

CQ INTERNATIONAL B.V. GENERAL TERMS OF DELIVERY

1 DEFINITIONS AND APPLICABILITY

1.1 In these General Terms of Delivery ("Terms") the following definitions will apply:

CQ International: the CQ International B.V. registered in the Netherlands (KvK nr. 27260993).

Work : every product or work carried out by CQ International B.V. on the instruction of the client.

Product : the work made available to the client.

IP rights : rights to intellectual and industrial property such as copyright, design, model and patent rights.

1.2 These Terms apply to and form an integral part of every proposal, order agreement or legal relationship between CQ International and the client. The applicability of any other terms or conditions or provisions to which the client refers, is explicitly rejected. Any deviations from these Terms will only be specifically agreed in writing.

1.3 These Terms also apply to any additional or subsequent orders.

1.4 If one or more of the provisions in these Terms are invalid or are rescinded, the remaining provisions in these Terms will remain in full force and CQ International and the client will enter into negotiations to agree new provisions to replace the original provisions, which will as far as possible be consistent with the purpose and scope of the original provisions.

1.5 CQ International is free, in cases where CQ International deems it appropriate, to release the client from its obligation to comply strictly with these Terms. This however does not mean that in doing so CQ International loses the right to demand the client to meet the strict obligations of the Terms in future, similar or other cases.

2 PROPOSALS AND ORDERS

2.1 Proposals issued by CQ International may be accepted within the time period specified by CQ International in the proposal or, if no time period is stated, within one month after the date of the proposal.

2.2 CQ International may withdraw or recall a proposal at any time before receipt of notification of the acceptance of the proposal concerned by the client.

2.3 Unless stated otherwise, the fees and prices specified in a proposal exclude Dutch sales tax (BTW) and other official taxes and duties and exclude the costs to be incurred in the context of the order but which cannot be determined in advance, such as – but not limited to – costs for meetings, travel time, courier services and reproduction costs.

2.4 Acceptance of the proposal and/or granting of the order takes place in writing.

2.5 CQ International will make every effort to carry out the order with care, to represent the interests of the client to the best of its knowledge and to endeavour to achieve the best result for the client within the scope set.

2.6 A time period given by CQ International for the completion of the agreed order or part thereof is for indication purposes. In the case of a time period being exceeded, the client will issue a written notice of default to CQ International. CQ International will be offered a reasonable time period within which to realise the order or partial order.

2.7 If, as a result of an amended or

incomplete order, or where the client has not supplied complete, suitable and clear information and/or materials, or not provided these on time, CQ International needs carry out additional or other work, then CQ International is entitled to submit an additional claim for this work.

2.8 If the order is carried out in parts or phases, CQ International may suspend work on the subsequent parts or phases until the client has approved the results of the previous part(s) or phase(s) in writing.

2.9 The client has its own obligation to verify the safety and usability of the work by CQ International and of the products or services that arise entirely or in part from that work, as well as their suitability for the intended purpose.

2.10 CQ International has no obligation to verify any possible infringement of its work on IP rights of third parties.

2.11 CQ International will provide the client with the opportunity to check and approve the work prior to production, reproduction or publication.

2.12 Complaints should be communicated to CQ International in writing as soon as possible but no later than 30 days after completion of the order. If no such notification is received the client is deemed to have approved and accepted the result of the order in full.

2.13 After completion of the order neither the client nor CQ International is obliged to retain materials and information used.

3 PRICE AND PAYMENT

3.1 The order is subject to the fee or the price laid down in the proposal or agreement accepted by the client. It is possible to agree the fee or the price as an indication, and/or per activity, per part or phase of the total order.

3.2 CQ International is entitled to invoice the work carried out per activity, per part or per phase of the total order.

3.3 Payments should be made within 30 days after the invoice date, without deductions or settlement adjustment.

3.4 If the client fails to make the timely or complete payment of an invoice, the client is deemed to be legally in default. In this case the client will owe the legal interest plus 2% from the expiry date. In addition, the client will also be liable for all the costs incurred by CQ International in recovering the debt both in legal proceedings and out of court. The out of court collection costs are set at 15% of the amount owed with a minimum of €600 (six hundred euros).

3.5 During the period of non-compliance by the client of his payment obligations CQ International is entitled to suspend or postpone all its obligations arising from the agreement or legal relationship. During this period the client has no rights to use the results of work carried out by CQ International, although CQ International is entitled to demand full compliance.

4 INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS (IP RIGHTS)

4.1 As maker of the work, CQ International is entitled to all IP rights over all work developed by CQ International for the client or made available to the client in the context of the order. CQ International has the sole entitlement to establish IP rights over this work.

4.2 After completion of the order CQ International will transfer applicable IP rights to the client, so that the client is

free to use the product without additional agreement with CQ International and may take action against third parties who infringe these rights. This transfer does not cover any inventions, know-how or other IP rights that CQ International has acquired during the product development for the client and which are not distinctive to the aesthetic characteristics of the product. CQ International retains these rights and may use them for future work and product development, insofar as such use does not compete with the product.

4.3 In spite of the transfer of IP rights CQ International retains the right to use the work or two or three dimensional images thereof for acquisition and advertising purposes stating the name of the client. This applies solely and insofar as the work, or products or services which arise entirely or in part from the work, have been launched in the market or have entered the public domain by other means.

4.4. Any transfer of IP rights will be subject to the condition subsequent that the client has satisfied all its obligations towards CQ International.

5 RETENTION OF TITLE

5.1 All moveable goods supplied by CQ International to the client in the context of the order will remain the property of CQ International until the client has met all obligations arising from the agreement or legal relationship with CQ International in full.

5.2 The client will do all that may be reasonably expected of him to protect the items supplied to him under retention of title. As part of this protection, the client will not sell, mortgage or otherwise encumber items to which CQ International's retention of title applies.

6 CONFIDENTIALITY

6.1 CQ International and the client must exercise confidentiality in respect of all confidential information they are given that relates to the carrying out of the order and/or which is expressly pointed out as being confidential.

6.2 CQ International and the client will impose this confidentiality obligation on all third parties whom they involve in carrying out the order.

6.3 The confidentiality obligation does not apply to information which:

- is (or becomes) part of the public domain;
- has been obtained legally from a third party not bound by such a confidentiality obligation;
- has been obtained autonomously, independently of the transfer of information from the other party;
- is released with the permission of the other party.

6.4 An infringement of the confidentiality obligation is an attributable failure to comply with the agreement.

6.5 The confidentiality obligation terminates three years after the commencement of the order, or at a time agreed between CQ International and the client, or the moment a specific circumstance comes into effect.

7 TERMINATION AND RESCISSION

7.1 When the client terminates the agreement with CQ International, in addition to compensation, he is also liable to CQ International for the fee and the costs incurred with respect to the work carried out until the termination.

7.2 Both the client and CQ International

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are entitled to rescind the agreement at once and with immediate effect in the case of insolvency or (provisional) suspension of payments (surseance van betaling) of the other party.

7.3 If the client fails to meet his obligations arising from the agreement and such failure justifies rescission of the agreement, CQ International is entitled to rescind the agreement at once and with immediate effect without any obligation to pay compensation or to indemnify the client for any losses, whilst the client as a result of his default is liable to pay compensation and to indemnify CQ International for all losses.

7.4 The compensation intended in 7.1 and 7.3 covers at least the costs arising from the commitments entered into with third parties by CQ International in its own name to meet the order as well as at least 30% of the remaining part of the fee that the client would owe on full completion of the order.

7.5. If the client rescinds the agreement due an attributable failure on the part of CQ International to meet its obligations, the work already supplied by CQ International and the associated payment obligations on the part of the client will not form part of the cancellation, unless the client contests that CQ International is in default in respect of this work. Any amount CQ International has invoiced prior to rescission with respect to the work satisfactorily carried out or goods supplied by CQ International, remains due, in compliance with the provision stated in the previous sentence, and becomes payable immediately at moment of the rescission.

8 LIABILITY

8.1 If during the implementation of the order an unexpected event occurs (this is understood to include a failure to perform), which leads to liability on the part of CQ International, this liability will be limited to the amount paid out by the liability Insurance taken out by CQ International for this particular circumstance, including the excess CQ International carries in respect of the insurance. If and insofar as for whatever reason no payment is made under the said insurance, any liability on the part of

CQ International is limited to the fee invoiced by CQ International to the client with respect to the order concerned to a maximum of €25,000 (twenty-five thousand euros).

8.2 CQ International is only liable insofar as the client suffers damage or loss which is directly attributable to the culpable failure of CQ International to meet its obligations under the agreement and insofar as the client has no fault with respect to the incident concerned.

8.3 CQ International is not liable for any failure to meet obligations under the agreement which is attributable to force majeure. This also applies in the case of force majeure on the part of a third party engaged by CQ International.

8.4 Under no circumstances will CQ International be liable for indirect damage or loss, such as – but not limited to – loss of revenue.

8.5. CQ International explicitly accepts no liability for damage or loss arising as a result of:

- a. repairs and/or alterations made by or on behalf of the client to the work or products or services arising from it;
- b. inadequate cooperation, materials and/or incorrect or incomplete information provided by the client;
- c. conflicting IP rights of third parties over the work supplied;
- d. limited and/or incorrect or incomplete information provided by official registers and other external sources;
- e. incompetent, incorrect or inappropriate use of the goods supplied, or use in a way other than that stipulated by or on behalf of the client or CQ International;
- f. negative assessment by a third party/independent expert insofar as there is no scientifically recognised mathematical, biological, chemical or physics principle underlying the issue;
- g. errors or failures in the work, if the client, in line with the provisions in clauses 2.8 and/or 2.12, has given his approval, or, in line with clause 2.11, has been given the opportunity to carry out checks and has not availed himself of this opportunity;
- h. CQ International's justified exercise of any right of retention, suspension or rescission that it has acquired by law, under these Terms or under any

agreement.

8.6 Any possible claim for liability by the client expires within one year after completion of the order.

8.7 The limitations and exclusions set forth above in this Section 8 shall apply only to the extent permitted by applicable mandatory law.

9 GUARANTEES AND INDEMNIFICATION

9.1 CQ International warrants that it carries out the order using only its own creativity as well as that which it judges to be in the public domain. CQ International gives no guarantee that third parties do not have any IP rights which conflict with the work/product.

9.2 The client indemnifies CQ International against any claims for damage or otherwise with respect to IP rights on the materials or information provided by the client which are used during the execution of the order.

9.3 After the IP rights have been transferred in line with clause 4, the client indemnifies CQ International for all damage and costs arising from claims by third parties against the client or CQ International in respect of any infringement or possible infringement by the work/product of IP rights of the third party.

10 APPLICABLE LAW AND COMPETENT JUDGE

10.1 The legal relationship between the client and CQ International and the applicability of these Terms are governed by Dutch law.

10.2 Disputes between parties will be exclusively settled by the competent judge in The Hague, the Netherlands.

11 MISCELLANEOUS

11.1 CQ International reserves the right to amend and/or extend these Terms.

11.2 These Terms have been drawn up in Dutch and English. In the case of any discrepancies between the English and Dutch versions, the Dutch text shall prevail. These terms can also be found on the website; <http://www.cq-int.com>