

General Terms & Conditions

for Supply of Water Commodities (GTC-SWC)

of Evides Industriewater B.V.

December 2009





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Article 1 -Definitions

The following definitions apply throughout these General Terms & Conditions for Supply of Water Commodities (GTC-SWC) and the Term sheet:

- 1.1. **Additional Payment Term**
The period of time specified by Supplier during which Customer may yet fulfil contractual obligations for which the agreed term has expired.
- 1.2. **Advance Payment Instalments**
The advance payments against future settlement, charged to Customer by Supplier.
- 1.3. **Basic Sum**
The amount charged by Supplier to Customer, calculated by multiplying the Contract Annual Volume by the Basic Tariff.
- 1.4. **Basic Tariff**
The price per m³ that must be paid to Supplier by Customer over at least the Contract Annual Volume, expressed in € per m³.
- 1.5. **Capacity Tariff**
The price charged by Supplier for making capacity available to Customer, expressed in € per m³ per year.
- 1.6. **Connection**
The connection between the Water Mains and the main valve that connects the Site Installation to the Water Mains.
- 1.7. **Connection Pipe**
The pipe between the Point of Supply and the Meter Pit.
- 1.8. **Contract Annual Volume**
The quantity of Product that Supplier must be able to supply per year under the Term sheet.
- 1.9. **Contract Hourly Capacity**
The Contract Annual Volume divided by 8760.
- 1.10. **Customer**
Party entering into a Term sheet with Supplier for the Supply of Product.
- 1.11. **Drinking Water**
Water that is suitable for human consumption in accordance with Dutch law and regulations.

- 1.12. **Final Settlement**
Date The date as described in article 6.2.
- 1.13. **Flow Restrictor**
Device from Supplier placed in the Connection or in the Meter Pit for the purpose of limiting the volume flow.
- 1.14. **General Terms & Conditions for Supply of Water Commodities (GTC-SWC)**
The General Terms & Conditions for Supply of Water Commodities of Evides Industriewater BV for the Supply of the Product to Customers. These Terms and Conditions are referred to in the abbreviated form as "GTC-SWC".
- 1.15. **Industry Water**
Water supplied to major users for a multitude of (industrial) purposes.
- 1.16. **Instrumentation**
Supplier's devices for the purpose of calculating the demand and establishing the quantity and quality of the Supply of Product.
- 1.17. **Meter Pit**
The space constructed on behalf of and/or for account of Customer, and assigned to and accepted by Supplier for the installation of Instrumentation, fittings and their associated pipe network.
- 1.18. **Peak Factor**
Actual demand in any hour divided by the Contract Hourly Capacity.
- 1.19. **Peak Surcharge**
The amount that Supplier charges to the Customer if the demand exceeds a certain contractually specified Contract Hourly Capacity.
- 1.20. **Peak Volume**
The demand per hour that exceeds the Contract Hourly Capacity.
- 1.21. **Point of Supply**
The point immediately before the main valve -or another point defined in the Term sheet as a Point of Supply, and which forms the boundary between Connection and Site Installation (see Addendum 1).
- 1.22. **Product**
The product supplied or made available by Supplier to Customer, being water of a further specified quality.
- 1.23. **Site**
Each property of Customer, or part of or combination thereof, to which a Connection has been made or established, or where the Supply of [Product] takes place.

- 1.24. **Site Installation**
The pipe systems of Customer present at a Site, and their connected process installations, which are directly connected with the water supply network of Supplier by means of the Connection or via a cut-off.
- 1.25. **Statutory interest**
The statutory interest is calculated according to article 6:119a of the civil code of The Netherlands, in effect from 7 August 2002.
- 1.26. **Supplied Volume**
The quantity of Product actually supplied to Customer by Supplier.
- 1.27. **Supplier**
Evides Industriewater BV (EIW), a subsidiary of Evides NV with offices in Rotterdam, or any personnel in service of Supplier.
- 1.28. **Supply**
The Supply or making available of Product.
- 1.29. **Term of Agreement**
The time period during which the Term sheet shall apply, as agreed between the Parties.
- 1.30. **Term sheet**
The Agreement governing the Supply of the Product. This Agreement may be further referred to as "Term sheet.
- 1.31. **Usage Tariff**
The price that Customer must pay to Supplier per m³ of Product supplied by Supplier, expressed in € per m³.
- 1.32. **Water Installation**
The Connection pipe, Instrumentation, Meter Pit, Communication Pipe and Site Installation as a whole.
- 1.33. **Water Mains**
Supplier's water pipeline, to which Connections either are or can be established.
- 1.34. **Working Day**
Every day of the week other than Saturday, Sunday or generally-recognised public holidays in The Netherlands.

Article 2 -General provisions

- 2.1. Two addenda form an integral part of this GTC-SWC:
 - Addendum 1, which schematically illustrates the definitions related to Connection and Site Installation;
 - Addendum 2, which gives an overview of the division of responsibilities between Supplier and Customer in regard to the Water Installation.
- 2.2. This GTC-SWC forms an integral part of the Term sheet between Supplier and Customer. Other Terms and Conditions may also apply, if this is stated in the Term sheet.
- 2.3. In exceptional circumstances, at the discretion of Supplier and following discussion with Customer, Supplier may permit departure from the provisions of this GTC-SWC or Supplier may specify additional terms and/or conditions in agreement with Customer. Such departure or non-standard terms and conditions shall have no legal effect except when in writing and signed by both Supplier and Customer.

Article 3 -Agreement to Supply

- 3.1. Supply takes place at conditions as specified in the Term sheet between Supplier and Customer. The [Product] is supplied by Supplier at the moment it passes the Point of Supply.
- 3.2. Customer shall use the Product solely for its own internal purposes. Onward supply of the Product by Customer to third parties is expressly prohibited except with the written permission of Supplier. Supplier may make such permission subject to special terms and conditions.

Article 4 -Indexing of tariffs

- 4.1. All tariffs specified in the Term sheet shall be adjusted effective 1 January of each year (t), through multiplication of the charge in force the previous year (t-1) by the result of the following formula:

$$(A + B \times \frac{M(t-1)}{M(t-2)} + C \times \frac{L(t-1)}{L(t-2)} + D \times \frac{E(t-1)}{E(t-2)})$$

where $A + B + C + D = 1$.

- 4.2. The symbols used in these formulas are defined as follows:
- 4.2.1. L_{t-1} = the index figure for collective agreement wages per hour as published by the Dutch Central Bureau of Statistics, including exceptional wages, "SBI 40-41 Energy and Water Supply companies (2000 = 100), from the month of August of the year preceding the calendar year of Supply.
 - 4.2.2. L_{t-2} = as for L_{t-1} , but for the month of August of one year earlier.
 - 4.2.3. M_{t-1} = the arithmetic mean of the index figure, published by EUROSTAT, for "Domestic industrial revenue, capital goods¹ (2005 = 100)" for the months September up to and including August of the year preceding the calendar year of Supply.
 - 4.2.4. M_{t-2} = as for M_{t-1} , but for the months of August up to and including September of one year earlier.
 - 4.2.5. E_{t-1} = the arithmetic mean of the producers price index published by the Dutch Central Bureau of Statistics according to PRODCOM, domestic revenue, exclusive of excise duties, of electricity, gas, power and heating (2005 = 100), for the months September up to and including August of the year preceding the calendar year of Supply.
 - 4.2.6. E_{t-2} = as for E_{t-1} , but for the months of August up to and including September of one year earlier.
- 4.3. The values of weighting factors A, B, C and D are stated in the SA.
- 4.4. During the annual indexing of the rates, the Supplier may have to make use of the preliminary index figure published by the Dutch Central Bureau of Statistics or by EUROSTAT, because a final index figure is not yet available at that time.
- 4.5. If the Dutch Central Bureau of Statistics, EUROSTAT or its legal successor(s) should cease to publish the index figures required for the application of this article, then by mutual agreement and in consultation with the Dutch Central Bureau of Statistics, EUROSTAT or its legal successor(s), the parties shall determine which figures correspond as nearly as possible to the previously available index figures, and which shall then be used for indexing of tariffs.

Article 5 -Taxes and government charges

Taxes, surcharges, etc. that Supplier is obligated and/or authorised by the government to charge to Customer as a consequence of the agreed Supply, shall be added to all amounts charged to Customer under the Term sheet (associated with the GTC-SWC).

Article 6 -Payment

- 6.1. Without prejudice to the provisions of article 8 of the GTC-SWC, all amounts due from the Customer under the Term sheet shall be charged by Supplier to Customer in arrears by means of a monthly invoice, unless agreed otherwise. The sums that Customer is charged due to the actual quantity of Product supplied shall be based on the readings recorded by Supplier from the Instrumentation as specified in 9.6.1.
- 6.2. The amount invoiced under article 6.1 must be paid in full no later than 30 days after the invoice date (the Final Settlement Date) by direct deposit to the bank account of Supplier with the account number stated on the invoice.
- 6.3. The existence of a dispute or difference of opinion as to the amounts due or the validity of amounts charged shall not discharge Customer from the obligation to pay.
- 6.4. Supplier and Customer shall at no time leverage any payment due under the Term sheet against any other amounts that may be due either to or from the other party for any other reason whatsoever.

Article 7 -Late payment

- 7.1. If Customer fails to deposit the amounts due under article 6 to the bank account of Supplier stated on the invoice by the Final Settlement Date, then Supplier has the right:
 - i) To charge Statutory Interest to Customer, effective from the Final Settlement Date,
 - ii) To notify Customer in writing of an Additional Payment Term .
- 7.2. If Customer continues to default on its payment obligations within the Additional Payment Term , then Supplier has the right to cease Supply, to prematurely terminate the Term sheet under the terms of Article 18, and/or to charge Customer for the Instalments under the terms of Article 8, without prejudice to the right of Supplier to demand that Customer fulfil its obligations, and to obtain compensation for any damages that may have been suffered as a result of Customer's default on its obligations.

Article 8 -Advance Payment Instalments

- 8.1. Supplier has the right to charge Advance Payment Instalments to Customer, if:
 - i) Supplier has reasonable grounds to believe that the financial position of Customer is weakened to such an extent that there is insufficient certainty that outstanding and/or future payments will be fulfilled, or
 - ii) Supplier has twice notified Customer of an Additional Payment Term within a period of 12 months.

- 8.2. The charging of Advance Payment Instalments shall remain in effect at least until the end of the current calendar year, or in the event of a situation as described in article 8.1.i, for as long as Supplier deems necessary until in the reasonable judgment of Supplier such situation no longer applies.
- 8.3. Customer shall pay the Advance Payment Instalments within 5 working days after receipt of the Advance Payment Instalment invoice.
- 8.4. The Advance Payment Instalments shall be of an amount no greater than 3 times the amount of the Supply Invoice of the last complete month prior to the invoice date of the Instalment invoice.

Article 9 -The Water Installation

The description of the responsibilities of Supplier and Customer in respect to the Water Installation, as described in article 9.2 below, is illustrated schematically in addendum 2.

9.1. Establishment of a Connection

- 9.1.1. A Connection is established by, or by order of Supplier and at the expense of Customer. The manner and place of connection shall be determined by Supplier, in consultation with the (future) Customer. The Connection remains the property of Supplier.
- 9.1.2. The design and installation of the Connection are implemented in cooperation with Customer. The capacity of the Instrumentation is selected to correspond to the Contracted Hourly Capacity.
- 9.1.3. Before installation of the Connection is started, Customer shall receive an installation drawing for the Connection, showing how the Connection is to be achieved (the Initial proposal). Customer has the right to submit an objection, with reasons, to this Initial proposal, within 20 Working Days. If Customer submits no objection, then Customer is deemed to have accepted this Initial proposal, and Supplier shall proceed to install the Connection as proposed. If Customer submits an objection to the Initial proposal, then following joint review by Supplier and Customer, Supplier shall prepare a new proposal (the Second proposal) in which, taking account of functional and access requirements, a reasonable response is made to the objections of Customer. Objection to the Second proposal is prohibited.

9.2. **Maintenance, inspection, replacement, relocation, extension and modification of a Connection.**

- 9.2.1. A Connection shall solely be maintained, inspected, replaced, relocated, extended, modified and/or removed by Supplier, such work only taking place after review with Customer.
- 9.2.2. The maintenance and inspection of the Connection is at all times for account of Supplier. Replacement, relocation, extension, modification and removal are for account of the Customer, whenever:
- this takes place at Customer request;
 - this is the result of deliberate or negligent acts by Customer.
- 9.2.3. If Customer fails when notified by Supplier to limit the demand in situations where due to force majeure or otherwise, Supplier has limited Product available for supply, then Supplier has the right to introduce a Flow Restrictor into the Connection. In this event, the associated costs are for account of Customer.

9.3. **Rights and obligations related to the Connection.**

- 9.3.1. The Customer shall ensure that the Connection, to the extent that this lies within Customer's Site or property, is readily accessible. Accessible is defined as:
- there are no obstacles either on or above the Connection;
 - the installed Instrumentation and data transmission equipment are accessible for employee(s) of Supplier without the need for lifting equipment;
 - the Instrumentation is not submerged.
- 9.3.2. If a Connection or part thereof is not readily accessible due to deliberate or negligent acts of Customer, then Supplier shall demand that Customer restore the accessibility within a reasonable period of time specified by Supplier. If Customer fails to act on such demand within one week, then Supplier has the right to make the Connection accessible at Customer expense.

9.4. **Site Installation**

- 9.4.1. The pipe between the Point of Supply and the Instrumentation (the Communication Pipe) forms an integral part of the Site Installation and is therefore laid, controlled, maintained and replaced if necessary by Customer.
- 9.4.2. In the event of leakage from this pipe, Customer is obligated to replace it without delay. The quantity of Product that is lost due to leakage shall be estimated by Supplier and charged to Customer against the usual Usage Tariff.
- 9.4.3. The Communication Pipe between the Point of Supply and the Instrumentation must always be accessible to Supplier for inspection.

- 9.4.4. Supplier may demand that Customer install a break tank in the Site Installation after the Instrumentation, to hydraulically isolate Supplier's network from Customer's Site Installation. Supplier may also specify requirements for control of the flow of Product into this break tank.
- 9.4.5. Before Customer begins laying the Site Installation, Customer must furnish Supplier with a design drawing of the Site Installation from the Point of Supply up to the break tank, or if the latter is not present, up to the Meter Pit, for Supplier approval. Supplier may state specific requirements for the design of the Site Installation in respect to access, availability for inspection, materials used, type of control for Product demand, etc.
- 9.4.6. If the supplied Product is Drinking Water, then the Site Installation must (always) comply with the "Terms and Conditions of Evides NV for Connection to Drinking Water Supply". In this event, Supplier has the right to inspect the installation for compliance.

9.5. **Meter Pit**

- 9.5.1. The Meter Pit, excluding the Instrumentation and associated equipment, but including all fittings (stop valves, non-return valves, drain valves, other fittings, etc.) and related piping, shall be installed, controlled, maintained and if necessary replaced, by and at the expense of Customer.
- 9.5.2. The Meter Pit must be accessible through an access door that can be opened by a single person and in a manner compliant with Occupational Health and Safety regulations, and that can be closed and locked in a manner that prevents access by unauthorised persons. Facilities that provide access to the Meter Pit must comply with applicable Occupational Health and Safety regulations.
- 9.5.3. The Meter Pit must be constructed in such a way that the Instrumentation can be installed, removed and hoisted from the Meter Pit without difficulty.
- 9.5.4. The equipment to be installed (including the Instrumentation and peripheral devices of Supplier) must be protected from freezing and excessive heat, from potential mechanical, chemical or other damage, and from breakage of the seals. Every pit must be fitted with an intermediate cover for frost protection, capable of being walked on, and which can be removed in segments by a single person. Frost protection is the responsibility of Customer. Customer may also elect to fulfil or augment frost protection by means of heating.
- 9.5.5. Customer is obligated to construct the Meter Pit in a manner that keeps it permanently free of water. In the event of leakage in the Meter Pit, Customer is obligated to rectify this without delay. Customer must notify Supplier at once if leakage is observed from the Instrumentation setup of Supplier. In this case, Supplier shall rectify the leakage.

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- 9.5.6. Before constructing a Meter Pit, Customer must furnish a design drawing to Supplier for approval. Supplier may state specific requirements for the design of the Meter Pit in respect to durability, access, provisions for the Instrumentation and for other metering devices (pressure sensors, quality meters, etc.), power supply, connection to the telephone network, switchbox, earthing, etc.
 - 9.5.7. Damage to the Instrumentation or other equipment belonging to Supplier in the Meter Pit shall be charged to Customer if such damage is the result of failure of the Meter Pit to comply with the requirements specified by Supplier in these Terms and Conditions.
 - 9.5.8. References to Meter Pit in this GTC-SWC may also be taken to mean any other space designated by Customer for placement of the Instrumentation, provided this space has been accepted by Supplier in writing.

9.6. The Instrumentation

- 9.6.1. The Supply of the Product shall take place through reliable Instrumentation suitable for the desired maximum anticipated demand of product. The Product is supplied by Supplier at the moment it passes the Point of Supply. Data obtained using this Instrumentation shall be binding, without prejudice to the provisions of articles 9.8 and 9.9.
- 9.6.2. If Customer supplies electrical energy to power the Instrumentation of Supplier, then the cost of the electricity used is for account of Supplier; these costs are deemed to be covered by the m³ price stated in the Term sheet for the Product, such that Customer shall have no grounds to charge Supplier for this usage.
- 9.6.3. The Instrumentation related to a new Connection shall be placed by, or by order of Supplier at the expense of Customer. Maintenance, replacement, relocation or removal may be carried out solely by Supplier. In principle, the associated costs shall be for account of Supplier.
- 9.6.4. Maintenance, replacement, relocation or removal shall however be for account of Customer if the maintenance, replacement or relocation takes place at Customer request, or is the result of deliberate or negligent act by Customer, except when these deliberate or negligent acts are the result of circumstances that cannot reasonably be attributed to Customer.
- 9.6.5. In the event of replacement associated with an examination of the Instrumentation, the provisions of article 9.8.2 shall apply.
- 9.6.6. Supplier shall notify Customer as far in advance as possible whenever the Instrumentation is to be maintained, replaced or relocated.

9.7. Consequences of meter failure

- 9.7.1. In the event of failure of the metering where such failure is not attributable to deliberate or negligent act on the part of Customer or Supplier, then an estimated usage shall be established jointly by Supplier and Customer for the quantity of Product supplied during the non-metered period.
- 9.7.2. In the event of failure of the metering where such failure is attributable to deliberate or negligent act on the part of Customer or Supplier, then an estimated usage shall be established for the non-metered period on the basis of historical usage data, if necessary making use of correctly functioning parallel metering. Where the failure is attributable to Customer, 110% of the estimated volume shall be charged. Where the failure is attributable to Supplier, 90% of the estimated volume shall be charged.

9.8. Examination of the Instrumentation

- 9.8.1. In the event of doubt as to the accuracy of the metering, either Customer or Supplier may request that the Instrumentation be examined. Supplier shall notify Customer in advance when this examination shall take place, and/or the Instrumentation shall be removed for examination. Supplier shall inform Customer as to the possibilities for examination and the costs thereof.
- 9.8.2. The examination shall be performed by order of Supplier and shall take place in a properly-equipped testing laboratory of an independent institution, as agreed between Supplier and Customer. Customer may designate a responsible officer to be present during testing.
- 9.8.3. Where the exchange of Instrumentation takes place at Customer request, and the Instrumentation exceeds the maximum permissible error by no more than 2% of the volume flowed during the calibration, then the metering shall be deemed to be correct, and the costs of the examination and replacement of the Instrumentation shall be for account of Customer. If the examination exposes a deviation greater than stated in the previous sentence, then the costs shall be entirely for account of Supplier.
- 9.8.4. If a dispute regarding the correctness of the metering is brought before the court, then Supplier must store the meter in question until such time as a judgment is given on the dispute, or the dispute is settled.

9.9. Consequences of incorrect metering

- 9.9.1. If the Product quantities need to be recalculated due to excessive deviation of the metering subject to article 9.8.3, then this recalculation shall be made over the period during which the deviation was in effect, with the understanding that the starting date of the recalculation shall be no later than the end date

of the latest invoiced usage period prior to the month in which the deviation was detected. The recalculation shall in this instance be made over the Product quantities that exceed the limit of tolerance named in article 9.8.3.

- 9.9.2. If the examination does not result in an enforceable criterion for establishment of the correct volume of the Supply, then Supplier is entitled to make a reasonable estimate of the volume of the Supply in the period referred to in the preceding paragraph using the best data available to Supplier for this purpose, with as criterion:
- the volume of the Supply in the corresponding period of the previous year, or
 - the average volume of the Supply in a preceding and subsequent period of supply, or -a different fair and reasonable criterion, to be agreed jointly with Customer.

Article 10 -Interruption or reduction of the Supply

- 10.1. In the event of a (threat of) interruption to or reduction in the Supply, Supplier shall without delay notify the Contact Person or department of Customer named in Addendum 1 to the Term sheet, confirming this also in writing. The officers designated by Supplier and Customer for this purpose shall subsequently review as soon as possible how the threat of interruption or reduction can be avoided, or how the consequences thereof can be limited. Supplier is obligated to take all steps possible within reason to prevent a (threat of) interruption or reduction, as well as to limiting the consequences thereof, and to apply appropriate measures to eliminate the cause of the (threat of) interruption or reduction.
- Supplier is not responsible for the implementation of emergency facilities in the Site Installation of Customer. At the request of Customer, Supplier is prepared to arrange this by agreement with Customer and under terms and conditions to be further agreed. In that event, the costs of such emergency facilities are for account of Customer.
- 10.2. Situations can arise (for example, repairs to Supplier's distribution network) in which interruption to the Supply is unavoidable. In such situations, Supplier must do everything reasonably possible to ensure resumption of the Supply with a minimum of delay. If the Supply is interrupted longer than 1 day due to act by Supplier, then the obligation to pay the Basic Tariff or Capacity Tariff respectively shall lapse for the period during which the Supply was interrupted.
- 10.3. The obligations of the Parties shall be suspended during any period designated as force majeure, as defined in article 6:75 of the Civil Code of The Netherlands. Each party shall notify the other in a timely manner, in the event of a (threat) of force majeure.
- 10.4. Supplier and Customer agree to operate their facilities in such a way that any interruption of reduction in the Supply or Demand respectively of/for Product, due to any force majeure situation, shall have the minimum impact and duration possible.

Article 11 -Interruption due to default

- 11.1. If Customer defaults on its obligations under the Term sheet, then without prejudice to the provisions of articles 7 and 8 and for as long as the default continues, Supplier is authorised to suspend supply to Customer following a written demand for fulfilment, taking account of a period of seven days following receipt by Customer of this written demand. In such case of (suspension of Supply due to) default by Customer, Supplier reserves the right to refuse connection or reconnection of the Site Installation or to break the Connection and/or terminate the Supply.
- 11.2. The suspension of Supply shall be continued until such time as the reason for this has been removed, and the costs of suspension and resumption of Supply, plus any related damages suffered by Supplier, are fully paid. Supplier may at its discretion make resumption of Supply subject to additional terms and conditions.
- 11.3. Customer is authorised to suspend payment of sums charged by Supplier following a written demand for fulfilment of Supply, taking account of a period of seven days following receipt by Supplier of this written demand, until such time as Supplier no longer defaults on its obligations under the Term sheet.
- 11.4. The exercise by Supplier or Customer of its authority under this article may on no account lead to liability of Supplier or Customer for consequential damages, without prejudice to liability for the consequences of the notified default on contractual obligations.

Article 12 -Prohibitions

On no account whatsoever may Customer:

- cause obstruction or damage by means of the Site Installation to Supplier or other Customers of Supplier via the Water Mains of Supplier;
- violate or break the seals placed by, or by order of Supplier on the Instrumentation or on devices that form part of the Connection or Site Installation, except with the express written permission of Supplier;
- commit or allow acts that totally or partially obstruct correct determination of the volume of the Supply, or that create a situation in which the normal functioning of the Instrumentation or other equipment placed by Supplier is either obstructed or impeded;
- use Supplier's water supply network to earth electrical installations, equipment, lightning diverters or similar;
- connect installations that use the Product (or enable Product usage) to the Communication Pipe between the Point of Supply and the Instrumentation in the Meter Pit;
- perform any work on the Connection, except with the express written permission of Supplier.

Article 13 -Other obligations of Parties

- 13.1. In carrying out the work specified in or under the Term sheet (with associated GTC-SWC), Supplier shall exercise such care as may reasonably be expected from a reputable, professional organisation.
- 13.2. Customer is obligated to provide all cooperation as deemed necessary by Supplier in the application and execution of its obligations under the Term sheet (with associated GTC-SWC) and in verifying the fulfilment thereof, in particular by:
 - 13.2.1. Notifying Supplier without delay of any presumed or observed damage, faults or irregularities in the part of the Connection which is located on the Site, in the Instrumentation, and (violation of) the seals;
 - 13.2.2. Allowing access to Customer's site for persons carrying an identification or authority issued by Supplier, provided these persons comply with the Regulations published by Customer, and other relevant regulations;
 - 13.2.3. Providing timely notification to Supplier of changes to the address and (trading) name of Customer.
- 13.3. Customer is obligated to take all steps reasonably possible to prevent damage to that part of the Connection present on Customer's Site.
- 13.4. Whenever Supplier is present on the site of Customer, Supplier shall at all times observe all safety regulations of Customer (the Regulations) that are in force at that time and place. At the time of entering into a Term sheet with Supplier, Customer shall notify Supplier of the Regulations that are in force, and shall provide a copy of these Regulations. Customer shall subsequently provide timely notification to Supplier of all changes to the Regulations. If Supplier fails to observe the Regulations, then Customer is legally entitled to either deny Supplier access to its site or to remove Supplier from its site.

Article 14 -Quality of Drinking Water vs Industrial Water

- 14.1. If the use of the supplied Product is restricted solely to applications with no risk to public health, Customer is obligated to ensure that the supplied Product is indeed used solely for the intended application(s), in other words, that this Product shall not and cannot be used as Drinking Water or for other sanitary purposes. Customer indemnifies Supplier from liability to Customer's personnel and third parties in this respect.
- 14.2. If Drinking Water is supplied, then the "Connection Terms and Conditions for the Supply of Drinking Water" are also deemed to apply, being the Terms and Conditions that apply within the company of which Supplier is a subsidiary. In that event, the Connection Terms and Conditions shall form an integral part of the Term sheet. Furthermore, the

Supplier is legally entitled to inspect the Site Installation of Customer for compliance with the provisions of the Connection Terms and Conditions.

- 14.3. If the intended Supply is of industrial water, which is emphatically not of the quality of Drinking Water, then Customer is expressly warned that this industrial water is hygienically unreliable, considering that this water may contain the bacteria that causes Legionnaire's Disease, and as such may not be used for consumptive or sanitary purposes. Customer shall take all necessary measures to prevent the industrial water from being used by Customer's personnel or other parties for consumption and/or sanitary purposes. Customer indemnifies Supplier from liability to Customer's personnel and third parties for compensation for damages suffered in this respect.

Article 15 -Liability

- 15.1. Supplier is totally exempt from liability to compensate Customer for any damages in any form whatsoever that have been or may be suffered by Customer as a consequence of the Supply and/or use of the Product, from interruption to or reduction in the Supply, or for any deviation from the quality standards, except where the damages suffered are the result of intentional, grossly negligent or grossly irresponsible acts committed by Supplier. In such an event, compensation shall be limited to damages to persons and/or property, and solely if such damages are the direct result of the Supply, of the use of the Product, or of interruption to or reduction in the Supply of the Product. Compensation for damages under this article shall at no time exceed €100,000.00 (one hundred thousand Euro) per incident and €400,000.00 (four hundred thousand Euro) per year and a maximum of €1,000,000.00 (one million Euro) during the entire term of the Term sheet. Years are calculated from the commencement date of the Term sheet.
- 15.2. At no time shall either party be liable to compensate the other party for indirect or consequential damages. Indirect or consequential damages includes: all damages other than direct damage to persons and/or property, such as damages due to inability to conduct normal business, loss of income or profit, etc.
- 15.3. Customer indemnifies Supplier from liability to third parties arising from damages that have been or may be suffered by such parties as a result of the Supply and/or use of the Product or from interruption to or reduction in the Supply, except in the event of intentional, grossly negligent or grossly irresponsible acts committed by Supplier.
- 15.4. Supplier indemnifies Customer from liability to third parties arising from damages that have been or may be suffered by such parties as a result of the laying, the presence, the maintenance and the operation of the Connection and the Instrumentation, except in the event of intentional, grossly negligent or grossly irresponsible acts committed by Customer.
- 15.5. Damage to the Instrumentation or other equipment belonging to Supplier in the Meter Pit shall be charged to Customer if such damage is the result of inadequate frost

protection being provided for the Meter Pit, or other mechanical damage, or if the Meter Pit fails to comply with other requirements specified by Supplier.

Article 16 -Term of Agreement

- 16.1. Unless
- i) otherwise specified in the Term sheet, or
 - ii) the Term sheet is terminated by one of the parties in writing by registered letter no less than 6 (twelve) months prior to the expiry date of the initial term or extended term of the Term sheet
- on expiry of the initial term, the term of the Term sheet shall automatically be extended each year by one (1) year.
- 16.2. Upon expiry or termination of the Term sheet at the end of the initial or extended term, neither party shall be liable to compensate the other party for direct or indirect damages of any kind whatsoever arising from the termination or non-extension of the Agreement.

Article 17 -Premature Termination

- 17.1. While the Term sheet and related GTC-SWC is subject to Article 265 of book 6 of the Civil Code of The Netherlands, the following paragraphs of the current article shall also apply to the Term sheet.
- 17.2. Customer may not terminate the Term sheet during the Term of the Agreement as a result of interruption to or reduction in the Supply.
- a. Either Party (referred to hereafter as the Petitioning Party) has the right: to immediately terminate the Term sheet during the Term of the Agreement without judicial intervention, or
 - b. to demand that the other Party provide a financial surety to the Petitioning Party, if one or more of the following circumstances (the Credit Circumstances) arises in regard to the other Party or another party that has provided a form of surety for the other Party (in both cases referred to henceforth as the Party in Question):
 - (i) bankruptcy procedures are instituted against the Party in Question at the relevant magistrates' court;
 - (ii) the Party in Question applies for protection from creditors;
 - (iii) a seizure order is enforced on an important part of the property of the Party in Question;
 - (iv) the Petitioning Party has reasonable grounds to believe that the financial position of the Party in Question is weakened to such an extent that the Petitioning Party can no longer reasonably expect that the Party in Question is in a position to fulfil its obligations under the Term sheet completely and in a timely manner. In respect to the Supplier, the authority under 17.3.iv remains in force without prejudice to the provisions of article 8.1.(i).

173. The demand for provision of a financial surety to guarantee the complete fulfilment of the obligations under the Term sheet and the notification of the premature termination of the Term sheet may take place solely by means of registered letter from the Petitioning Party to the Party in Question at the address of the Party in Question as stated in the Agreement.
174. If the Petitioning Party waives the right to prematurely terminate the Term sheet, and elects instead to demand that a financial surety be provided, the Petitioning Party may exercise the right to prematurely terminate the Term sheet solely if the Party in Question fails to provide or have another party provide this financial surety within 3 days after receipt of the demand for financial surety.

Article 18 -Mutual exchange of information and confidentiality.

Information provided by either Party to the other Party under the Term sheet shall be transmitted in writing. Notifications, statements and promises made orally shall have no legal validity, except and solely when confirmed in writing by an appropriately authorised person. "In writing" in this instance is taken to include confirmation by means of facsimile or e-mail transmission carried out by an authorised person. Neither Party shall disclose any information related to the negotiation, existence and/or execution of the Term sheet to any third party except with the approval of the other Party, and unless compelled to do so by legal regulations or court order to provide information.

Article 19 -Dutch language

The communication between the Parties shall take place in the language of The Netherlands (Dutch language) unless Parties agree otherwise in writing.

Article 20 -Settlement of disputes

- 20.1. Parties shall cooperate in a spirit of good will to resolve any and all problems that may arise as a consequence of the Term sheet, or of any other Term sheet or understanding between Supplier and Customer related to the Term sheet.
- 20.2. This cooperation shall also take place whenever problems arise due to changed circumstances during the Term of the Term sheet, that are of such a nature and extent that the one Party cannot in reasonableness demand that the other Party fulfil their obligations under the Term sheet.
- 20.3. After expiry of a period of three months after the first meeting between parties under articles 20.1 and 20.2, if in the opinion of one or both Parties the cooperation has not ultimately led to the desired result, then there is an instance of a dispute as soon as one of the Parties notifies the other of such in writing. Disputes under the Term sheet

shall be submitted to the Rotterdam magistrates' court for arbitration, unless the parties agree to an alternative form of arbitration.

Article 21 -Transfer of rights and obligations

Each of the Parties has the right to transfer their rights and obligations under the Term sheet and the related GTC-SWC to a third party, provided the transferring Party ensures that the third party also takes over all intended rights and obligations and notwithstanding the right of the other Party to this Agreement to withhold agreement with the takeover, if the other Party to the Agreement has reasonable grounds for doing so. The transferring Party guarantees that any transfer under the terms of this article shall immediately be notified in writing to the other Party to this Agreement (not meaning the receiving party of the takeover).

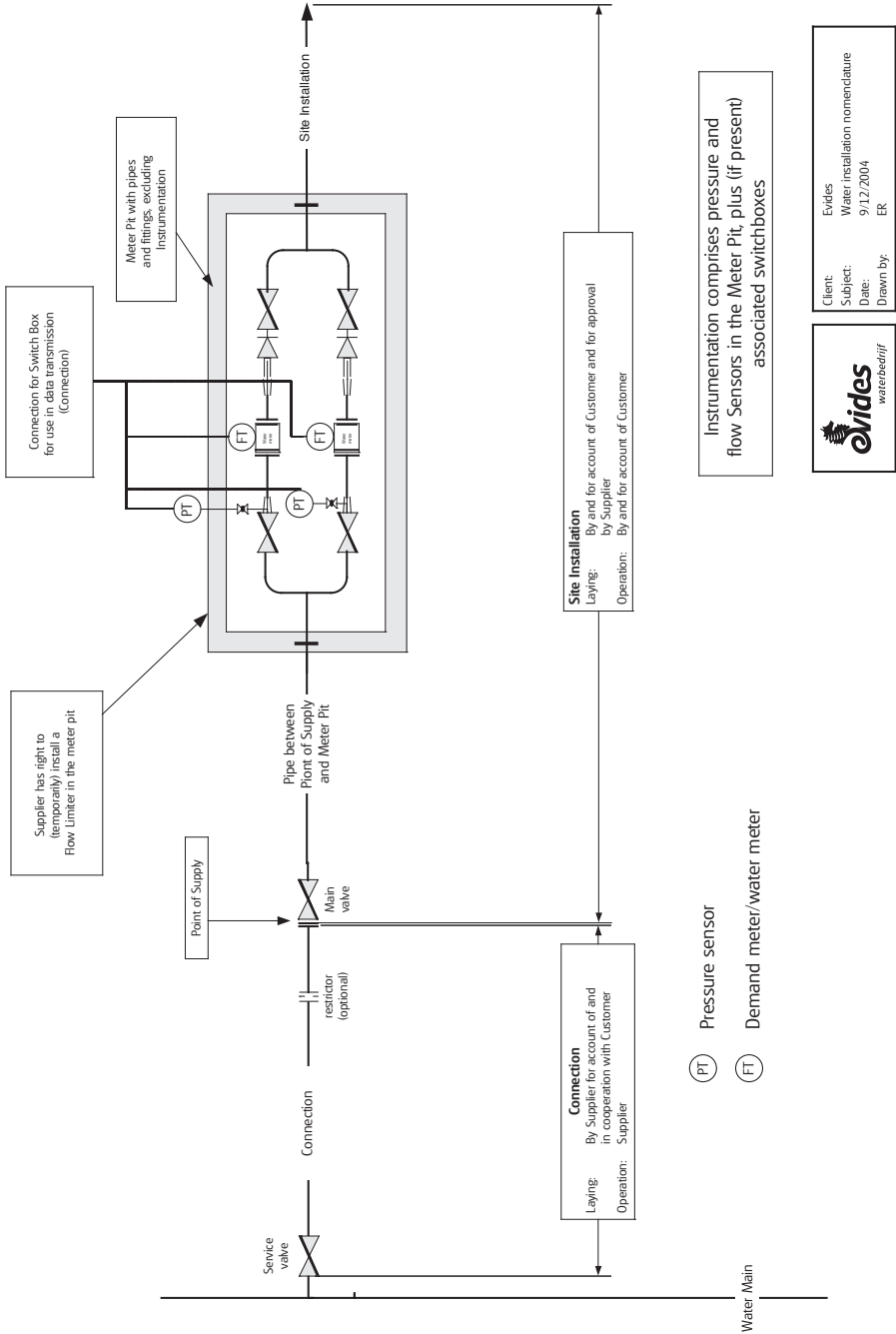
Article 22 -Applicable law.

The Term sheet is subject to Dutch law.

Evides Industriewater B.V. Board of Directors

December 2009

ADDENDUM 1



Client: Evides
 Subject: Water installation nomenclature
 Date: 9/12/2004
 Drawn by: ER



ADDENDUM 2

Division of responsibilities between Customer and Supplier for new and existing installations. This division shall apply except where agreed otherwise in writing between Customer and Supplier.

Section of Installation	Part of	Supply of materials		Placing and installation		Plumbing and/or electrical connection		Operation		Maintenance		Replacement or modification at Supplier request		Replacement or modification at Customer request		Ownership
		Execution	Costs	Execution	Costs	Execution	Costs	Execution	Costs	Execution	Costs	Execution	Costs	Execution	Costs	
Connection pipe with service valve, main valve, flow restrictor, etc. up to Point of Supply	Connection	S	C	S	C	S	C	S	S	S	S	S	S	S	C	S
		S	C	S	C	S	C	S	S	S	S	S	S	S	S	C
Instrumentation (Meters, pressure sensors, etc.)	Connection	S	C	S	C	S	C	S	S	S	S	S	S	S	C	S
		S	C	S	C	S	C	S	S	S	S	S	S	S	S	C
Switchbox for data transmission at Meter Pit	Connection	S	C	S	C	S	C	S	S	S	S	S	S	S	C	S
		S	C	S	C	S	C	S	S	S	S	S	S	S	S	C
Data communication Connection switchbox	Connection	S	C	S	C	S	C	S	S	S	S	S	S	S	C	S
		S	C	S	C	S	C	S	S	S	S	S	S	S	S	C
Power supply to switchbox	Site Installation	C	C	C	C	S	C	C	S	S	S	C	C	C	C	C
		C	C	C	C	S	C	C	S	S	S	C	C	C	C	C
Pipe between Point of Supply and Meter Pit	Site Installation	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C
		C	C	C	C	C	C	C	C	C	C	C	C	C	C	C
Meter Pit with piping, valves and non-return valves	Site Installation	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C
		C	C	C	C	C	C	C	C	C	C	C	C	C	C	C
Other parts of Site Installation	Site Installation	C	C	C	C	C	C	C	C	C	C	C	C	C	C	C
		C	C	C	C	C	C	C	C	C	C	C	C	C	C	C

C Customer **S** Supplier

