

GENERAL CONDITIONS OF SALE, DELIVERY AND PAYMENT, DELTA TRADING HOLLAND B.V.

Article 1 Definitions

In these General Conditions the following terms shall have the following meaning unless expressly agreed otherwise in writing by Parties:

1. **Deltafil:** the private limited company Delta Trading Holland B.V., trade name: Deltafil, registered at (5046 GN) Tilburg, Goirkestraat 84, registered with the Chamber of Commerce of Tilburg under number 18013260, User of these General Conditions;
2. **Contract Party:** the natural person, partnership and/or legal entity that has entered into an Agreement with Deltafil to which these General Conditions apply;
3. **Agreement:** the Agreement between Parties with respect to the sale and delivery of Goods;
4. **Goods:** The Goods to be sold and/or supplied to Contract Party by Deltafil;
5. **Parties:** Deltafil and Contract Party.

Article 2 General

1. These General Conditions apply to any and all enquiries, offers, price quotations and Agreements, except expressly stated otherwise in writing by Deltafil.
2. The applicability of any general conditions of Contract Party is expressly rejected.
3. Arrangements with and/or commitments of employees and/or representatives not being Directors, shall not be binding on Deltafil until after Deltafil has confirmed these arrangements and/or commitments in writing.
4. Amendments of these General Conditions shall be valid only if agreed between Parties in writing.

Article 3 Offers and Price Quotations

1. Any offers and price quotations of Deltafil (and prices and conditions contained therein) shall be free of engagement, and are subject to change until the time at which Deltafil has confirmed the offer or price quotation.
2. An offer and/or price quotation is cancelled in case Goods to which the offer and/or price quotation refers, are meanwhile no longer available.
3. Deltafil cannot be required to comply with its offers and/or price quotations in case Contract Party could reasonably understand that the offers and/or price quotations or part thereof contain an apparent mistake or clerical error.
4. Deltafil shall at all time have the right to refuse an order without stating a reason and shall not be liable for any damage which directly or indirectly may be and/or has been caused by this refusal.
5. An Offer shall be confirmed in writing by Deltafil.
6. The Agreement shall be concluded once Deltafil has sent a written Order Confirmation to the Contract Party.
7. Verbal Agreements shall not be binding until after they have been confirmed in writing by Deltafil.
8. In case of deviation between the acceptance and that described in the offer and/or price quotation no Agreement shall be concluded between the Parties.
9. The scope of the obligations of Deltafil shall be determined by its Order Confirmation. Contract Party is considered to have accepted said Confirmation as correct, in case no objections in writing have been submitted to Deltafil within 3 (business) days after the date of the Order Confirmation.
10. Illustrations and descriptions in offers, brochures, catalogues, specifications of sizes, weights and colours and any other information provided by Deltafil shall not be binding on Deltafil but shall serve as illustrations only. The above information provided shall remain the property of Deltafil. Contract Party is not allowed to copy or make this information available to third parties and said information shall be returned upon request.

Article 4 Prices

1. The prices of Deltafil are exclusive of VAT and any other levies imposed by the authorities (such as import duty) and any additional costs, unless agreed otherwise between the Parties in writing.
2. In case the cost prices or the prices at which Deltafil purchases Goods from third parties, are changed between the time of the offer and the time of delivery, Deltafil shall have the right to adjust the price agreed accordingly, without ensuing right for Contract Party to cancel the order that was placed.
3. Unless stated otherwise in the Order Confirmation, prices of Goods stated by Deltafil are inclusive of packing.

Article 5 Performance and Delivery

1. Deltafil has the right to commence delivery only after an insurance company has given Deltafil adequate cover, or adequate security has been furnished or the invoices concerned have been paid in advance.
2. Goods shall be deemed to be delivered by Deltafil and accepted by Contract Party:
 - a. in case of delivery ex works: as soon as the Goods have been loaded in or on the means of transport;
 - b. in case of free delivery: as soon as the Goods have arrived at the location and – if agreed – been unloaded;
 - c. in case of delivery on demand: as soon as the term agreed has expired or – if sooner – as soon as delivery of the Goods has been demanded.
3. In case of purchase on demand Contract Party shall be obliged to demand delivery of the Goods within the term agreed. If the Delivery of the Goods has not been demanded after expiry of this term Deltafil has the right to deliver them to Contract Party without further notice, in which case all costs in connection with Delivery shall be charged to Contract Party.
4. In case payment in instalments has been agreed and the first instalment becomes due upon placement of the order, actual Delivery does not have to take place until after receipt of the first instalment.
5. The term (of Delivery) agreed between the Parties shall never be a final date, and non-observance of that term – for whatever reason – does not give Contract Party the right – not even after a notification of default – to rescind the Agreement, a right to damages and/or to non-performance of any obligation resulting for Contract Party from the Agreement concerned or any other Agreement entered into with Deltafil, unless in case of intent and/or gross negligence on the part of Deltafil.
6. Once part of an order has been completed, Deltafil may at its discretion deliver this part, or defer delivery until the entire Order has been completed. In case of part delivery as referred to above and in case of delivery of successive parts of an Order as agreed, each Delivery shall be considered a separate Delivery, which shall not be reconsidered by Contract Party after acceptance of the Delivery.
7. During Delivery the admissible tolerance shall be 10% of the volume agreed.
8. In case of a tolerance in the advantage of Contract Party (i.e.: the volume of the Delivery is more than the volume agreed), Contract Party shall be obliged to pay this additional volume to Deltafil.
9. In case of Delivery of mixed yarns consisting of a combination of various types of fibres, the admissible tolerance shall be 5% of the percentages stated in the Order Confirmation.

10. With respect to the quality, and failing any clear statement of specific properties, Deltafil is only required to deliver a normal quality that is customary in the industry, with normal and customary variations in sizes, volume weight, strength and similar properties.
11. Deltafil shall have the right to make technical changes to the Goods manufactured by or a commissioned by Deltafil, which changes may differ from any specifications that may have been agreed, provided that this does not affect the quality of the Goods.
12. With respect to designs and colours a wide margin of deviation of the sample or example shall be allowed, provided that – in accordance with objective, ethical standards – this does not result in substandard quality.
13. Deltafil reserves the right to engage third parties to perform specific services for the purpose of the Agreement.
14. In case Deltafil needs information from Contract Party for the performance of the Agreement, the term of performance shall not start until after Contract Party has provided the correct and complete information to Deltafil.
15. If during the performance of the Agreement it appears that proper performance requires that the Agreement be complemented or amended, Deltafil and Contract Party shall change the Agreement by mutual consultation and in a timely fashion. These amendments are valid only if they have been agreed between Parties in writing.
16. Deltafil may refuse a request to amend the Agreement in case this could affect the quality and/or quantity for the services to be performed as part of the Agreement; Deltafil shall not be in default on account of this refusal.

Article 6 Taking Delivery

1. Contract Party is obliged to take delivery of Goods as soon as Deltafil is able to deliver, unless agreed otherwise between the Parties. Once Delivery to Contract Party by Deltafil has been agreed, Contract Party shall be present or represented at the time of Delivery. If Contract Party not present or represented during Delivery the Delivery is considered accepted by Contract Party to the satisfaction of Contract Party.
2. In case Delivery of the Goods is not taken and the Goods or part thereof must be transported (back) and/or stored by Deltafil, Deltafil shall have the right to charge the necessary costs of storage and transport to Contract Party. The failure to take Delivery does not suspend the payment obligation of Contract Party. From the time of storage as described above the risk in the Goods shall be the risk of Contract Party.

Article 7 Transport

1. In case it has been agreed that Deltafil shall see to transport of Goods this shall take place by means of the means of transport to be chosen by Deltafil, and at the risk and for account of Contract Party, unless free delivery has been agreed, and Deltafil shall not be liable for damage to and/or loss of cargo, even in case the transport documents state otherwise.

Article 8 Complaints

1. Contract Party is obliged to immediately inspect the Goods, and report in writing any visible defects immediately but no later than within 3 (business) days after receipt.
2. Invisible defects shall be reported in writing immediately, i.e. no later than within 3 (business) days after they have been discovered or should reasonably have been discovered, and in any case within 2 months after receipt of the Goods. In case of non-observance of this obligation the right of Contract Party to derive any rights from defective Delivery shall be cancelled.
3. Any right to submit complaints is cancelled in case the Goods about which complaints are submitted, have meanwhile been processed, cut, changed, contaminated or used by Contract Party in any other way.
4. Return shipments in connection with complaints shall only take place after Deltafil's written approval.
5. In case the packaging and/or Goods appear to be damaged, apparently caused by damage during transport, Contract Party shall report this on the waybill and shall have the forwarding agent draw up a report before taking Delivery of the Goods, and shall send the report to Deltafil within 48 hours.
6. Deltafil shall at all times be given the opportunity to immediately inspect Goods subject to complaint.
7. No complaints whatever shall give Contract Party the right to suspend and/or cease the performance of its obligations or consider it cancelled.

Article 9 Force Majeure

1. In case Deltafil is not able to fulfil its obligations or if fulfilment of its obligations becomes disproportionately problematic due to Force Majeure Deltafil shall have the right to rescind the Agreement with Contract Party or part thereof without intervention of the court or to suspend performance or part thereof without ensuing liability for damages.
2. Force Majeure shall be understood to mean: restrictive government measures of whatever nature, epidemics, mobilisation, war, revolution, strike, occupation of the company, sickness among personnel, disruption of operations, attachment, fire, defects to equipment, disruption of transport, lack of raw materials, semi manufactured products, materials, auxiliary materials and/or energy, natural catastrophes, any failure in the performance of a third party from which Goods or Services must be obtained, and further, any circumstance reasonably beyond the control of Deltafil, which could not have been prevented by Deltafil.

Article 10 Payment

1. Payment shall take place no later than 30 days of invoice date unless specified otherwise by Deltafil.
2. Deltafil has the right to use periodical invoicing.
3. In case of payment by bank the day at which the amount has been credited to the account of Deltafil shall be considered the day of payment. Payment may also take place by bill of exchange or letter of credit.
4. Payment shall take place in the currency in which the price was agreed and/or invoiced, unless agreed otherwise in writing, in which case any damage due to currency fluctuations shall be at the risk of Contract Party.
5. Objections to the amount of an invoice shall not suspend the payment obligation of Contract Party.
6. Without the express written consent of Deltafil Contract Party is not permitted to set-off its claim against a claim on Deltafil for whatever reason.
7. Deltafil shall at all times have the right to stipulate that – by way of security for payment of the invoices – adequate cover be furnished by a credit insurance company under the credit insurance or adequate security be furnished by Contract Party or that the invoices (in part or otherwise) be paid in advance.
8. In case the amount(s) stated on the invoice(s) is (are) not paid within the term referred to in paragraph 1 of this article, Contract Party shall be in default by operation of the law from the due date of the invoice, without further notice of default being required. From that point in time Contract Party shall owe an interest in the amount of 1 % per month on the invoice amount, the amount of € 150,- for administrative costs, and extrajudicial collection costs. The

extrajudicial collection costs shall be at least 15% of the principal amount increased by interest and costs, with a minimum of € 100. These costs may be charged to Contract Party by Deltafil at all times.

8. In case of default on the part of Contract Party any and all claims of Deltafil shall become due and payable immediately. In that case Deltafil shall have the right to suspend its obligations under the Agreement entered into with Contract Party until that point in time at which all claims have been paid in full, inclusive of interest and costs.

9. The accounts of Deltafil shall be deemed proof of the amounts due by Contract Party between Contract Party and Deltafil, unless Contract Party provides proper proof of the contrary.

10. Any discounts that may apply to the Agreement between Deltafil and Contract Party shall be valid only if they have been agreed in writing and shall apply only once.

Article 11 Reservation of property

1. Goods shall be and remain the property of Deltafil until Contract Party has fulfilled any and all obligations towards Deltafil, including any obligations to pay interest and costs. Contract Party undertakes to properly maintain the Goods during this time, and to keep them insured against any calamities.

2. In case Contract Party is in default with payment of the Goods, Deltafil has the right and is now and for henceforth irrevocably authorized by Contract Party to take back the Goods, in which case Contract Party is obliged to allow Deltafil access to its enterprise for that purpose.

3. In case one or more unpaid invoices have been sent for the same type of Goods the Goods kept by Contract Party shall be deemed to be the Goods to which the unpaid invoices apply.

4. As long as Goods remain the property of Deltafil, Contract Party may process or use them, resell or use them as payment as part of its normal business operations only after the written approval of Deltafil, which approval may be subject to conditions, and Contract Party may not pledge said Goods or transfer the ownership thereof by way of security.

Article 12 Liability

1. In case Deltafil should be liable towards Contract Party, said liability shall be limited to the provisions in this article.

2. Deltafil shall not be liable for damage of whatever kind caused by Deltafil acting upon incorrect and/or incomplete information provided by or on behalf of Contract Party.

3. Deltafil shall be liable only for direct damage of Contract Party or third parties if said damage is directly caused by intent and/or gross negligence on the part of Deltafil.

4. Deltafil shall not be liable in case of Force Majeure.

5. Deltafil shall never be liable for defects, malfunctions or damage caused by inexpert use, negligence or improper maintenance, external violence, overload, natural wear and tear or in case repairs have been carried out by third parties.

6. The liability towards Contract Party is further limited to the extent as detailed in article 8: Complaints.

7. Deltafil shall not be liable for (hidden) defects including (hidden) defects in materials or parts provided to Deltafil by third parties and processed by Deltafil, unless these defects are caused by intent and gross negligence on the part of Deltafil.

8. Deltafil shall not be liable for any damage caused by Contract Party in case Goods have been processed or used after delivery to Contract Party.

9. Deltafil is deemed not to be informed of the application of the yarn or the goods produced from said yarn. In case specific yarn properties are required, said properties must be described in the Agreement.

10. Liability shall in any case be limited to the amount paid by the insurance company of Deltafil in the case concerned. In case the liability insurance does not provide cover, liability shall be limited to the invoice amount that has been agreed between the Parties.

11. In case of liability of Deltafil with respect to deliveries made, Deltafil has the right – at the discretion of Deltafil – to either supply replacement Goods or to repair Goods or to credit to Contract Party the part of the sales or delivery price that is proportionate to the extent of the defective delivery.

12. Liability towards third parties, directly or indirectly resulting from the presence and/or (combined) use of Goods shall at all times be for account of Contract Party, and Contract Party shall fully indemnify Deltafil for and against said liability.

13. Liability of Deltafil for indirect damage, including but not limited to loss of income, loss of turnover or loss of profit and loss of quality of life shall at all times be excluded.

14. Liability shall in any case end after expiry of two months of delivery of Goods.

Article 13 Duration and Termination of Agreement

1. The Agreement shall contain the duration of the Agreement.

2. In case of winding-up, bankruptcy or an application for bankruptcy or (provisional) suspension of payment of Contract Party or in case debt rescheduling is ordered with respect to Contract Party, or in case the assets of Contract Party are attached, any and all obligations of Contract Party under the Agreement shall become due and payable immediately. In that case Deltafil has the right to suspend performance of the Agreement or to rescind the Agreement.

Article 14 Applicable law

The Agreement, these General Conditions and any and all legal relationships between Parties to which these General Conditions apply shall be governed by Dutch law.

Article 15 Dispute

Any disputes resulting from the Agreement or from Agreements resulting from or in connection with the Agreement shall be submitted to the jurisdiction of the Court of Breda by the Parties, unless the Parties should agree arbitration or binding advice.