeure, gives neither party the right to compensation, nor the right to fail to fulfil any of the obligations arising from this contract or other related contracts.

5. Kidsan retains the right to cancel delivery, if the other party owes outstanding items.

Article 6. Risk and liability

1. Kidsan is not liable for any damage suffered by the other party caused by or resulting from actions or omission of Kidsan, unless Kidsan can be held culpable of gross negligence.

2. Kidsan is not responsible for damages arising from errors or shortcomings caused by or on behalf of the other party.

3. Kidsan is not responsible for damage arising from the failure of, a malfunction in, or the otherwise not or insufficient functioning of equipment used by them when carrying out the contract, unless the malfunction was caused deliberately or was due to gross negligence on the part of Kidsan or one of their employees. In the event of malfunctioning, the other party is at all times bound and obliged to pay the agreed sum, unless the malfunction was caused deliberately or was due to gross negligence on the part of Kidsan or one of their employees.

4. Kidsan is not liable for damage caused by natural wear and tear and improper or excessive use of the equipment supplied or if the equipment has been used for purposes other than for which it is deemed suitable.

5. The other party indemnifies Kidsan for all compensation claimed by third parties, which could be lodged by the last mentioned against Kidsan based on any actions or negligence on the part of Kidsan or representatives of Kidsan in relation to any orders or the carrying out of any delivery obligations for the other party.

6. Kidsan's liability is limited at all times to the invoice value (excluding VAT) of the contract concerned or part of the contract.

7. Kidsan is only liable for direct damage; Direct damage means the reasonable costs to determine the cause and extent of the damage, where the determination relates to damage as meant under these conditions, any reasonable costs incurred for the poor performance of Kidsan to conform to the Agreement, where this can be imputed to Kidsan, and reasonable costs incurred to prevent or reduce the direct damage as meant under these conditions.

8. Kidsan retains the right at all times, if and as far as possible, to reverse claims lodged by the other party. This also includes the right of Kidsan to effect measures that could prevent or limit any possible damage.

Article 7. Transfer of risk

1. The risk of loss, damage or depreciation of the goods will proceed to the other party at the moment the goods will be brought in control of the other party.

Article 8. Defects, terms of claim and guarantees

1. Unless otherwise expressly stated at sale the quality, quantity, colour, weight, dimensions and packaging will be delivered in accordance with usual commercial practice and will therefore be considered as agreed.

2. The other party must inspect or have inspected the purchased/supplied goods at delivery ? or as quickly as possible afterwards ?, or inspect the goods as soon as they have been informed by Kidsan that the goods are at the other party's disposal. It is the responsibility of the other party to check whether the goods delivered conform to the contract, in other words;

- the correct goods have been delivered;
- the quantity of goods delivered conforms to the quantity ordered;
- the goods delivered conform to the quality agreed ? or if these are lacking ? to the quality standard demanded for normal use and/or commercial purposes.

3. If visible defects or shortages are discovered, the other party must report them to Kidsan in writing within 8 working days.

4. Invisible defects should be reported to Kidsan by the other party in writing within 2 days following their discovery, but no later than 14 days following delivery.

5. No claims can be made for usual or unavoidable differences in quality, quantity, colour, weight, dimensions and type of packaging prevailing in the trade - especially in the present sector.

6. The other party loses all rights to compensation for defects and shortages if no claim was lodged within the time stated above and if a claim was lodged in the correct manner within the applicable period but Kidsan was not offered the opportunity to remedy the defects.

7. Even if the other party lodges a claim punctually, their obligation to pay and accept the goods delivered remains unchanged.

8. Taking into account the terms contained in the articles in these general terms of payment and delivery, Kidsan vouches for the soundness and reliability of the goods delivered by them and the quality of goods delivered on their behalf and/or services supplied, however only in such a way that if it can be proven by the other party that defects in the delivered goods arose within the agreed term, solely or preponderantly were caused as a direct result of the construction's design, faulty finishing or use of inferior material, they shall be remedied by Kidsan without charge. With an implied agreement concerning the goods and/or services supplied by Kidsan, goods/services where defects have occurred will be remedied or replaced by Kidsan without charge or carried out again if the fault occurred within 8 months following delivery of the goods, completion of services, or, when goods had to be set into

operation by Kidsan, after setting into operation has taken place.

9. Kidsan's guarantees are null and void if the other party modifies or repairs the goods or allows third parties to do so, or if the delivered goods are used for purposes other than that intended or if the goods have been used or maintained in a way deemed by Kidsan to be unfitting or incorrect or if Kidsan has made timely notice of the fact that it does not agree with the choice of material and/or method of working dictated by the other, or if activities have been carried out by personnel other than those employed by Kidsan, or if the defects have been caused by unsuitable material or parts supplied by the other party.

10. If Kidsan delivers replacement spare parts or provides new services under the terms of guarantee, all the conditions contained in these general terms of delivery and payment shall apply.

11. The guarantee towards the other party does not extend further than replacing the faulty part with a new part, without charge. Any legal duties due for the part supplied free, such as import duty and sales tax, should always be paid by the other party. Labour costs and any travelling and accommodation expenses relating to the repairs are always for the account of the other party.

12. Repairs are not covered by the terms of guarantee.

13. Failure to fulfil the agreed obligations regarding payment and any failure to fulfil obligations by the other party releases Kidsan from its obligations, as contained in this article, as well as all further obligations. Fulfilment of the terms of guarantee by Kidsan applies as the sole and general compensation. The other party has no right to other claims for compensation, in whatever form, including a claim to cancellation of the contract.

Article 9. Reservation of title

1. The goods delivered by Kidsan remain the property of Kidsan until such time that the other party has fulfilled all obligations arising from all contracts settled with Kidsan, also including payment for work carried out in relation to contracts:

- reciprocation relating to the goods delivered or to be delivered themselves,
- reciprocation relating to the services carried out or to be carried out by Kidsan under the terms of the contract,
- any claims relating to the other party's failure to fulfil obligations concerning (a) contract(s) or a part of them.

2. If the other party fails to fulfil its obligations or there are reasonable grounds to suspect that they will fail to do so, Kidsan retains the right to repossess the items covered by the reservation of title referred to in clause 1 from the other party or from third parties storing the goods on behalf of the other party. It is compulsory for the other party to assist Kidsan or be fined 10% of the sum owing per day, without prejudice of the right of Kidsan to compensation for loss or damage.

3. The other party has no vested right to laws of liens or non-possessory liens or any other right to the goods covered by reservation of title referred to in clause 1. If third parties intend to vest rights to the goods covered by reservation of title referred to in clause 1, the other party is obliged to inform Kidsan of this fact as quickly as reasonably possible.

Article 10. Payment

1. Unless otherwise agreed payment will be in advance or under COD (cash on delivery) without deduction of any discount or compensation.

2. If agreed in writing that the invoice is not paid in advance or under COD payment to Kidsan must be effected within 14 days following date of invoice without deduction of any discount or compensation.

3. Unless otherwise agreed payment must be made into one of the bank accounts of Kidsan.

4. The other party can not claim compensation from Kidsan. In addition, the other party may not refuse to pay or delay payment by claiming late or inferior performance.

5. If the other party has not paid within the agreed time, this fact alone is sufficient to place them in default without any other notice of default from Kidsan being necessary, and they are liable to pay interest of 3% per month or the legally valid interest, if this is higher, for overdue payment from the date of the expiry.

6. If the invoice in principal and interest is not paid within 14 days after sending a letter of formal notice, the debt will be increased by additional compensation of damage, conventionally set at 10% of the amount payable at maturity with a minimum of euro 125,-.

7. Expenses for return bills or receipts, protest charges, legal collection or other costs arising from overdue payment will be accounted to the other party, whereby the extra-legal collection costs will be fixed at 15% of the total gross invoice value with a minimum of euro 125,-. The sums mentioned above are immediately claimable in their entirety and without previous notice of default or summons.

8. If the other party is in default of payment to Kidsan, Kidsan has the right to suspend the execution of all other current contracts between the parties until such time that payment has been effected, unless it has been agreed otherwise, to demand cash payment for further deliveries.

9. If Kidsan has serious cause to doubt the creditworthiness of the other party before or during the execution of a contract, Kidsan retains the right to suspend delivery or to cease further delivery, until sufficient security has been provided by the other party of their ability to pay the agreed price, irrespective of whether this is cash or within an agreed term following delivery.

Article 11. Return shipments

1. Unless otherwise agreed, delivered and accepted goods cannot be returned.

Article 12. Force majeure, cancellation and suspension of contract

1. Force majeure covers circumstances that obstruct fulfilment of the contract and that are beyond the control of Kidsan. This includes (if and to the extent that these circumstances prevent or unreasonably complicate delivery) among others: strikes in companies other than Kidsan; wild strikes or politically motivated strikes at Kidsan; a general lack of the necessary raw materials and other items required to complete/manufacture the agreed goods or services; unforeseeable stagnation at suppliers or other third parties on whom Kidsan is dependant and general transport problems.

2. Kidsan also has the right to recourse to force majeure, if the circumstances preventing (further) fulfilment arose after Kidsan should have fulfilled its obligations.

3. In the case of force majeure both Kidsan and the other party retain the right to partially or completely suspend the contract without court intervention if the force majeure situation continues for more than three months.

4. If carrying out the contract is delayed due to force majeure, the party on the order of whom or at the request of whom the delay was instigated, is obliged to choose between carrying out the order or partial or complete cancellation of the order within the time mentioned in the third clause.

5. Both in the event of cancellation and suspension as a result of force majeure, Kidsan retains the right to demand immediate payment for the goods already delivered ? applied or not ? and for the activities that have already been carried out as well as damages, costs and interest charges, including a reasonable part of the foregone profit lost by Kidsan.

6. In the event of cancellation or suspension of the contract by Kidsan as a result of force majeure, Kidsan is not liable for any compensation.

7. If the other party fails in, is not punctual or does not properly fulfil its obligations arising from the agreed contract with Kidsan, as well as in the event of bankruptcy or suspension of payment of the other party, or if the company ceases trading or is placed into liquidation, they will be legally considered to be in default and Kidsan therefore retains the right to wholly or partially suspend any contract without court intervention or notice of default, without being liable for any claims for compensation or bound to any guarantee and without prejudice to their further rights.

Article 13. Annulment and Indemnification

1. If the other party wholly or partially annuls the order, they are liable to pay Kidsan all costs reasonably made in relation to the said order (preparation costs, storage costs etc.) without prejudice to the right of Kidsan to compensation for loss of profit as well as general damages arising from the said cancellation.

2. In the event of annulment Kidsan retains the right in any case to indemnification of at least 25% of the total invoice value (in case of custom made products the sum of indemnity will be 90% of the total invoice value), unless the damage suffered and/or still to be suffered of whatever type exceeds this percentage. In this case, the sum of indemnity shall equal the total amount of damages suffered by Kidsan.

Article 14. Supplementary or less work, extra costs

1. The other party has the right to order modifications before or during work. Only surplus work ordered as such will be considered for completion and invoicing. Supplementary work shall be ordered in writing to Kidsan; the absence of a written order does not hinder the claim of the other party to completion, respectively invoicing of the order by Kidsan, if and in so far as it can be proven that the order to carry out supplementary work was given using other means.

2. Kidsan retains the right to account further costs to the other party which have been caused by the following, when:

a. The activities were hindered or could not be carried out in a normal and continuous fashion due to circumstances beyond Kidsan's control or fault ;

b. government regulations came into force that at the time the contract was settled were not or could not be known.

3. If less work is effected resulting in a reduction in the invoice costs, the other party has the right to be credited an equal amount.

Article 15. Information and co-operation duty of other party

1. The other party must ensure that Kidsan is in possession of all necessary information, in the required form, that is reasonably required to adequately carry out the order. This aforementioned information should be provided in a manner to be determined by Kidsan. The other party must also supply all the necessary co-operation required to complete the order.

2. Kidsan retains the right to suspend execution of the order until the other party fulfils the obligations mentioned in the previous clause.

3. The other party is liable to pay damages suffered by Kidsan resulting from this delay.

Article 16. Confidential information

The parties are, except in cases where a legal obligation to make public certain information exists, bound to secrecy regarding information received from the other party. The results achieved using this information are also strictly private and confidential. All parties must take all reasonable measures to ensure confidentiality.

Article 17. Right of industrial and intellectual property

Unless otherwise agreed Kidsan retains all copyrights as well as other rights of industrial and intellectual property on designs, sketches, illustrations, drawings, models, programs, equipment and quotations supplied by Kidsan. These items remain the property of Kidsan and may not be copied, passed on to third parties or used in any other way without the express permission of Kidsan. The other party is bound to return these items on immediate request of Kidsan or be liable to pay an immediate fine of € 1.500,- per day. This fine cannot be legally mitigated.

Article 18. Samples, models, examples, advice and information

1. All models, samples or examples supplied or shown by Kidsan are only indications: the actual goods to be delivered may differ from the models, samples or examples.
2. All advice or information given by Kidsan is of a non-specific nature and free of obligation.

Article 19. Modifications to the general conditions

Kidsan is authorized to modify these general terms of payment and delivery. These modifications apply from the indicated moment of taking effect. Kidsan will punctually notify the other part in writing of any modifications. If no time of taking effect has been specified, modifications applying to the other party take effect as soon as they have been informed of the modifications.

Article 20. Partial deliveries

Kidsan has the right to effect partial delivery of the goods purchased/ to be delivered. If goods are delivered as partial deliveries, Kidsan is authorized to invoice each delivery separately.

Article 21. Modifications to the goods to be delivered

Kidsan retains the right to deliver goods that differ slightly from the goods described in the contract, but that are however functionally identical. If Kidsan uses this possibility and delivers goods that differ substantially from the agreed goods, the other party has the right to cancel the contract. The other party retains this right for a period of 8 days after the differences have been discovered or could reasonably be said to have been discovered.

Article 22. Transport

1. All goods travel from the moment of shipment for the risk and account of the other party. Even if Kidsan organises transport, the other party is liable for all damages resulting from transport. The other party should be adequately and properly insured to cover this risk.
2. If, relative to the previous clause, Kidsan is held accountable, Kidsan can never be held liable for higher compensation than the sum which can be claimed for loss or damage during transport from the carrier and/ or insurer and shall on the other party's request cede its claim lodged against the carrier or insurance company to the other party.

Article 23. Disputes and applicable law

1. Dutch law applies to all contracts between Kidsan and the other party.
2. A competent Dutch court shall govern all disputes arising between Kidsan and other parties.

Disclaimer: These conditions are translated from the Dutch version as registered with the Chamber of Commerce in Venlo, the Netherlands. In case of disputes or legal proceedings the Dutch conditions will be applied.