

CKC MACHINEHANDEL SURMAC N.V.
GENERAL CONDITIONS FOR THE PURCHASE OF GOODS AND SERVICES

1. Definitions

In these general purchase conditions, the following definitions apply:

- a. SURMAC:
The limited liability company CKC Machinehandel SURMAC N.V. (legal entity).
- b. Supplier:
The (legal) person from whom SURMAC purchases the Goods and / or Services.
- c. Parties:
Joint designation of SURMAC, party on the one hand, and Supplier, party on the other.
- d. Agreement:
The agreement between SURMAC and the Supplier for the delivery of Goods and / or Services in accordance with Article 3.3. of these general purchase conditions.
- e. Services:
The services, including all parts to be provided by the Supplier pursuant to the Agreement in any form whatsoever, including data, reports and specifications (Deliverables), as established in the offer or specification.
- f. Goods:
The Goods (or parts thereof) as determined in the Order.
- g. Order:
The order for the delivery of things, including Goods, and / or Services as stipulated in the Purchase order of SURMAC or in the written acceptance of the offer from the Supplier.
- h. Specification:
Every specification for the Goods (including designs or drawings) or description of the Services provided by SURMAC to the Supplier or produced by the Supplier and approved in writing by SURMAC.
- i. Quotation:
Every quotation for the Goods and / or Services, based on the Specification, provided by the Supplier to SURMAC.

2. Applicability

- 2.1 These general purchase conditions apply to all offers, quotations, orders and agreements relating to the sale of Goods and / or delivery of Services by the Supplier.
- 2.2 SURMAC explicitly and in advance rejects the applicability of any (general) conditions of the Supplier.
- 2.3 Contract terms that differ from these general purchase conditions can only be claimed by the Supplier provided these have been accepted in writing by SURMAC.
- 2.4 If any provision of this general purchase conditions were to be declared void or invalid or is annulled, this shall not devalue without prejudice the legal force and validity of the remaining provisions of these conditions, in which case the parties will convert the void or invalid contract term clause into a valid clause that retains as much as possible the effect and reflects the intention of the original contract term.
- 2.5 In case of conflict between documents that are part of the agreement to which these general purchase conditions apply, the order of priority is: i) the Purchase order and any specification (s) of SURMAC ii) the quotation (with the exception of the applicability of any general terms and conditions of the Supplier that have been declared applicable in the offer; iii) the present general purchase conditions.
- 2.6 At the request of the Supplier SURMAC will provide a copy of these general purchase conditions free of charge.

3. Realization of the Agreement

- 3.1 All offers from the Supplier are irrevocable.
- 3.2 All assignments from SURMAC that do not comply with prior offers from the Supplier are non- committal.
- 3.3 The agreement between the parties will only be effected after and as SURMAC has laid down this agreement in writing, including written confirmation by SURMAC.
- 3.4 Verbal commitments or agreements with unauthorized persons do not bind SURMAC in so far as these have not been explicitly and in writing confirmed by SURMAC. As unauthorized persons in this respect are to be considered all SURMAC employees as well as persons who are otherwise affiliated with SURMAC, without explicit and written power of procuration.



- 3.5 If the other party consists of several (legal) persons, they are each jointly and severally liable for compliance with all their obligations arising from the agreement with SURMAC.
- 3.6 Cancellation by SURMAC of the agreement is possible within a period of 14 (fourteen) days, after the agreement between the parties has been established.

4. Specification and Warranty

- 4.1 The quality, quantity and description of the Goods and / or Services must be strictly in accordance with the purchase order and / or accepted specification (s) handed or written by SURMAC to the Supplier.
- 4.2 The Supplier guarantees for all delivered goods, including Goods and Services:
- a. that these have been manufactured in accordance with a proper design, construction, execution, material use, composition and quality, and are also properly packaged;
 - b. if and when applicable, in accordance with drawings, other types of data and standard norms and specification (s) as indicated by SURMAC;
 - c. be free of (intellectual) property and / or other rights of third parties;
 - c. be safe and if appropriate suitable for the intended use;
 - d. are in accordance with applicable laws and regulations and possible government regulations;
- 4.3 In the event of delivery by the Supplier of more or less than the agreed quantity, deviations, variations or differences in performance, which the aforementioned cases are indicative, therefore not meant to be exhaustive, applies that the delivery does not comply with the agreement, unless the parties agree otherwise or SURMAC still accepts the goods explicitly in writing.
- 4.4 The guarantee period of the Supplier after delivery and acceptance of the Goods and / or Services by SURMAC, for businesses including goods and services, amounts to at least 6 (six) months after delivery. The guarantee period is understood to mean the period within which the Supplier is obliged to take care of repairing shortcomings or corrected delivery free of charge and as soon as possible, regardless of the cause of the shortcoming, without prejudice to the liability of the Supplier under the agreement. Expiry of the warranty period shall not affect the other rights of SURMAC.

5. Price

- 5.1 The price of the Goods and / or the Services must be stated in the purchase order of SURMAC vis-à-vis the Supplier and is binding between the parties. Imported goods can be offered to SURMAC in United States Dollars (USD) and can be paid by SURMAC in this currency. However, payment by SURMAC can also be made in Surinamese Dollars (SRD) at the then current exchange rate of the Central Bank of Suriname for 1 United States Dollars (USD). Services can only be offered in Surinamese Dollars (SRD) and are paid by SURMAC in this currency.
- 5.2 The price agreed between the parties is fixed for the duration of the agreement.
- 5.3 Price changes by the Supplier, interim or afterwards, only apply if and insofar these have been accepted in writing by SURMAC.

6. Payment

- 6.1 The Supplier will send an invoice to SURMAC after delivery of the Goods or the supply of Services.
- 6.2 Unless otherwise agreed between the parties, the payment period of the invoice of the Supplier shall be considered a minimum of 30 (thirty) days and a maximum of 90 (ninety) days after the end of the month of receipt of the (corrected) invoice or the delivered Goods and / or the Services provided, except for complaints from SURMAC due to shortcomings of the Supplier.
- 6.3 Payment of an invoice does not affect possible claims of SURMAC due to shortcomings of the Supplier in the fulfillment of the agreement.
- 6.4 SURMAC may apply set-off between each amount that SURMAC owes to the Supplier. The Supplier may not, without prior consent from SURMAC, independently settle, assign or transfer to third parties any claims it has or will have on SURMAC under the agreement between the parties.

7. Delivery

- 7.1 Unless expressly agreed otherwise, delivery of goods shall take place at the expense and risk of the Supplier to a place of destination / address or location designated by SURMAC.

- 7.2 If SURMAC does not accept the delivery from the Supplier, SURMAC will not be in default. Delivery of goods must be coordinated with SURMAC in advance.
- 7.3 As soon as SURMAC discovers a defect, SURMAC will inform the Supplier of this within 14 (fourteen) days after the defect has been detected.
- 7.4 Legal claims and defenses based on facts that would justify the claim that the delivered item does not comply with the agreement expire by five (five) years after the aforementioned notification or if later, after expiry of the period that the Supplier has been awarded to remove the shortcoming or the defect.
- 7.5 When SURMAC detects defects on delivery and reports them, the Supplier must properly repair the defects mentioned as soon as possible but no later than 30 (thirty) days after this notification. The risk of goods delivered will only be transferred to SURMAC after proper repair thereof. Essential is the agreed- upon time of delivery or delivery date and in case of exceeding this the Supplier is in default without letter of formal notice.
- 7.6 The period for delivering the Goods or performing the Services is essential and commences from the date of acceptance of the Purchase Order by the Supplier.
- 7.7 Partial delivery of Goods or Services is only permitted with the prior written consent of SURMAC. In the event of such permission, however, the Supplier shall not be entitled to claim payment for this as long as no full delivery has taken place, unless SURMAC agrees to a partial payment.
- 7.8 Each consignment or delivery must be accompanied by a consignment note containing the details of quantity and a description of the delivered Goods and / or Services and, to the extent applicable, also transport documents and an invoice stating the Purchase Order of SURMAC.
- 7.9 The delivery shall only be considered completed if the agreed Goods or Services have been delivered in full and in accordance with the Agreement or respectively has been performed in accordance with the provisions of this Agreement at the place of destination/ address or location indicated by SURMAC.

8. Risk and Ownership Transfer

8.1 Goods that are delivered, including Goods that are delivered with regard to the execution of Services, are at the expense and risk of the Supplier until the delivery is completed, as outlined in article 7.9.

8.2 If SURMAC makes a (partial) payment or advanced payment before the delivery takes place, the ownership of the Goods for which the relevant payment is made shall be transferred to SURMAC at the time of payment. The Supplier is obliged to separate the Goods that are already owned by SURMAC, but still remain with the Supplier, from other goods that are held by the Supplier and also to keep them separated. In that case, these Goods shall be kept by the Supplier for SURMAC, this at the expense and risk of the Supplier up to the moment of delivery in accordance with article 7.9.

9. Liability and Indemnity

9.1 The Supplier is liable for all costs and damage, which for SURMAC are the result of any shortcoming on the part of the Supplier in the fulfillment of its obligations as well as for all damage caused by the Supplier, its personnel, hired persons and companies and / or due to shortcomings caused by goods delivered or to be delivered or services provided by the Supplier and the Supplier will indemnify SURMAC for all adverse consequences related to third-party claims.

9.2 The Supplier guarantees that the goods delivered comply with the relevant legal requirements and the services provided comply with the relevant requirements of good workmanship and expertise, as well as the requirements that SURMAC and third parties in the given circumstances may impose on these goods or may expect from these services. The Supplier shall indemnify SURMAC against all damage suffered and / or claimed by SURMAC - or third parties of SURMAC - caused by or in connection with the implementation of the agreement by the Supplier.

9.3 The impracticability of the agreement due to circumstances that are not caused by SURMAC and the resulting costs therefrom for the Supplier are entirely at his/her own risk.

9.4 The Supplier indemnifies SURMAC against all claims and other judicial and extrajudicial actions of third parties, which are in any way connected with the agreement between the parties, including damages as a result of infringement of intellectual and

industrial property rights, unless in judicial proceedings it has been determined that a few thing is attributed to and is the direct result of gross negligence or willful misconduct on the part of SURMAC.

- 9.5 Any claim for compensation from the Supplier will expire, if not on the day of delivery or at the latest within 5 (five) working days after the damage-causing event, the alleged damage has been communicated in writing to SURMAC and (re) claimed. The legal claim for compensation or repair is barred by the lapse of 6 (six) months after the delivery or after the aforementioned written notice.

10. Disapproval of Goods and/or Services

- 10.1 SURMAC reserves the right to reject Goods and / or Services in whole or in part if SURMAC does not consider them to be in accordance with Article IV (Specification and Warranty) of the agreement or with the Purchase order, and at the expense and risk of the Supplier to return him the rejected Goods.
- 10.2 In the case mentioned in paragraph 1, the Supplier, without prejudice to any other legal instruments to which SURMAC can appeal to, has the right, at the discretion, to have rejected Goods and / or Services or any part thereof, replaced or carried-out again at the expense of the Supplier.

11. Intellectual and Industrial Property

- 11.1 The Supplier guarantees SURMAC that the delivered goods and their use in no way infringe the rights of third parties, including those of industrial and intellectual property.
- 11.2 In this respect, the Supplier safeguards SURMAC against claims of third parties and shall be required to take all consequent and associated claims and costs of SURMAC at its own account.

12. Additional Work and Cost-Increasing Circumstances

- 12.1 Additional work, the costs and the method of payment thereof, are agreed separately by the parties and recorded in writing. These general purchase conditions are fully applicable to agreed additional work, unless otherwise agreed between parties.

- 12.2 Extra costs due to cost-increasing circumstances that cannot be attributed to SURMAC are considered additional work and are for the account and risk of the Supplier.

13. Order, Safety and Environment

- 13.1 The Supplier and its employees or third parties deployed by the Supplier must, at all locations provided in accordance with the agreement, comply strictly with all regulations, rules, provisions and (specific) instructions relating to (public) order, safety and the environment which are in force at the location.
- 13.2 The Supplier shall ensure that its employees or third parties deployed by the Supplier, at the start of and during the execution of the assignment have access to or are provided with the necessary (safety) attributes, at all locations provided in accordance with the agreement.
- 13.3 The Supplier guarantees that all legal and / or government regulations applicable to him are complied with.

14. Non-Compliance of the Supplier

- 14.1 SURMAC is entitled to suspend in whole or in part the fulfillment of its obligations under the agreement or to terminate or discontinue the agreement in whole or in part by means of a single written statement and without prior notice of default, if and as soon as the Supplier does not, does not timely, insufficiently or not satisfactorily comply with any obligation vis-à-vis SURMAC, as well as in case of suspension of payments or bankruptcy of the Supplier, seizure of (part of) his company property or goods intended for the execution of the agreement or the closure or discontinuation of his (business) activities or liquidation of his company.
- 14.2 In the case mentioned in 14.1. SURMAC is only required to compensate the Supplier for the price in proportion to the goods or services already delivered, all this without prejudice to the right to compensation entitled to SURMAC pursuant to Article IV (Specification and guarantee) or Article IX (Liability and indemnity).
- 14.3 SURMAC has in addition to compensation for other damages, also a right to compensation of all judicial and extrajudicial costs, including those of legal

assistance, such as litigation costs, lawyer and bailiff costs, incurred by SURMAC for the collection of payments owed by the Supplier.

15. Insurance

- 15.1 Unless the parties expressly and in writing agreed otherwise, the Supplier must in the establishment of the Agreement ensure the following insurance coverage:
- a) If and insofar as applicable liability for incapacity for work for himself and / or his employees, in which the legal requirements for this are met;
 - b) If and insofar as applicable cover for employer's liability;
 - c) If and insofar as applicable cover for liability insurance for companies and professions;
 - d) Motor vehicle liability for damage and / or physical injury inflicted on properties of SURMAC respectively to persons by any motor vehicle that is operated by the Supplier, its employees, agents and subcontractors;
- 15.2 Upon request, the Supplier shall be required to submit proof of the aforementioned insurance coverage to SURMAC before he proceeds to carry out the Assignment or any work under the Agreement.

16. Confidentiality

- 16.1 The Supplier shall be required to keep all information originating from SURMAC and in the context of the implementation of the agreement information that came to its attention or developed information a secret.
- 16.2 The Supplier is not permitted to use the information referred to in paragraph 1 for his own use or for use by third parties.

17. Applicable law

The legal relationship between SURMAC and the Supplier, including these general purchase conditions, the agreement to which the present general purchase conditions are applicable, as well as related agreements, statements, including preceding negotiations and other obligations arising from the law associated with, or related to these general purchase conditions and / or the contract are subject to the laws of Suriname.

18. Disputes

All disputes arising from or related to the legal relationship between SURMAC and the Supplier as referred to in Article 17 will exclusively be submitted to and settled by the competent Surinamese Judge.

19. Location and applicable version

- 19.1 These General Terms and Conditions have been filed with the Registry of Local Courts and with the Trade Register, held by the Chamber of Commerce and Industry of Suriname (file number 4754).
- 19.2 The most recent and last deposited version of these general purchase conditions is always applicable between parties.

Paramaribo, June 17, 2016.

CKC MACHINEHANDEL SURMAC N.V.,

On behalf of,

Function: General Manager

Signature: 

Name: Patrick Peneux