

Terms and Conditions



1. Definitions
2. Applicability
3. Offers
4. Product Information
5. Drawings and Technical Information
6. Force Majeure
7. Limitation of liability; no consequential losses
8. Disputes Resolution and applicable law
9. Factory Acceptance Test (FAT)
10. Customer's default
11. Local laws and regulations
12. Adjustments
13. Passing of risk
14. Site Acceptance Test (SAT)
15. Delivery
16. Tanis's delay
17. Payment
18. Passing of Title
19. Liability for damage
20. Liability for defects without prejudice to customer and subject to product warranties set forth in section 21:
21. Product warranties
22. Tanis Indemnification.
23. Exceptions and limitations on indemnification
24. Tanis intellectual property indemnification
25. Purpose
26. Exclusions
27. Charges
28. Position of Tanis
29. Position of Tanis Engineer
30. Position of Customer
31. Instructions
32. Personal Protection Tanis shall ensure that:
33. Preparations for Installation
34. Installation, assembly and wiring
35. Commissioning
36. Incidents and accidents
37. Travelling & accommodation
38. Limitation of liability
39. Insurance requirements



1. DEFINITIONS

In these General Terms and Conditions of Tanis, the following definitions are applicable:

Commissioning: Technical or technological activities required to ensure that the Equipment produces the products as stated in the Order Confirmation.

Contract: The agreement between Tanis and Customer concerning delivery and performance of the Equipment and all appendices, including these General Terms and Conditions, the order confirmation, the agreed amendments and additions to the said documents.

Contract Price: The payment to be made for the Equipment, the Maintenance or the Works as described in the Contract.

Customer: The client of Tanis who ordered the Equipment, Installation and/or Commissioning services either as part of a purchase order for Equipment, or through a separate service order.

Defective: Not conforming to the warranties in Section 22.

Defective Equipment: Goods shipped by Seller to Buyer pursuant to this Agreement that are Defective.

Delivery Date: means the delivery date for Equipment ordered hereunder that is set forth in a Statement of Work.

Delivery Location: The street address specified in the applicable Statement of Work

Engineer: Any individual assigned by Tanis to provide the Installation and Commissioning services.

Equipment: Any type of individual machine or a line of combined machines, materials, software and/or other products supplied by Tanis to Customer under the Contract.

FAT: Factory Acceptance Test.

Gross Negligence: An act, omission or disregard implying either a failure to pay due to serious consequences of this act, omission or disregard, which a contracting party must normally foresee as likely to happen, or a deliberate disregard of the consequences of such an act, omission or disregard.

In Writing: Communication by letter, fax, electronic mail or other means that the parties agree to.

Installation: The Installation, assembly and wiring of the Equipment supplied by Tanis.

Maintenance: Scheduled and unscheduled repair work.

Nonconforming Equipment: Any goods received by Customer from Tanis that: (i) do not conform to the by Customer accepted quotation or the applicable Purchase Order and SOW; (ii) do not fully conform to the Specifications; (iii) do not pass FAT prior to shipping, or (iv) do not pass SAT. Where the context requires, Nonconforming Equipment are deemed to be Equipment for the purposes of this Agreement.

Purchase Order: Customer's purchase order issued to Tanis hereunder, including all terms and conditions attached to, or incorporated into, such purchase order.

SAT: Site Acceptance Test.

Site: The place where the Equipment will be installed, including the surrounding area which is necessary for unloading, storage and internal transport of the Equipment and Installation of the Equipment.

Spare parts: These parts in the Equipment not equivalent to Wear and tear parts, which in general can be used for a

long period of time and due to reasons unknown fail, i.e. bearings, motors/drives, switches, valves, sight glasses, etc.

Specifications: The specifications for the Equipment set forth in the Statement of Work, to which these Terms and Conditions are attached

Statement of Work or SOW: The quotation executed by both parties, including all terms and conditions contained therein.

Warranty Period: The period as set forth in Section 22.

Wear & tear parts: These parts are those subject to wear when used in the Equipment wearing slowly until they are unusable and consequently have to be replaced. This covers all parts whether in direct contact with the product or indirectly through grease, filter packing, seals, etc.

Works: The Equipment, Installation and/or Commissioning of the Equipment and/or any other work that is carried out by Tanis under the Contract

2. APPLICABILITY

2.1 These General Terms and Conditions apply to any sale of goods and/or services by Tanis. Deviations from or additions to these General Terms and Conditions must be explicitly agreed upon In Writing. These General Terms and Conditions, together with the order confirmation and attached riders, if any, shall constitute the entire Contract between Customer and Tanis and shall supersede all other agreements and understandings with respect to the subject matter hereof.

2.2 References by Customer to its own purchasing conditions, contract terms or other conditions in any purchase order or other form of written confirmation sent by Customer, shall not bind Tanis, notwithstanding the act of delivery of the products to Customer in response thereto. The applicability of any conditions used by Customer is explicitly rejected.

2.3 Customer shall be bound by the Contract (and therefore also to these General Terms and Conditions) when Customer accepts by any statement, act or course of conduct which constitutes acceptance under applicable law, including failure to object in writing hereto within a reasonable time and acceptance of delivery of the Equipment.

3. OFFERS

3.1 All offers made by Tanis are non-binding on either party. A contract is binding and concluded as soon as Tanis and Customer has confirmed a(n) (individual) quotation or purchase order or SOW placed by and signed by Customer.

3.2 Tanis shall confirm to Customer the receipt of each Order issued hereunder (each, a "**Confirmation**") within 5 business days following Tanis's receipt thereof by Notice via email or signed SOW. If Tanis commences performance under such Purchase Order or SOW, Tanis will be deemed to have accepted the Purchase Order or SOW. Orders and order confirmations must be in writing. Customer may withdraw any Purchase Order or SOW prior to Tanis's acceptance (or deemed acceptance)



thereof. Tanis may only reject a Purchase Order or SOW if (a) Tanis has sent Customer a Notice of termination or (b) Tanis is unwilling to accept any terms or conditions in the applicable Purchase Order or SOW that supplement those contained in this Agreement.

4. PRODUCT INFORMATION

4.1 All information and data that is part of general product documentation and price lists set forth in the SOW are hereby incorporated into, and made a part of, this Contract.

5. DRAWINGS AND TECHNICAL INFORMATION

5.1 All drawings and technical documents that are submitted by one party to the other in relation to the Works, prior or subsequent to the formation of the Contract, shall remain the property of the submitting party.

5.2 Drawings, technical documents or other technical information received by one party, including all intellectual property rights, shall not, without the consent of the other party, be used for any other purpose than that for which they were provided. Without the consent of the submitting party, they may not otherwise be used or copied, reproduced, transmitted or communicated to a third party.

5.3 Tanis will provide information and drawings which are necessary for Customer to commission, operate and maintain the Equipment. This information and these drawings will be supplied in the number of copies agreed upon or at least one copy of each. Tanis shall not be obliged to provide manufacturing drawings for the Equipment or for Spare parts.

6. FORCE MAJEURE

6.1 Either party shall be entitled to suspend performance of his obligations under the Contract to the extent that such performance is impeded or made unreasonably onerous by Force Majeure, meaning any of the following circumstances: industrial disputes and any other circumstance beyond the control of the parties and not reasonably foreseeable, such as fire, war, extensive military mobilization, insurrection, requisition, seizure, embargo, restrictions in the use of power, currency and export restrictions, epidemics, natural disasters, extreme natural events, acts of God, terrorist acts and defects or delays in deliveries by subcontractors caused by any such circumstance referred to in this Article.

6.2 A circumstance referred to in this Article, occurring after the formation of the Contract, shall give a right to suspension only if its effect on the performance of the Contract could not be foreseen and is not as a result of its own negligence at the time of the Force Majeure event. If the Force Majeure event occurs prior to the formation of the contract, Parties may refuse to execute the Contract with no liability.

6.3 The party claiming to be affected by Force Majeure (the "Impacted Party") shall notify the other party In Writing

within 2 days after the Force Majeure Event. The notice shall state a detailed description of the event and the period of time non-performance is expected to continue. If an Impacted Party fails to give such notice, the other party shall be entitled to compensation for any additional costs which it incurs and which it could have avoided had it received such notice.

6.4 The Impacted Party shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause.

6.5 If Force Majeure prevents Customer from fulfilling his obligations, he shall compensate Tanis for expenses incurred in securing and protecting the Works.

6.6 In the event that the Impacted Party's failure or delay remains uncured for a period of 90 days following written notice given by it under this Section the other Party may thereafter terminate this Agreement upon 5 days' written notice.

6.7 In addition to its other rights under this Agreement or the Law, during any Force Majeure Event impacting Tanis, Customer may, at its option request Tanis to provide equipment from other sources in quantities and at a time requested by Customer and at the Prices for the equipment hereunder without liability to Tanis if Tanis is not able to fulfill this request.

6.8 The rights granted to Tanis with respect to excused delays under this Section are intended to limit Tanis's rights under theories of force majeure, commercial impracticability, impracticability, or impossibility of performance, or failure of presupposed conditions or otherwise.

6.9 If the Agreement is terminated according to clause 6.6 by the Customer Tanis is entitled to a compensation of the out of pocket costs (material, man hours, etc) on her site until the date of termination.

7. LIMITATION OF LIABILITY; NO CONSEQUENTIAL LOSSES

7.1 Except for liability for indemnification, liability for breach of confidentiality, or liability for infringement or misappropriation of intellectual property rights, neither party nor its representatives is liable for consequential, indirect, incidental, special, exemplary, punitive, or enhanced damages, arising out of or relating to any breach of this agreement, whether or not such damages were foreseeable or such party was advised of the possibility of such damages, regardless of the legal or equitable theory (contract, tort or otherwise) upon which the claim is based, and notwithstanding the failure of any agreed or other remedy of its essential purpose.

8. DISPUTES RESOLUTION AND APPLICABLE LAW

8.1 The Contract and all other agreements between Tanis and Customer shall be governed by the substantive law of The Netherlands. The United Nations Convention on Contracts for the International Sale of Goods will not apply.



8.2 All disputes arising out of or in connection with the Contract, including any question regarding its existence, validity or termination, shall be finally settled under the Arbitration Rules of the Netherlands Arbitration Institute by one arbitrator appointed in accordance with the said Rules. The place of arbitration shall be Amsterdam. The proceedings shall be conducted in the English language. It is the intent of the parties that, barring extraordinary circumstances, arbitration proceedings will be concluded within 120 days from the date the arbitrator is appointed. The prevailing party in any arbitration, or any other final, binding dispute proceeding upon which the parties may agree, will be entitled to recover from the other party the reasonable cost for legal representation, including attorneys' fees (including fees attributed to in-house counsel at the prevailing hourly rate of outside counsel applicable to the subject matter hereof).

8.3 Nothing in this article restricts any party in urgent cases to issue an interim relief proceeding/an interlocutory proceeding/a preliminary injunction (in Dutch: 'het kort geding') against the other party to obtain a court order regulating questions of conduct between the parties pursuant to the specific order, or to obtain a speedy settlement by way of a court order to disputes requiring instantaneous resolution. The party who would like to start such a proceeding has the right to choose the commercial or district court having jurisdiction over Tanis registered office or of the Customer.

8.4 Notwithstanding the foregoing, Tanis reserves the right to bring suit against the Customer for any amounts due, pursuant to the specific order, in the competent commercial or district court of the Customer's jurisdiction must file any counterclaim before the latter commercial court as well.

9. FACTORY ACCEPTANCE TEST (FAT)

9.1 Tests before shipment of the Equipment (Factory Acceptance Test), unless otherwise agreed, shall be carried out at the place of manufacture during normal working hours.

9.2 If the Contract does not specify the technical requirements, the tests shall be carried out in accordance with best practices in the appropriate branch of industry concerned in the country of manufacture.

9.3 Tanis will notify Customer In Writing of these tests on time. The test report shall be sent to Customer and shall be accepted as accurate if Customer is not represented during the FAT.

9.4 If, according to the tests, the Equipment shows not to be in accordance with the Contract, Tanis shall without delay remedy any deficiencies in order to ensure that the Equipment complies to the Contract. New tests shall then be carried out 'until all deficiencies are remedied, unless the deficiency was insignificant.

9.5 If the Equipment repeatedly fails to pass the FAT to objective standards, then Customer may terminate this Agreement with no further liability to Tanis after TANIS has been set a reasonable period to fulfill the Agreement

9.6 Tanis shall provide customer with parameters and passing criteria of the definitive FAT prior to shipment.

9.7 Customer shall have no obligations under this agreement unless and until the Equipment passes the FAT based on best practices in the appropriate branch of industry concerned in the country of manufacture and unless otherwise agreed.

10. CUSTOMER'S DEFAULT

10.1 Customer will notify in reasonable time Tanis In Writing if Customer anticipates that Customer will be unable to fulfil in time material obligations set forth herein. In this notification, the reason will be explained and the time frame when Customer will be able to carry out his obligations will be stated.

10.2 Without prejudice to Tanis rights under Article 10.3, if Customer is in breach of its material obligations, the following shall apply:

- a) Tanis shall give notice in Writing setting forth in detail what provisions of the Agreement of which Customer is in breach.
- b) Customer shall then have thirty (30) days to cure any breaches set forth in the notice.
- c) If Customer fails to cure all the breaches set forth in the notice in the allotted time, then Tanis may:
 - 1) suspend in whole or in part his performance of the Contract. Tanis shall forthwith notify Customer In Writing of such suspension. If the Equipment has not yet been delivered to the Site, Tanis shall arrange for storage of the Equipment at Customer's cost.
 - 2) Customer shall pay any part of the Contract price which before the default is become due.
 - 3) Customer shall reimburse Tanis for any out of pocket costs, which are reasonably incurred by Tanis as a result of the measures.

10.3 If Delivery of the Equipment is prevented by Customer's default and this is not due to any circumstance as mentioned in Article 6, Tanis may also by notice In Writing require Customer to remedy his default within thirty (30) days. If Customer fails to dispute such default or remedy his default within such period and this is not attributable to Tanis, Tanis may by notice In Writing terminate the Contract in whole or in part. Tanis shall then be entitled to compensation for the loss suffered by reason of Customer's default, including the total amount of the SOW/Purchase Order minus amounts already paid.

11. LOCAL LAWS AND REGULATIONS

11.1 Tanis shall ensure that the Works are carried out in accordance with the Contract and in accordance with any laws, regulations and rules which are applicable to the Works. Customer shall provide the relevant information on these laws, regulations and rules In Writing, together with the purchase order.

11.2 If above information is not supplied with purchase order by Customer, the Equipment will be built in accordance with the technical specifications mentioned in the quotation which are confirmed in the Contract.

11.3 Tanis shall carry out any adjustments necessary to comply with changes in laws, regulations and rules,



referred to in Article 11.1, or in their generally accepted interpretation, occurring between the date of quotation and date of shipment. Customer shall bear the extra costs and other consequences resulting from such changes, including adjustments to the equipment.

12. ADJUSTMENTS

- 12.1** Subject to the provisions of Article 12.3, Customer is entitled to request adjustments to the scope, design and construction of the Works until the Works have been delivered. Tanis may suggest adjustments as well.
- 12.2** Requests for adjustments shall be submitted to Tanis In Writing and shall contain an exact description of the adjustment.
- 12.3** After receipt of a request for an adjustment Tanis shall, as soon as possible, notify Customer In Writing whether and how the adjustment can be carried out, stating the resulting change to the Contract Price, the date of shipment and other terms of the Contract.
- 12.4** Tanis shall also give such notice to Customer when adjustments are required as a result of changes in laws, regulations and rules referred to in Article 11.
- 12.5** If shipment is delayed as a result of disagreement between the parties on the consequences of adjustments, Customer shall pay any part of the Contract Price which would have become due if shipment had not been delayed.
- 12.6** Tanis shall not be obliged to carry out adjustments requested by Customer until the parties have agreed on how the adjustments will affect the Contract Price, the date of shipment and other terms of the Contract.

13. PASSING OF RISK

- 13.1** Notwithstanding any agreement between Customer and Tanis concerning transfer of title, the risk of loss of or damage to the Equipment shall pass to Customer in accordance with any agreed trade term in accordance with INCOTERMS® in force at the date of formation of the Contract. Delivery of the Equipment shall be Delivery FCA Oosterhout unless otherwise agreed.
- 13.2** Tanis shall be liable for any damage to the Equipment which occurs before the risk has passed to Customer. This applies irrespective of the cause of the damage, unless the damage has been caused by Customer or anyone for whom he is responsible in connection with performance of the Contract. If Tanis is not liable for the damage to the Equipment in accordance with this Article, Customer may still require Tanis to remedy the damage, be it at Customer's cost.
- 13.3** Any loss of or damage to the Equipment after the risk has passed to Customer shall be at the risk of Customer, unless such loss or damage results from Tanis's negligence.

14. SITE ACCEPTANCE TEST (SAT)

- 14.1** When installation has been completed, Site Acceptance Test shall, unless otherwise agreed, be carried out to determine whether the Equipment is as

required according to the Contract.

14.2 Tanis shall notify Customer In Writing that the Works are ready for SAT. He shall in this notice give a date for the test, giving Customer sufficient time to prepare for and be represented at the test.

14.3 If, after having been notified in accordance with Article 14.2 and Customer does not prevent the SAT to take place, the SAT shall be regarded as having been satisfactorily completed at the starting date for SAT stated in Tanis's notice.

14.4 Tanis shall prepare a report of the SAT. This report shall be sent to Customer.

14.5 If the SAT shows the Equipment not to be in accordance with the Contract, Tanis shall without delay remedy the deficiencies. If Customer requests In Writing, a new SAT shall be carried out. This shall not apply when the deficiency was insignificant and had no influence on operation of Equipment.

15. DELIVERY

15.1 Time, quantity, and delivery to the Delivery Location are of the essence under this Agreement taken in consideration paragraph 16.4. Tanis shall assemble, pack, mark, and ship equipment strictly by the methods, to the Delivery Locations, and by the Delivery Dates, specified in the Final Proposal and this Agreement.

15.2 Tanis shall properly pack, mark, and ship equipment as instructed by Customer and otherwise in accordance with applicable Law and industry standards, and shall provide Customer with shipment documentation showing the Purchase Order or SOW number, Tanis's identification number for the subject equipment, the quantity of pieces in shipment, the number of cartons or containers in shipment, Tanis's name, the bill of lading number, FAT documentation, and the country of origin.

Delivery of the Equipment shall be considered to take place:

- a) when the SAT has been completed to objective standards or
- b) where the parties have agreed in writing, signed by both parties, not to carry out SAT, when Customer has received a Tanis's notice In Writing that the Works have been completed, provided that the Works are as required for Delivery according to the Contract.

15.3 Minor deficiencies which do not affect the efficiency of the Equipment shall not prevent Delivery.

15.4 The Tanis's obligation to install the Equipment at the Site is fulfilled when the Equipment is taken over pursuant to this Article 15.1, notwithstanding his obligation to remedy any remaining minor deficiencies.

15.5 Customer is not entitled to use or change the Equipment or any part thereof before Delivery. If Customer does so without Tanis's consent In Writing, the Equipment shall be deemed to have been delivered. Tanis is then relieved of his duty to carry out tests.

15.6 As soon as the Equipment has been delivered in accordance with Article 15.1 and 15.2 Customer shall, at Tanis's request In Writing, issue a certificate stating when the Equipment have been delivered. Customer's failure to issue a certificate shall not affect Delivery according to



Articles 15.1 and 15.2.

15.7 In addition to requiring prompt remediation of such Equipment as set forth in this section, if Parties determine In Writing that any Nonconforming Equipment cannot be remediated or be made conforming, Customer may (i) reject Nonconforming Equipment for a refund plus any inspection, test, shipping, handling, and transportation charges paid by Customer, or (ii) replace such Nonconforming Equipment with new Equipment.

15.8 If Customer exercises its between Parties agreed right to replace Nonconforming Equipment, Customer Parties will negotiate to ship from any location, at Tanis's expense and risk of loss, the Nonconforming Equipment to the nearest authorized Tanis location. Tanis shall, after receiving Customer's shipment of Nonconforming Equipment, ship the new Equipment to Customer, at Tanis's expense and risk of loss in a timely manner.

15.9 In each case the exercise by Customer of any other rights available to Customer under this Agreement or pursuant to applicable Law shall not be limited.

16. TANIS'S DELAY

16.1 Without prejudice to Customer with respect to its rights under Section 15, If Tanis anticipates that he will not be able to fulfil his obligations for shipment before or at the agreed time for shipment, he shall immediately notify Customer In Writing, stating the reason and, if possible, the time when shipment can be expected.

16.2 Tanis shall be entitled to an extension of the time for shipment if delay occurs:

- a) because of any of the circumstances referred to in Article 6, or
- b) as a result of adjustments under Articles 12.1, 12.2 and/or 12.3, or
- c) is a result of suspension under Articles 10.2, 17.6,
- d) by an act or omission on the part of or any other circumstances attributable to Customer.

16.3 Any permission to extension cannot reasonably be refused by Customer. This provision applies regardless of whether the reason for the delay occurs before or after the agreed time for shipment.

16.4 All terms agreed upon in the Contract are in no case fatal terms, which means if the Works are not completed at the agreed time, Tanis will have the right to complete the Works within reasonable time frame and is not liable for any damages.

16.5 If Tanis does not complete the Works prior to the terms agreed upon in the Scope of Work Customer will give Tanis a reasonable time to remedy any breach.

17. PAYMENT

17.1 Unless otherwise agreed in the Contract, payment of the subject transaction is to be effected by direct transfer after receipt of invoice within one (1) week.

17.2 All banking commissions and charges outside the Netherlands are for account of Customer.

17.3 When installation is carried out on a time basis, Section B Tanis General Terms and Conditions of Service, are applicable.

17.4 Whatever the means of payment used, payment shall not be deemed to have been effected before Tanis's account has been irrevocably credited for the amount due.

17.5 If Customer fails to pay by a stipulated date, Tanis shall be entitled to interest from the day on which payment was due and to compensation for recovery costs. The rate of interest shall be 1% per month. The compensation for recovery costs shall be according Dutch law.

17.6 In case of late payment of any undisputed invoice other than down payment invoice, Tanis may, after having notified Customer In Writing, suspend his performance of the Contract until he receives payment.

17.7 If Customer has not paid the amount due within three months, Tanis shall be entitled to terminate the Contract by notice In Writing to Customer and, in addition to the interest and compensation of recovery costs according to this Article 17.5, to claim compensation for the loss he incurs.

17.8 Payment of invoices will not be deemed acceptance of the Equipment or waive Customer's right to inspect, but rather such Equipment will be subject to acceptance under Section 15.

18. PASSING OF TITLE

18.1 The Equipment shall remain the property of Tanis until paid for in full, including payment for installation of the Equipment, to the extent that such retention of title is valid under the Dutch law.

18.2 Customer shall at the request of Tanis assist him in taking any measures necessary to protect Tanis's title to the Equipment.

18.3 The retention of title shall not affect the passing of risk under Article 13.

19. LIABILITY FOR DAMAGE

19.1 Except with respect to any damage arising from the breach or violation of any representation or warranty Tanis shall not be liable for any damage to the property of the customer caused by the equipment after shipment and/or whilst the equipment is in the possession of customer, including during installation and commissioning of the equipment.

19.2 The limitation of Tanis's liability shall not apply where Tanis has been guilty of gross negligence.

20. LIABILITY FOR DEFECTS WITHOUT PREJUDICE TO CUSTOMER AND SUBJECT TO PRODUCT WARRANTIES SET FORTH IN SECTION 21:

20.1 Pursuant to the provisions of Articles 20.2 -

20.15, Tanis shall remedy any defect or nonconformity (hereinafter termed defect(s)) in the equipment resulting from faulty design, materials or workmanship.

20.2 Tanis shall not be liable for defects arising out of materials provided or a design stipulated or specified by customer.

20.3 Tanis shall only be liable for defects which appear under the conditions of operation provided for in the



contract and under proper use of the equipment.

20.4 Tanis shall not be liable for defects caused by circumstances which arise after the risk has passed to Customer, due to faulty operations, faulty maintenance, faulty repair or faulty transport by customer or to alterations carried out without Tanis's consent in writing. Tanis shall neither be liable for normal wear and tear nor for deterioration.

20.5 Tanis's liability shall be limited to defects in the equipment which appear within a period of one year from SAT or -what comes first- the date of release of the Equipment for the production of sellable products by the Customer.

20.6 Customer shall without undue delay notify Tanis in writing of any defect which appears with a description of (the assumed cause of) the defect. Such notice shall under no circumstances be given later than 48 hours after the defect has been identified, forfeiting the right of (i) remedy, (ii) to hold Tanis liable for any defect or (iii) liable for any consequence thereof.

20.7 Tanis will not be liable for any indirect losses/damages Customer or any third party may suffer, caused by the defect. Customer shall take reasonable measures to minimize damage and shall in that respect comply with instructions of Tanis.

20.8 In the event that Customer chooses to have the equipment repaired pursuant to its rights under this section:

- a)** On receipt of the notice under Article 20.6 Tanis shall at his own cost remedy the defect. The time for remedial work shall be chosen in order not to interfere.
- b)** Remedial work shall be carried out at the site, unless Tanis deems it more appropriate, having regard to the interests of both parties, that the defective part or the equipment is sent to him or a destination specified by him.
- c)** Where remedial work is carried out at the site, section c, Tanis's general terms and conditions of service will be applicable.
- d)** If the defect can be remedied by replacement or repair of a defective part and if dismantling and re-installation of the part do not require special knowledge, this to the discretion of Tanis, Customer can -with prior written consent- replace or repair the defective part. In such case, Tanis shall have fulfilled his obligations in respect of the defect when he (i) delivers a duly repaired part or a part in replacement to customer, (ii) installs such part, and (iii) customer confirms in writing that the equipment is operating in accordance with the specifications.

20.9 Unless otherwise agreed, necessary transport of the equipment or parts thereof to and from Tanis in connection with the remedying of defects for which Tanis is liable shall be at the risk and expense of Tanis. Customer shall follow Tanis's instructions regarding such transport.

20.10 Unless otherwise agreed, customer shall bear any additional costs which Tanis incurs for remedying the defect caused by the equipment being located in a place other than the site.

20.11 Defective parts which have been replaced shall be

made available to Tanis and shall be his property.

20.12 If Tanis does not fulfill his obligations under article 20.8, Customer may by notice in writing fix a final reasonable period for fulfilment of Tanis obligations, which shall not be less than one month.

20.13 If Tanis fails to fulfill his obligations within such final period, Customer may himself undertake or employ a third party to undertake necessary repair work at the risk and expense of Tanis. Customer will always inform Tanis of the costs prior to remedying the defect.

20.14 Where successful repair work has been undertaken by customer or a third party, reimbursement by Tanis of out of pocket costs incurred by customer shall be in full settlement of Tanis's liabilities for the said defect.

20.15 Referring to article 20.7 Tanis shall not be liable for defects. This applies to any loss the defect may cause, including loss of production, loss of profit and other indirect loss.

21. PRODUCT WARRANTIES

21.1 Tanis warrants to Customer that:

- a)** for a period of 1 year from the date of SAT or - what comes first- the first day of production of sellable products, Equipment is fit and safe for use consistent with and will materially conform to the Specifications and will be free from significant defects in material and workmanship. If SAT has been delayed for reasons which are attributable to Customer, Tanis's liability for defects shall not be extended beyond 14 months after delivery of the Equipment (the Warranty Period);
- b)** Equipment is free of defects in design (except for written designs provided by Customer, unless the defects in Customer's designs are based on Tanis's specifications);
- c)** no claim, lien, or action exists or is threatened against Tanis that would interfere with Customer's use or sale of the Equipment;
- d)** the Equipment does not infringe any third-party Intellectual Property Rights;
- e)** Customer will receive good and valid title to the Equipment, free and clear of all encumbrances and liens of any kind;
- f)** the Equipment are new and do not contain used or reconditioned parts, unless otherwise specified and agreed to in writing by Customer;
- g)** all Equipment and all parts of Equipment, including, but not limited to parts that may be identified as replacement units or spare parts, shall not experience data integrity, undetected data loss, or related issues, and shall conform with any other related requirements specified in the SOW;
- h)** to the extent the Equipment includes software code, the Equipment contain no harmful code; and
- i)** it has disclosed to Customer in writing the existence of any third-party code, including open source code, that is included in or is provided in connection with the Equipment and that Tanis and the Equipment is in compliance with all licensing agreements applicable to such third-party code.



21.2 In the event that the Customer has elected not to use Tanis' services to install and commission the equipment, the Warranty Period will be 12 months from the Ex-works point of manufacture/FCA

21.3 During the Warranty Period, if Equipment do not comply with the warranties in this Agreement, in addition to other remedies available at Law or in this Agreement, Tanis shall repair or replace such Defective Equipment as set forth in Section 20.

21.4 For other projects than delivery of Equipment the following warranty periods apply:

- a)** Support projects: 6 months for parts and functionality from SAT of support project
- b)** Spare Parts: 1 year for parts only from delivery at site
- c)** Pump overhaul: 2 months for parts and functionality from starting at delivery at site.
- d)** Nozzle Plates / Mould Boards: 6 months starting at delivery at site

22. TANIS INDEMNIFICATION

Subject to the terms and conditions of this Agreement, Tanis (as "Indemnifying Party") shall indemnify, defend, and hold harmless Customer and its Representatives/officers, directors, employees, agents, successors, and permitted assigns (collectively, "Indemnified Party") against losses, damages, liabilities, or expenses, including reasonable attorneys' fees, fees, and the costs of enforcing any right to indemnification under this Agreement and the cost of pursuing any insurance providers, incurred by Indemnified Party/awarded against Indemnified Party (collectively, "Losses"), relating to/arising out or resulting from any Claim of a third party alleging:

- a)** any grossly negligent or more culpable act (willful misconduct) in connection with the or omission of Indemnifying Party or its Personnel (including any recklessness or performance of its obligations under this Agreement;
- b)** any bodily injury, death of any Person, or damage to real or tangible personal property caused by the willful or grossly negligent acts or omissions of Indemnifying Party or its personnel;
- c)** any failure by Indemnifying Party or its Personnel to materially comply with Dutch Laws.

23. EXCEPTIONS AND LIMITATIONS ON INDEMNIFICATION

Notwithstanding anything to the contrary in this Agreement, Indemnifying Party is not obligated to indemnify or defend Indemnified Party against any claim (whether direct or indirect) if such claim or corresponding Losses arise out of or result from Indemnified Party's or its personnel's:

- a)** gross negligence or more culpable act or omission (including recklessness or willful misconduct); or
- b)** bad faith failure to materially comply with any of its obligations set forth in this Agreement.

24. TANIS INTELLECTUAL PROPERTY INDEMNIFICATION

24.1 Tanis shall defend, or at Customer's option cooperate in the defense of, hold harmless and indemnify, including legal fees Customer and its Representatives (collectively, the "Customer Indemnitees") from and against all Losses awarded against any Customer Indemnitee arising out of any third-party Claim or any direct Claim against Tanis alleging that any of the Equipment or the use thereof infringes any Intellectual Property Right.

24.2 In addition, if such a Claim is or is likely to be made, Tanis shall, at its own expense, exercise the first of the following that is practicable:

- a)** obtain for Customer the right to continue to use and sell the Equipment consistent with this Agreement;
- b)** modify the Equipment so they are non-infringing and in compliance with this Agreement;
- c)** replace the Equipment with non-infringing ones that comply with this Agreement; or
- d)** a Customer's request, accept the cancellation and return (at Tanis's expense) of infringing Equipment without Customer having any cancellation liability and refund to Customer any amount paid for such infringing Equipment.

24.3 Customer shall Notify Tanis of third-party Claims against Customer, and reasonably cooperate in the investigation, settlement, and defense of such Claims regarding infringement of any Intellectual Property Rights by Tanis.

24.4 Notwithstanding anything to the contrary in this Agreement, Tanis is not obligated to indemnify or defend any Customer Indemnitee against any claim (whether direct or indirect) under Section 25 if such claim or corresponding Losses arise out of or result from

- a)** use of the Equipment in combination with any products, materials or equipment supplied to Customer by a person other than Tanis or its authorized Representatives, if the infringement would have been avoided by the use of the Equipment not so combined; or
- b)** any modifications or changes made to the Equipment by or on behalf of any Person other than Tanis or its Representatives, if the infringement would have been avoided without such modification or change.

25. PURPOSE

The following is a summary of the responsibilities and duties of the Engineer during Installation and Commissioning of the Equipment and during Maintenance services performed by the Engineer.

26. EXCLUSIONS

The following items are excluded from the Contract and excluded from any Maintenance services, unless explicitly stated differently in the Contract:

- All building alternations or modifications necessary to



accommodate Tanis.

- Interconnecting process piping and wiring between skids.
- Insulation of piping, vessels and accessories.
- All peripheral structures such as ladders, bridges, bulkheads, platforms and ventilation ducts; ducts/ladders for cabling.
- Support constructions to hang/attach equipment on ceilings.
- Building constructions such as walls and stairways.
- Lifting- and rolling support and Equipment.
- Piping and connections to and from the utility services i.e. power (electricity), steam, condensate, compressed air, hot/tempered/cold water.
- Piping from skids to floor drains.
- All costs arising from local/regional/national licenses and/or by-laws and/or regulations.
- Testing of services and connections to Tanis control cabinets and/or Equipment.
- Sufficient supply of required utility services.
- Spare parts and Wear and tear parts.
- Travelling costs (tickets, local transport and travelling hours) and hotel accommodation of Tanis engineers.

27. CHARGES

27.1 Charges for Engineer working at Customer's Site:

- a)** The applicable rates for the different types of Engineers are listed in document DO-ASM-006 (2024), which can be obtained from Tanis and is subject to annual indexation.
 - A working day is max 10 hours (07.30 – 17.30, depending on duration of the I&C period and local regulations) including time for breaks; a week consists of 6 working days (Monday through Saturday). Overtime will be invoiced as per the actual rates.
 - The full daily rate will be invoiced also when interruption has occurred (only if and when at no fault of or beyond control of Tanis).
 - Lodging for Tanis Engineer will be arranged by Customer. Costs for lodging and transportation (flight tickets/taxi/rental car) will be paid by Customer unless otherwise agreed upon by both parties.
 - Travel hours of Tanis Engineer from Tanis location to customer location are charged at a rate of EUR125 (2024). This rate is subject to annual indexation.
 - If the costs for lodging and transportation (flight tickets/taxi/rental car) is paid by Tanis, a handling fee of 15% is applicable. This will be handled based on a prepaid estimation, to be agreed upon and settled prior to commencement of any work, with any increases or decreases in costs to be reconciled at a later stage.
 - If lodging for Tanis Engineer is more than 2 km from the Installation Site or the traveling time exceeds half an hour per single journey, this extra time will be deducted from the normal working day of 10 hours.
 - Invoices will be sent on a bi-weekly basis, payment

due upon receipt of invoice.

- b)** If and when the period for Installation, Commissioning and/or Maintenance has to be extended at no fault or beyond the control of Tanis, the conditions of clause 27.1a apply and in addition, the following policy will apply:
 - Waiting hours and daily allowance will be charged in accordance with the rates as listed in document DO-ASM-006 (2024) mentioned above, which can be obtained from Tanis and is subject to annual indexation.
 - Extra hours outside the normal working hours unless caused by mistakes in Tanis design or manufacture will be charged in accordance with the rates as listed in document DO-ASM-006 (2024) mentioned above, which can be obtained from Tanis and is subject to annual indexation.
 - The Customer will be charged for the costs of the withdrawal of the Engineer from, and the return of the Engineer to, the work Site. If the Installation, Commissioning and/or Maintenance work is interrupted for any reason beyond Tanis's control and
 - o The Customer requests Tanis to withdraw the Engineer from the work Site; or
 - o Tanis recalls its personnel because the interruption is considered to be unreasonably long; the number of waiting days is restricted to three days.

27.2 Types of Engineer:

Tanis distinguishes several types of Engineers with separate rates:

Mechanical Engineer will: unpack machines, supervise correct Installation, connect and re-assemble, service mechanical machine parts and connect/fit piping.

- Software Engineer will do I/O testing, small software modification, water testing.
- Electrical Engineer will install and connect electrical components and perform wiring of the skids.
- Commissioning Engineer will connect internal wiring, execute software modifications, test and commission (do initial start-up and training).
- Senior Software Engineer will do I/O testing, complete software modification, water testing, production monitoring and software trouble shooting.
- Site supervisor will supervise during unpack, Installation, connecting and reassembling of the Equipment.
- Process/product specialist will execute troubleshooting, modify and fine-tune both Equipment and recipes.

28. POSITION OF TANIS

28.1 Tanis is responsible for the quality of the Engineer's work. Customer can expect good craftsmanship and adequate technological knowledge associated with the specific type of Engineer.

28.2 Tanis is not responsible for locally hired staff or Tanis not even when Tanis reimburses Customer for hiring such local staff or Tanis.



29. POSITION OF TANIS ENGINEER

29.1 The Engineer is hired and paid by Tanis and therefore the Engineer will not accept any compensation from Customer either financially or otherwise.

29.2 Scope of the work is described in the Order Confirmation. Changes in the scope of the assignment can only be made through the Engineer's supervisor.

29.3 Tanis warrants that:

- The Engineer will comply with all local laws and regulations.
- The Engineer will comply to non-disclosure agreement if applicable.
- The Engineer will comply with plant regulations.
- The Engineer has to comply with Tanis safety and Rules of Conduct.
- An Engineer that disregards the safety instructions is liable for disciplinary actions and/or dismissal by Tanis.

29.4 The Engineer cannot take any decision regarding financial implications of project issues. If only one Tanis Engineer is on Site, Customer has to provide an employee to assist the Engineer and watch over his personal safety.

30. POSITION OF CUSTOMER

30.1 By entering into a Contract with Tanis, the Customer implicitly agrees to the responsibilities and duties of the Engineer and the responsibilities and duties of the Customer as are stated in these General Terms and Conditions.

30.2 Customer will inform Tanis about all relevant safety regulations valid on Site by providing Tanis with a copy of these regulations In Writing. If Tanis deems the Site unsafe, based on the provided safety regulations, Tanis has the right to not carry out the Installation, assembly, wiring, Commissioning and/or Maintenance work.

30.3 Customer will appoint a person that is authorized to represent Customer during Installation, assembly, wiring, Commissioning and/or Maintenance work. This person will be present during aforementioned Installation, assembly, wiring, Commissioning and/or Maintenance.

31. INSTRUCTIONS

31.1 Working under influence of alcohol, drugs or medication is not allowed.

31.2 Customer will provide a safe location for changing clothes and to store tools, materials and personal belongings.

31.3 Customer will provide the means to communicate with Tanis head office by phone and internet connection.

31.4 Customer will check and sign off the Engineer's time sheets.

32. PERSONAL PROTECTION TANIS SHALL ENSURE THAT:

- Engineers wear safety shoes and working clothes.
- Eye and ear protection has to be worn when the situation requires.
- Customer will provide for additional personal safety items if and when required.

33. PREPARATIONS FOR INSTALLATION

33.1 3D drawings showing the way in which Equipment is to be installed, together with all information required for preparing correct foundations, for providing access to the Equipment and making all necessary connections to the Equipment, will be provided to Customer in good time.

33.2 Customer is responsible for the timely preparations on Site to ensure that the conditions required for Installation and correct operation of the Equipment are fulfilled. Fail to meet this requirement will extend the terms for completed Work by the amount of days Customer delays.

33.3 The preparations shall be carried out by Customer in accordance with the drawings and information provided by Tanis under this Article.

33.4 In case any errors in these drawings or other supplied information is detected by Tanis or notified to Tanis before expiry of the Warranty Period, the costs of any required remedial work shall be borne by Tanis.

33.5 Tanis is in no case liable for any consequential costs whatsoever.

33.6 Customer will ensure that Tanis personnel (including the Engineer) is able to start work in accordance with the agreed time schedule and to work during normal working hours.

33.7 Work may be performed outside normal working hours to the extent deemed necessary by Tanis, provided that Customer has been informed in writing in reasonable time.

34. INSTALLATION, ASSEMBLY AND WIRING

34.1 The Engineer must be present during removal of transport protection material. Failure to comply with this requirement will lead to complete waiver of any warranties and will exclude Tanis from any liability regarding the state of the delivered Equipment.

34.2 Moving Equipment from trucks to its final destination within the Site is the responsibility of the Customer, including arranging sufficient resources and required Equipment and tooling (rigging Equipment, forklifts, cranes etc.). If Customer is not able to place the Equipment on its final destination within the Site.

34.3 Customer ensures that all necessary equipment on Site (such as cranes, lifting equipment, transport equipment, auxiliary tools, materials and supplies, including fuel, oils, grease, gas, water, electricity, steam, compressed air, heating, lighting etc.) as well as measuring and testing equipment is available on Site in a timely manner. Tanis will specify these requirements at the latest one month before the agreed date for starting the Installation work.

34.4 The Engineer is only on Site for advice during Installation and has no responsibility whatsoever.

34.5 Structural strength of floors and mezzanines are the responsibility of Customer.

35.6 The Engineer is not allowed to operate forklift trucks, cranes or any other type of rigging tools.

34.7 Engineer does not perform modifications to buildings or existing structures such as -for example- cutting or drilling in walls, floors or ceilings.



34.8 Customer has to provide a translator for any language other than the English or German language.

ASSEMBLY

34.9 Assembly is the mechanical and electrical assembly of the individual parts or subassemblies of the Tanis. Excluded from the assembly is the interconnecting wiring and piping between (kitchen) skids and or different types of Equipment.

34.10 The Engineer is responsible for supervision of customer mechanical engineers and correct assembly of the Equipment.

WIRING

34.11 Engineer will not connect Equipment to main power supplies.

34.12 Engineer will only connect wiring within the Tanis electrical enclosures of the Equipment or parts in the Equipment.

34.13 Kitchen: Routing and termination of cables inside the kitchen skids is included. All interconnecting wiring (routing and termination) between kitchen skids are excluded.

34.14 Depositor: All wiring inside the depositor to the RCP (cabinets inside the depositor) is included. All wiring (routing and termination) between RCP and MCP is excluded. All motor wiring (routing and termination) directly between motor and MCP is excluded.

34.15 Drying Rooms: All wiring (routing and termination) between air handlers and control cabinets is excluded. All wiring (routing and termination) between control cabinets and displays is excluded.

34.16 Starch Conditioning: All wiring (routing and termination) from starch cooler/dryer field equipment to RCP (cabinet fixed to cooler/dryer) is included. All wiring (routing and termination) between RCP and MCP plus motor cables directly to MCP is excluded.

34.17 Starch transport: All wiring from buffer and sifter to JCP is included. All wiring from MCP to motors on screws, buffer and sifter is excluded. All wiring from JCP to MCP is excluded.

34.18 Track system: All wiring on shuttle trains itself is included. All other wiring from track sensors to RCP, from motors to MCP, and from shuttle trains to MCP/JCP/RCP is excluded.

34.19 Utility oil skid: all wiring (routing and termination) to JCP is included. All wiring from JCP to MCP is excluded.

35. COMMISSIONING

35.1 Engineer will not operate (or make available to the Tanis Equipment) Customers' utility or raw material systems.

35.2 Customer will provide free of charge any power, lubricants, water, fuel, raw materials and other materials required for testing of the Equipment.

35.3 Customer has to provide a translator for any language other than the English or German language.

35.4 During testing and commissioning the Customer has to provide sufficient support to load up raw materials and clean Equipment.

35.5 Engineer is not liable for consequential damage or costs as a result of accidental discharge of raw materials or product to the drain.

35.6 Customer will provide an appropriate workstation (incl. desk and seat) directly next to the Equipment for the programmer to work at.

35.7 Customer makes sure that skilled operators will be available to receive instruction during Commissioning/ training.

36. INCIDENTS AND ACCIDENTS

36.1 An incident is defined as an event where damage is done to the Tanis, other installations or the environment.

36.2 An accident is defined as an event where a person(s) working on the installation suffered physical injuries.

36.3 These incidents and accidents shall at all times be reported by the Engineer to Tanis or by customer in case it concerns the Engineer.

37. TRAVELLING & ACCOMMODATION

Subject to article 28.1, Customer takes care of arranging and paying lodging for the Engineer.

Customer is obliged to take following into account:

- All travelling and accommodation costs will be borne by Customer.
- Customer shall provide assistance with arranging Visas, work permits etc. if required.
- The standard of the accommodation has to be at least of the three (3) star (***) West European standard (room with shower, telephone, internet connection and the usual amenities).
- The travel time between accommodation and Site has to be less than 30 minutes.
- The Customer will take care of local transportation or will make suitable transportation available.
- Customer makes sure that Engineer will have access to primary medical services.

38. LIMITATION OF LIABILITY

38.1 In addition to the articles 6, 7, 19 and 20, which all fully apply to any work performed by the engineer, Tanis represents and warrants that it shall make every effort to ensure the due, timely and proper performance of the work. Tanis further represents and warrants personnel of required skill, experience, and qualifications and in a professional and workmanlike manner in accordance with best industry standards for similar services and shall devote adequate resources to meet its obligations under this agreement.

However, the obligations assumed by Tanis are best efforts obligations.

38.2 Tanis also represents and warrants that the Work will be in conformity in all material respects with all requirements or specifications stated in this Agreement and any applicable Statement of Work.

38.3 In the event of Tanis's breach of the foregoing warranty, Tanis shall use reasonable efforts to cure such breach; provided, that if Tanis cannot cure such breach



within a reasonable time after Customer's written notice of such breach, Customer may, at its option, terminate the Agreement by serving written notice of termination, and/or resort its rights under Section 20 to have a third party complete the Work.

38.4 Except for any breach of representation or warranty or in connection with its indemnification obligations, if Tanis fails to meet one of its obligations, its liability for any damage caused to customer and proven by the latter (including the loss of an intellectual property right) shall be limited to the total value of the invoices actually paid by customer for the services directly linked to the damage caused to customer.

38.5 If Tanis's liability is covered by her insurance company, the liability is always limited to the insured amount.

38.6 In any case, no action, whatever its nature, grounds or procedure, can be instituted by customer more than six months from the day on which customer has or should have had knowledge of Tanis's failure to meet one of its obligations.

38.7 Tanis cannot be held liable for any damage caused by or due to the intervention of third parties, and in particular any damage caused by the products or services of third parties, if it was not Tanis who decided to have recourse to these third parties. If it is Tanis who decided to have recourse to third parties, Tanis's liability for any damage caused to the customer by the intervention of these third parties is limited as provided for in article 38.1 and 38.2.

39. INSURANCE REQUIREMENTS

39.1 During the term of this agreement and for a period of two (2) years thereafter, Tanis shall procure, within thirty (30) days of the effective date, and maintain, at its sole cost and expense, in full force and effect its own:

- a)** comprehensive general business liability insurance policy, consistent with commercial practices or standards for similar industries, insuring against any and all loss, liability or business interruption arising from the obligations and activities of that party hereunder including, without limitation, those arising from, product liability, personal injury, wrongful death or property damage and contractual liability with respect to the indemnity obligations set forth in this agreement. The coverage amount of such insurance policy shall not be less than one million dollars (\$1,000,000.00) per occurrence and five million dollars (\$5,000,000.00) in the aggregate.
- b)** worker's compensation insurance in amounts as may be required by Dutch law.





—○ Let's make candy smarter