



Purchase Terms and Conditions of Frisia Zout B.V.

1 Scope of application

- 1.1 These Purchase Terms and Conditions apply to all business relationships between Frisia Zout B.V. (hereinafter: "Frisia") and contracting parties such as, for example clients and suppliers (hereinafter: "Supplier"), with a view to contracts of purchase and/or delivery of movable items to Frisia and/or contracts for the performance of work and services for Frisia.
- 1.2 Part I of these Purchase Terms and Conditions contains the provisions that apply to all contracts of purchase concluded by Frisia and/or delivery of movable items to Frisia and/or contracts to perform work and services for Frisia. Consequently, Part 1 of these Purchase Terms and Conditions is applicable at all times. Part II contains the provisions that only apply if work and/or services are performed for Frisia or on the premises of Frisia.
- 1.3 Different general terms and conditions of the Supplier will not be recognised and will not become part of the contract. They will become part of the contract only if Frisia had confirmed the applicability of such terms and conditions in writing. This requirement of written confirmation will therefore apply if the Supplier's general terms and conditions are already known to Frisia and Frisia has already received the deliveries and/or services.
- 1.4 Different agreements between Frisia and the Supplier will take precedence over these Purchase Terms and Conditions only if they have been recorded in writing.
- 1.5 The rights and powers of Frisia pursuant to these Purchase Terms and Conditions will not affect the other rights that Frisia has under the law and the contract.

Part I: General

2 Formation of the contract

- 2.1 Contracts and changes thereto will be binding on Frisia only if Frisia has confirmed them in writing. Exceptions to this strict requirement of recording in writing can be agreed only in writing as well.
- 2.2 Only then will the absence of a response from Frisia to an offer, request or other statement of the Supplier apply as permission from Frisia, if this has been agreed in advance in writing.
- 2.3 Contracts and contractual changes that are generated automatically by Frisia and in connection therewith do not contain a signature meet the requirement of recording in writing referred to in this article.

3 Adjustments

- 3.1 The Supplier must honour reasonable requests by Frisia to adjust the agreed performance, the agreed work and and/or to perform additional work and may not refuse such a request. If such a request results in an increase of the agreed price and/or extension of the agreed completion/delivery times, the Supplier must notify Frisia of this after receipt of the request and before the start of the relevant work. Should such notification not take place, then the Supplier will not have a right to additional payment and/or extension of the agreed completion/delivery times.

- 3.2 Frisia will be entitled to a price reduction if the adjustment of the contract results in a reduction of costs on the part of the Supplier. The price reduction will be calculated on the basis of the rates, cost structure etc. included in the contract.

4 Performance of the contract and delivery time

- 4.1 The delivery time or performance period included in the order or contract will be binding on the Supplier. Should this be exceeded, the Supplier will be in default without further notice of default.
- 4.2 The Supplier must inform Frisia immediately in writing if a delay occurs, stating the reasons for delay and the expected duration of the delay. The Supplier must make every effort to limit the delay as much as possible, among other things by deploying extra manpower.
- 4.3 The Supplier is obliged at all times to provide Frisia with information at its request on the state of affairs and the scheduling of the agreed delivery/performance, where the delivery period/performance period is concerned as well as where the quality of the delivery is concerned. The Supplier must substantiate this information.
- 4.4 If it becomes evident during the performance of the contract or in the event of partial deliveries that the performance does not comply with the contract, or if it is clear that performance within the agreed period cannot be expected, Frisia will be entitled to cancel the contract without being liable to pay compensation. The same will apply if the Supplier fails to comply with the obligations to provide information referred to in this article. Frisia will exercise this right to cancel only if it has set a reasonable period in which the Supplier can still comply.
- 4.5 If Frisia accepts a late delivery/performance, this must not be viewed as a waiver of rights on the part of Frisia with respect to any rights to compensation.
- 4.6 If Frisia makes auxiliary resources available to the Supplier to perform the contract, these will remain the property of Frisia. Unless explicitly agreed otherwise, the Supplier must return the auxiliary resources made available to it by Frisia at the end of the contract in good condition, failing which it will be obliged to compensate Frisia for the replacement value.
- 4.7 If the Supplier processes auxiliary resources or raw materials made available by Frisia in goods of the Supplier itself, in such a way that specification or accession is involved, the Supplier must form these goods for or for the benefit of Frisia so that the ownership of the new goods is vested in Frisia.

5 Documents

- 5.1 If the parties have agreed on the provision of work drawings, the Supplier must make them available to Frisia free of charge on paper, in a customary electronic format as well as in a further workable file format. These details must be made available to Frisia in such a timely manner before the start of the delivery/performance that any approvals can follow and changes can be made without endangering the delivery time/performance period. If the delivery/performance is delayed because the Supplier has made the work drawings available too late, the costs arising from this for Frisia will be payable by the Supplier.

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- 5.2 The ownership of all documents made by the Supplier in the context of performance of the contract such as, for example technical documents, diagrams, drawings or other documents, regardless of which form and irrespective of which data carrier they are on, will pass to Frisia when they are made available to Frisia. The Supplier will not receive a separate payment for this; this will be considered to be taken into account in the agreed price.
- 5.3 On delivery/compliance the Supplier must in any case place the following documents at Frisia's disposal:
- all documents that Frisia needs to obtain the necessary permits;
 - information on the composition of the goods to be delivered/delivered/made;
 - work drawings documenting the ultimate design of the work ("as built");
 - all documents needed for the business operations that enable the use, repairs, procurement of spare parts and inspection of expansions or changes to the goods delivered/made;
 - all official admission documents;
 - a list of all parts that are wearing out as well as such a list of the codes of spare parts that enables the ordering of spare parts and makes clear which are the main parts wearing out, which are the standard parts and which other parts are needed;
 - certificates of used materials and test results, in so far as requested by Frisia and in so far as applicable to the contract.

6 Retention of title

- 6.1 Delivery to Frisia takes place unconditionally, without being affected by payment of the agreed price. If Frisia has accepted a transfer of title in the contract that is dependent on payment of the purchase price, the Supplier's retention of title will cease to have effect no later than at the time of payment of the purchase price of the goods delivered. A more far-reaching retention of title of the Supplier is excluded.

7 Quality assurance

- 7.1 The Supplier must use and maintain an effective quality assurance system. When requested, the supplier will provide Frisia proof of this quality assurance system. At Frisia's request the Supplier will use a quality management system in accordance with ISO 9001 ff. or an equivalent thereof. Frisia will be entitled to inspect the Supplier's quality assurance system or to have it inspected by a third party.

8 Audits

- 8.1 Frisia is entitled to carry out audits at the Supplier to verify the state of the work and the quality of the performance. In this context Frisia will have the right to enter and inspect the premises of the Supplier or its subcontractors, provided with timely announcement in advance. Frisia and the Supplier will each bear its own costs of such an audit.

9 Engagement of third parties/subcontractors, transfer

- 9.1 Except with written permission from Frisia the Supplier is not allowed to engage third parties for the performance of the contract. If the Supplier is planning to engage third parties in the performance of the contract, this must already be indicated in the offer.

- 9.2 The Supplier can only transfer its rights and obligations under the contract to a third party only after written permission from Frisia.

10 Delivery/packaging/passing of risk/weight

- 10.1 Deliveries to Frisia take place in accordance with the Incoterm "DAP" or, in the event of cross-border deliveries, "DDP". Delivery must take place at the location indicated in the contract. This location is also the place where work is performed. Delivery stipulations as referred to above are interpreted in accordance with the most recent version of the Incoterms® as published by the International Chamber of Commerce (ICC).
- 10.2 The Supplier must ensure that the transport referred to in 10.1 is carried out in such a way that all legal rules and regulations as well as all other national and international obligations are complied with that apply to the transport in question.
- 10.3 The Supplier must ensure that the goods to be delivered are packed in such a way during transport that they reach Frisia in good condition.
- 10.4 The Supplier must ensure that the goods to be delivered are insured at its expense for damage and loss due to or during transport and indeed for their full replacement value.
- 10.5 The goods delivered will be at Frisia's risk from the delivery thereof. If the Supplier has failed to perform a contractually agreed weighing of the goods, the weight determined by Frisia will be binding.
- 10.6 The Supplier will be liable to Frisia for damage to or loss of the goods to be delivered due to or during their transport. If there is damage or loss as referred to above, the Supplier must repair or replace the relevant goods free of charge. Frisia will notify the Supplier as soon as possible if it ascertains that there has been damage or loss.

11 Defects

- 11.1 The Supplier warrants that the goods will have the agreed properties when the risk passes to Frisia. The agreed properties ensue from the product descriptions that are the subject of the relevant contract.
- 11.2 Unless the Supplier has given a longer warranty period, the Supplier warrants for a period of 24 months that the goods delivered and services and work performed:
- are in accordance with that which is stated in the order in relation to quantity, description and quality;
 - are suitable for the purpose for which they have been delivered;
 - are complete and ready for use;
 - are made of suitable and new materials;
 - are the same in all respects as the samples or models the Supplier has provided to Frisia;
 - are provided with the instructions for use and instruction materials belonging to the goods.
- 11.3 The Supplier warrants that all services and work it has performed have been performed carefully in accordance with the standards and specifications set by Frisia and in conformity with any statutory government rules and regulations and other government instructions.

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- 11.4 The Supplier warrants that the goods delivered and services and work performed meet all applicable statutory requirements as well as the requirements otherwise set by the government in all respects, and that work performed has been performed carefully in accordance with the standards and specifications set by Frisia.
- 11.5 If the goods prove not to comply with the provisions of this article during the period referred to in 11.2, the Supplier will be in default by operation of law, without further notice of default being required. In such a case Frisia will be entitled to claim repair and/or replacement of the goods delivered, without prejudice to the other rights to which it is entitled in such a case.
- 11.6 In derogation from the provisions in Book 7 Section 23(1) of the Dutch Civil Code (BW), Frisia will then be able to exercise its rights even if it has not informed the Supplier with a reasonable time as referred to in that section of the fact that the goods do not comply with the contract.
- 11.7 Frisia's obligation to investigate, if any, will be limited to those defects that can be recognised in a simple way during an external inspection of the goods such as, for example damages during transport or a wrongly delivered quantity. If the parties have agreed a completion, Frisia will not be subject to an obligation to investigate on completion.
- 11.8 In all cases the report of a complaint by Frisia will count as made forthwith and therefore in time if it is made within 28 calendar days after Frisia discovered the defect.
- 11.9 If the Supplier does not comply with its obligation to perform within a reasonable time set by Frisia, then Frisia will be entitled to repair the defects itself and demand reimbursement by the Supplier of the costs it incurred to do so. The setting of a time limit as referred to in the preceding sentence will not be necessary if repair by the Supplier has failed or if the setting of a time limit is not acceptable to Frisia such as, for example in case of urgent need or in case of threatening disproportional damage.
- 11.10 For the rest Frisia will be entitled in case of actual or legal defects to reduce the agreed price or to terminate the contract, all this in accordance with the legal provisions. The foregoing will not affect Frisia's claims on compensation of damage/injuries suffered and costs incurred.

12 Compensation

- 12.1 The Supplier must compensate Frisia for all damage/injuries that Frisia, its employees or its customers suffer due to the goods delivered by the Supplier or as a result of actions by the Supplier, its employees or other persons that the Supplier has engaged in the performance of the contract.
- 12.2 The Supplier indemnifies Frisia for claims of third parties in relation to damage/injuries they have suffered as a result of actions by the Supplier, its employees or other persons that the Supplier has engaged in the performance of the contract. In case of such a claim by third parties, Frisia will be entitled to act as it sees fit, but only after consultation with the Supplier.

13 Prescription

- 13.1 In derogation from the provisions in Book 7 Section 23(2) of the Dutch Civil Code (BW) the legal actions and defences that are based on facts that would justify the assertion that the good delivered do not comply with the contract will become time-barred by the passage of three years after notification by Frisia of the relevant shortcoming.
- 13.2 If the Supplier complies with its obligation to repair a shortcoming by delivering one or more goods again, then a new prescription period will start to run for these goods. This prescription period will start on delivery of the goods in question. There will not be a new prescription period only if the Supplier has explicitly made the reservation that the work is being performed only as a goodwill gesture or to avoid disputes.

14 Price, payment, etc.

- 14.1 The price agreed between the parties will be fixed. In case of doubt, the price will apply as Frisia indicated it in the order. Unless explicitly agreed otherwise, the agreed price will include all work and services and ancillary obligations of the Supplier and all additional costs such as, for example the costs of packaging, customs, import duties, transport, transport insurance etc.
- 14.2 More or extra work or costs will be eligible for compensation only if this has been agreed with Frisia explicitly and in writing.
- 14.3 All prices are exclusive of BTW (Dutch VAT). Payments will be made only on the basis of legally valid invoices that comply with the legal and contractually agreed rules and regulations, in particular rules relating to VAT, and contain the Supplier's VAT identification number. Frisia's order number must be stated at all times. Payment will be made within 30 days of receipt of a verifiable invoice and correct performance of the contract.
- 14.4 The statutory rules apply to the start of default on the part of Frisia. In any case default will start only after notice of Frisia's default by the Supplier.
- 14.5 The Supplier can only rely on setoff and/or suspension in relation to legally established claims or claims that are not disputed by Frisia.
- 14.6 Frisia will be entitled to demand that the Supplier provides an unconditional and irrevocable bank guarantee at its own expense, issued by a banking institution accepted by Frisia, or to ask it to provide other security to guarantee compliance with the obligations of/by the Supplier.

15 Product liability/insurance

- 15.1 If Frisia is held liable under product liability legislation, then the Supplier indemnifies Frisia for such claims and in so far as the damage and/or loss is due to a defect in the goods delivered by the Supplier.
- 15.2 During its contractual relationship with Frisia the Supplier must take out and maintain adequate product liability insurance at its own expense and prove its existence at the written request of Frisia.



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16 Intellectual property rights, nondisclosure

- 16.1 If intellectual property rights are created through or during the Supplier's performance of the contract, these rights will be vested in Frisia.
- 16.2 In so far as intellectual property rights in the goods delivered or work performed are vested in the Supplier, by way of the delivery to or performance of work for Frisia, the Supplier provides Frisia with an unlimited and freely transferable right of use in the goods delivered or work performed. The Supplier warrants that the delivery or work or the use thereof by Frisia does not infringe on rights of third parties.
- 16.3 If the use of the goods delivered and/or the work performed in accordance with the contract is restricted by rights of third parties, regardless of its other contractual rights and legal obligations, the Supplier must see to it at its own expense and after consulting with Frisia either that Frisia is able to use the goods delivered/work performed unrestricted and without additional costs, or alter the relevant parts of the goods/work in such a way that they no longer infringe on the rights of third parties, all this however on condition that they still fully meet the contractual conditions.
- 16.4 Without prior written permission from Frisia, the Supplier must not use for its own purposes or disclose to third parties Frisia's know-how and all information it has obtained for the benefit of or on the occasion of the contract, the negotiations on or performance of the contract. Without prior written permission from Frisia, documents made available by Frisia must not be reproduced and must be returned to Frisia immediately after the contract has been performed. The Supplier must also impose these obligations on its employees and the third parties it has engaged. In the relationship with Frisia, a violation of the provisions in this article by an employee of the Supplier or a third party it has engaged will count as a violation by the Supplier.

17 Force majeure

- 17.1 If the Supplier is entitled to rely on force majeure, this right will cease to have effect if the Supplier has not informed Frisia in writing without delay of the existence and the contents of the reason for force majeure and substantiated this with the aid of sufficient items of evidence.
- 17.2 If force majeure prevents the Supplier from complying with the contract for more than thirty days, Frisia will be entitled to terminate the contract in full or to terminate the part not performed, free of charge and without any notice of default or judicial intervention being required.

18 Termination

- 18.1 If the Supplier fails to comply with its obligations under the contract or fails to comply in time, whatever the reason for this may be, without further notice of default being required, Frisia will be entitled to terminate the contract with the Supplier by means of a written statement.
- 18.2 Frisia will also be entitled to terminate the contract with the Supplier by means of a written statement if the Supplier is declared insolvent, it has been granted suspension of payment, it offers its creditors a composition (whether or not in the context of the Court Approval of a Private Composition (Prevention of Insolvency) Act (WVIA)), the Supplier's

business is liquidated, there has been a change of control at the Supplier as referred to in the Social and Economic Council's Merger Code 2015 (in Dutch: SER Fusiegedragsregels 2015) or if the legal entity of the Supplier is dissolved.

- 18.3 The end of the contract will not affect the rights and obligations which by nature are intended to survive after the end of the contract (e.g. warranties, obligations relating to intellectual property, nondisclosure etc.) and will have no effect on claims that arose before the end of the contract.

19 Divisibility/applicable law/jurisdiction

- 19.1 The invalidity or nullity of a provision from these Purchase Terms and Conditions will not affect the validity of the other provisions. The parties will replace the invalid provision by a provision that approaches the contents and purport of the invalid provision as closely as possible.
- 19.2 These Purchase Terms and Conditions and all legal relationships between Frisia and the Supplier shall be governed by Dutch law, subject to exclusion of the Vienna Convention on Contracts for the International Sale of Goods.
- 19.3 The court with jurisdiction for all disputes arising from or connected with the contract is the court in Leeuwarden. Frisia will nonetheless be entitled at all times to bring the case before a court of the place of performance or the court of the Supplier's place of business. The foregoing will not affect any mandatory provisions in relation to the jurisdiction of the court.
- 19.4 This version of the Purchase Terms and Conditions is a translation of Frisia's Dutch Purchase Terms and Conditions ('Inkoopvoorwaarden Frisia Zout'). In the event of any discrepancies between the original Dutch version and the English translation of the Purchase Terms and Conditions, the Dutch text prevails.

Part II: Specific terms and conditions

20 Employees from outside the EU

- 20.1 All employees who are deployed by the Supplier for work for Frisia and who come from outside the EEA must have the required work permits. Before the start of the work, the Supplier must hand over a list to Frisia of the details of the employees concerned, a copy of their proof of identity, as well as copies of their work permits.
- 20.2 For the rest the Supplier must also comply with that which is prescribed in the relevant laws and regulations, including the Foreign Nationals (Employment) Act (Wv).
- 20.3 The Supplier indemnifies Frisia for all claims of third parties (including e.g. fines imposed by the Dutch government) for violations of the relevant laws and regulations, whether or not consisting of the absence of the required documentation.

21 Liability for taxes, wage tax and national insurance contributions, bogus schemes etc.

- 21.1 The Supplier is responsible for and warrants to Frisia that it and the subcontractors/third party or parties it has engaged for the performance of the contract will comply with the applicable laws and regulations including, but not limited to those relating to employment terms and conditions (including

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the collective bargaining agreement (CAO) that applies to its employees), driving and rest times etc. The Supplier indemnifies Frisia for claims in relation to non-compliance with obligations.

- 21.2 The Supplier warrants that it and the subcontractors/ third party or parties it has engaged to perform the contract comply with the obligation to file tax returns and payment obligations to government authorities, among other things concerning taxes, wage tax and national insurance contributions, premiums and other comparable payment obligations. The Supplier indemnifies Frisia for claims in relation to non-compliance with obligations.
- 21.3 At Frisia's request, the Supplier must provide proof of compliance with the obligations referred to in articles 21.1 and 21.2, for example by means of a payment history report to be issued by the competent government authorities, or a comparable report (whether or not from foreign government authorities) and the Supplier must provide Frisia with insight into its accounts and records.
- 21.4 Immediately at Frisia's request the Supplier must cooperate in taking measures that protect Frisia against liability to third parties (including government authorities) as referred to in the preceding paragraphs of this article such as, for example opening a G account. If the parties work with a G account, the Supplier must state the amount of wage tax and national insurance contributions and/or turnover tax on the invoice that must be deposited in the G account.
- 21.5 At Frisia's request, the Supplier must have invoices accompanied by, or that refer to, a time sheet showing which persons are deployed to perform the contract, on which days and for how many hours a day. Furthermore, the Supplier must state that, at the time that the work is performed, said persons are in its paid employment or were supplied to it.
- 21.6 If Frisia hires workers in or in cases in which Frisia acts as contractor, the Supplier must provide Frisia with information on the types of proof of identity of the persons it deploys, their numbers and their terms of validity, notwithstanding the provisions in article 20.1.

22 Order, safety and the environment

- 22.1 While performing the Contract, the Supplier and its personnel must observe all applicable laws and regulations and all government safety regulations and environmental regulations. In addition, the Supplier and its personnel must comply with regulations, instructions and directions in relation to order, safety, the environment and control applicable at the place of delivery or performance.
- 22.2 Work on the premises of Frisia will be performed within the customary working hours at Frisia, unless explicitly agreed otherwise.
- 22.3 In order to gain access to Frisia's premises, the Supplier, the persons working at it and the third parties it has engaged must follow the customary reporting procedure at Frisia.
- 22.4 The Supplier and its personnel must also follow the regulations, instructions and directions applicable at Frisia in relation to order, safety, the environment and control (including the regulation on [www.\[.\].nl](http://www.[.].nl)).

22.5 If relevant to the work to be performed by the Supplier, employees, auxiliary persons or other third parties engaged by the Supplier must fill in the work permit used by Frisia, failing which they can be denied entry to Frisia's works.

22.6 The Supplier must avoid any pollution/contamination of the air, soil and groundwater and must limit the nuisance for Frisia as much as possible. The Supplier must report every irregularity in relation to order, safety, health and the environment to Frisia. In case of an incident, the Supplier, under supervision by Frisia, must take all necessary measures to limit or eliminate damage and other negative effects as much as possible.

23 Circumstances at Frisia

- 23.1 The Supplier is aware of the aggressive natural environment and process circumstances on the factory premises of Frisia, which means the direct influence of the salty composition of the air due to the fact that Frisia is located on the Waddensee Dyke, combined with the fact that the production process of Frisia focuses on producing salt.
- 23.2 The Supplier itself is responsible for periodically seeing to it that the materials made available to Frisia and/or materials used on the premises of Frisia are able to withstand these circumstances.
- 23.3 Frisia is not liable for damage to goods or materials of the Supplier in connection with this aggressive natural environment and these process circumstances.

24 Work

- 24.1 The Supplier must follow reasonable instructions of Frisia concerning the performance of the contract.
- 24.2 If the Supplier has to perform work for or on the premises of Frisia, the contract concluded with it will contain the following obligations for the Supplier, unless otherwise agreed in writing:
- the layout and maintenance of the building site(s);
 - the supply of electricity, water and sewers, including all connection costs during the building period until completion and acceptance;
 - guaranteeing public safety in relation to the facility to be built;
 - protection of the work performed against damage (including the pollution of groundwater and damage due to weather conditions) and theft;
 - identification of electric and other cables in structures and the soil, as well as their protection;
 - obtaining the necessary official permits and approvals;
 - carrying out all necessary land surveying work during the building period;
 - drawing up and providing to Frisia documentation in relation to spare and other parts, revision plans, company documents, company regulations and maintenance instructions etc.

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- i) laying and maintaining access roads and roads to the site;
 - j) keeping the building site(s) clean, removal of waste, contamination and suchlike;
 - k) participation in all work meetings;
 - l) checking the documents Frisia has provided to the Supplier for completeness, factual correctness and suitability for the performance of the work. The Supplier must notify Frisia in writing and forthwith of any reservations concerning this;
 - m) drawing up and submitting workplace and installation plans, as well as submitting them for verification within the agreed time limits, but in any case in good time before performance;
 - n) the provision of contingency or spare parts requested by Frisia and/or a statement of the alternative possibilities for them desired by Frisia;
 - o) ensuring compatibility with existing interfaces and coordinating work and deliveries in such a way that they can be completely integrated with deliveries and work by third parties or existing systems at Frisia.
 - p) the use and making available of all materials (e.g. building and construction materials, components, spare parts and so forth.) as well as auxiliary materials, resources (e.g. tools, devices, machines, vehicles, scaffolds, containers, energy, water etc.).
- 24.3 The obligations referred to in article 24.2 are included in the price agreed with the Supplier, unless otherwise agreed in writing.