

General terms and conditions

Of the private company
mFLOR International B.V. established in
Twello, registered with the chamber of
commerce under number 08179562.
VAT No. NL819770279B01.

Article 1 Definitions

The following terms are used in these terms and conditions:

- 1.1 the Principal: the natural person or legal entity who placed an order with Extensu to sell and/or deliver goods or to perform work and/or render services;
- 1.2 Extensu: mFLOR International B.V., which accepted the order as referred to in 1.1 or which gave a quotation or made an offer prior to a possible order.

Article 2 Applicability

- 2.1 These terms and conditions apply to every offer and every agreement between Extensu and the principal, unless the parties have stipulated deviations from these terms and conditions in writing.
- 2.2 General terms and conditions of the principal only apply if and to the extent that the parties have agreed to this in writing. For the rest, Extensu's general terms and conditions continue to apply.

Article 3 Offers; agreements

- 3.1 All quotations given by Extensu are without obligation. They are valid for 30 days, unless stipulated otherwise.
- 3.2 An agreement between the parties is only established once Extensu has accepted an order in writing or has begun the actual fulfilment of the agreement.
- 3.3 Illustrations, descriptions, drawings, dimensions, weights and colours as well as the contents of price lists, brochures, printed matter, etc. of Extensu do not bind Extensu, unless the agreement explicitly refers to them. Every new price quotation from Extensu supersedes the previous quotation.
- 3.4 With respect to specified dimensions, quantities, weights and colours of delivered goods, Extensu always reserves the customary tolerances, in accordance with the information regarding this as specified by Extensu's manufacturer/supplier. Minor deviations that do not exceed the customary tolerances cannot lead to any claim by the principal against Extensu, such as a claim for dissolution and/or compensation.
- 3.5 Promises made by and agreements made with subordinates of Extensu to the extent that these subordinates do not have any representation authority do not bind Extensu until and to the extent that Extensu has confirmed such promises and agreements in writing.

Article 4 Prices

- 4.1 All prices quoted are exclusive of VAT and other government levies and exclude transport costs and assembly costs, unless otherwise agreed upon in writing.
- 4.2 The price that Extensu quoted for the performance it is to render only applies to the performance in conformance with

the offer made by Extensu.

- 4.3 Extensu reserves the right to change prices, unless otherwise agreed upon in writing. In the event of price changes, the principal has the right to dissolve the concluded agreement via a written statement, if the price increase exceeds 10%. Dissolution must take place immediately after the principal has been notified of the price increase. If a price increase is a result of a statutory or other government measure, Extensu is entitled to pass on the price increase to the principal, even where the price has been agreed as a fixed price, without this resulting in a right to dissolution on the part of the principal.

Article 5 Cancellation

The principal is entitled to cancel an agreement before Extensu has begun fulfilment of the agreement, provided the principal compensates the damage Extensu suffered as a result. In any event this damage includes the profit Extensu lost as a result of the cancellation. The principal will compensate Extensu for this damage at Extensu's initial request to do so. The request for cancellation must be sent to Extensu in writing. If the cancellation is requested within 24 hours before loading of the goods, a 10% handling fee will be charged. If applicable the cost of cancellation of the forwarder contracted by Extensu will also be charged.

Article 6 Delivery and delivery time

- 6.1 Unless stipulated otherwise in writing, delivery is "Ex Works", where the purchased goods are stored. The purchased goods are transported at the expense and risk of the principal, who must take out adequate insurance.
- 6.2 The principal is required to take delivery of the purchased goods at the time the goods are placed at his disposal in accordance with the agreement or when the goods are delivered. In the event that the principal fails to take delivery of the goods or fails to provide information or instructions required for the delivery, the goods will be stored at the principal's risk. In that case, the principal will be required to pay all additional costs, in any event including storage costs.
- 6.3 A delivery time is not a firm deadline, unless explicitly agreed otherwise in writing. Therefore, in the event of late delivery the principal must give Extensu a written notice of default.
- 6.4 A specified delivery time is fixed with the expectation that there will be no impediments for Extensu to deliver on time and that Extensu can perform the work related to the delivery as envisaged at the time the agreement was concluded and that the materials possibly needed to fulfil the agreement will be delivered to Extensu in a timely fashion. Failing this, the delivery time will be extended by the extra time needed. This also applies if changes in the order for Extensu mean that more time is required to fulfil the agreement.

- 6.5 Extensu is permitted to make partial deliveries of goods. If the goods are delivered in this fashion, Extensu is authorised to invoice separately for each delivery.

Article 7 Payment; collection costs

- 7.1 Unless the parties agree otherwise, the principal must pay the amounts due within 30 days after the invoice date, without claiming any discount or offsetting. In the event of late payment, the principal will be deemed to be in default without any notice of default from Extensu being required.
- 7.2 Extensu is entitled to demand advance payment or other security from the principal at any time.
- 7.3 In the event that the principal fails to pay on time, he has to pay interest on the amount due at a rate of 1% per month or, if this is higher, the statutory interest that applies in the mutual relationship between the parties, from the moment the principal is in default.
- 7.4 Payments made by the principal are always applied first to all interest and costs owed, and thereafter to settle the due invoices which have been outstanding the longest, even if the principal states that the payment is for a later invoice.
- 7.5 In the event that Extensu takes collection measures against the principal who is in default, the principal will have to pay the collection costs, with a minimum of 10% of the outstanding amount.
- 7.6 The principal is liable to pay Extensu the judicial costs which Extensu incurred in all instances, unless these costs are unreasonably high. This only applies if Extensu and the principal are conducting legal proceedings regarding an agreement to which these general terms and conditions apply and a decision from the court ruling fully or primarily against the principal has become final.

Article 8 Defects; complaint terms

- 8.1 The principal must inspect the purchased goods upon delivery (or have this done). In this inspection, the principal must check that the delivered goods conform to the agreement, i.e.: that the correct goods have been delivered; that the delivered goods conform to the agreements in terms of quantity (for example number and amount); that the delivered goods satisfy the quality requirements agreed upon or – if there are no quality agreements – the requirements which may be stipulated for normal use and/or commercial purposes.
- 8.2 The principal must notify Extensu in writing of any visible defects or shortcomings within 8 days after delivery.
- 8.3 The principal must notify Extensu of any hidden defects within 8 days after such defects have come to light or reasonably should have come to light, but no later than within the applicable warranty term.
- 8.4 In the event of a valid complaint, Extensu will at all times be entitled still to deliver in conformance with the agreements, repair the defect or credit the principal for a proportionate part of the invoice.
- 8.5 Even if the principal complains in a timely manner, he continues to be liable to pay for and take delivery of the purchased goods.
- 8.6 Purchased goods can only be returned to Extensu after prior written consent has been granted. Extensu will only give its consent to return goods specifically ordered for the principal if they are damaged and Extensu can be held accountable for this.

Article 9 Retention of title

- 9.1 Extensu continues to be the owner of all the goods delivered

or to be delivered by Extensu to the principal pursuant to any agreement until the principal has fully paid all the claim(s) regarding these goods. In the event that Extensu has rendered or should render services pursuant to that (or those) agreement(s), the goods referred to in the previous sentence continue to be the property of Extensu until the principal has also fully paid Extensu's claim(s) for those services. The retention of title also applies to claims which Extensu acquires against the principal on account of non-fulfilment by the principal of such agreement(s).

- 9.2 If the law of the country of destination of the purchased goods includes possibilities relating to the retention of title that go beyond those provided for in paragraph 1 above, the parties agree that these further-reaching possibilities will be deemed to have been stipulated for Extensu, with the proviso that if it proves impossible to objectively establish the further-reaching rules to which this provision relates, the provisions of paragraph 1 above will continue to apply.
- 9.3 Goods delivered by Extensu and covered by the retention of title may only be resold within the scope of normal business operations. If, however, the principal is declared bankrupt or has his payments suspended, the principal may not sell such goods on, even within the context of normal business operations. Moreover, the principal is not authorised to pledge the goods or to establish any other right on the goods.
- 9.4 Extensu hereby states that it will reserve the rights of pledge referred to in Section 3:237 Dutch Civil Code with respect to delivered goods whose title has passed to the principal as a result of payment and which are still held by the principal as additional security for claims, other than the claims mentioned in paragraph 1 and paragraph 2 of this article, which Extensu may have against the principal on any account whatsoever. The authority set forth in this paragraph also applies to goods that have been delivered by Extensu and have been treated or processed by the principal.
- 9.5 In the event that the principal fails to fulfil its obligations or in case of valid fear that the principal will fail to fulfil its obligations, Extensu is entitled to remove delivered goods that are subject to retention of title or to have this done from the principal or from third parties holding the good(s) for the principal. The principal must render its full assistance in this on pain of a penalty of 10% of the amount payable by the principal per day.
- 9.6 In the event that third parties wish to establish or exercise any right to the goods delivered subject to retention of title, the principal must inform Extensu of this as soon as may be reasonably expected.
- 9.7 The principal must mark goods which have been delivered subject to retention of title as Extensu's property and insure these goods and keep these goods insured against fire, explosion and water damage and against theft and - at Extensu's initial request to this effect - make the insurance policy and proof of payment of the premium for this insurance available to Extensu for inspection. In addition, at the initial request from Extensu, the principal is required to:
- pledge all the principal's claims against insurers regarding the goods delivered subject to retention of title to Extensu in the manner described in Section 3:239 of the Dutch Civil Code;
 - pledge the claims the principal acquires towards his buyers in the re-sale of goods delivered by Extensu subject to retention of title to Extensu in the manner described in Section 3:239 of the Dutch Civil Code;
 - mark the goods delivered subject to retention of title as Extensu's property;

- assist in other ways in all reasonable measures which Extensu wants to take in order to protect its property rights regarding the goods, which do not unreasonably obstruct the principal in his ordinary business operations.

Article 10 Warranty

- 10.1** Unless otherwise stipulated in writing, no warranty applies if the purchased goods are not new but used. For the rest, purchased goods are only warranted in accordance with the warranty stipulations of Extensu's supplier.
- 10.2** In the event of a valid claim under the warranty, the principal is entitled to repair of the good. Extensu may choose to replace the good if there are objections to repairing the good. The principal is only entitled to replacement if the good cannot be repaired. Replaced goods become the property of Extensu. Our liability under the warranty is limited to full or partial redelivery when the delivered goods show a product defect.
- 10.3** The warranty does not apply if the conditions stipulated in the product installation instructions are not followed: in particular those regarding transport and storage, temperature conditions before, during and after installation and acclimatisation must be strictly and fully adhered to as specified:

10.3.I Transport and storage

Boxes containing any and all flooring products supplied by Extensu must always be stored and transported on a flat and firm surface in neat stacks, flat (i.e. not overhanging), and never vertical. Do not stack pallets when storing. The boxes must never be stored in very cold (below 6°C), very warm conditions (above 35°C) or damp rooms. The advised temperature is between 15 and 25°C. In principle pallets must be stored in warehouse racking. In case racking is not available the product can be stored/stacked, for a short period, to a maximum of 2 pallets high and only when the temperature in the warehouse is between 15 and 25°C.

10.3.II Temperature conditions before, during and after installation

It is best to install all flooring products supplied by Extensu at a room temperature between 18°C and 28°C and a floor temperature above 15°C. Installations in places that are colder than recommended have a detrimental effect on the user-friendly installation features of Loose Lay. The boards and/or tiles are less easy to handle and less flexible, and cutting will be more difficult, making it harder to cut out small pieces. The lower the temperature, the harder they are to handle. For installations in places that are warmer than the recommended temperature conditions, we recommend that you create the correct installation conditions by external means such as fans, blinds, etc. A constant temperature which does not fluctuate by more than 5°C per day and which is not below the required 18°C or above the required 28°C room temperature, and a minimum floor temperature of 15°C, must be maintained for 3 days before and during installation and for 7 days after installation has been completed.

10.3.III Acclimatisation

All flooring products supplied by Extensu should be acclimatised in the room where it is to be installed for at least 24 hours prior to installation, or until the product has reached the ambient temperature. This

is a temperature not lower than 18°C. Ensure that the packages are laid flat and without stress during acclimatisation. Leave the panels in the packaging in small stacks away from sources of extreme heat or cold. The acclimatisation environment should be between 18 and 28°C during this period and should be maintained within these levels after installation to ensure acceptable product performance.

10.3.IV Remarks

Polypropylene floors may expand and shrink under the influence of temperature or climatic conditions. If the material is not properly acclimatized or if the temperature fluctuates by more than 10°C over 12 hours, open or raised joints may occur in the polypropylene floor which can cause irreparable damage. This can be prevented by following the installation instructions correctly.

- 10.4** The warranty does not apply if the damage results from normal wear and tear or improper handling. Improper handling includes: careless use of the good or use of the good for a purpose other than the purpose for which the good is intended; insufficient maintenance; damage and changes to or repairs of the good by third parties without Extensu's prior consent
- 10.5** The warranty only applies if the principal has fulfilled all his obligations to Extensu.

Article 11 Liability

- 11.1** Defects in delivered goods are governed exclusively by the warranty as described in Article 10 (Warranty) of these terms and conditions.
- 11.2** Extensu's liability, to the extent that this is covered by its liability insurance, is limited to the amount of the payment made by the insurer. If the insurer does not pay in any event or the damage is not covered by the insurance.
- 11.3** If Extensu's liability insurer does not pay in any event or if the damage is not covered by the insurance, Extensu's liability is limited to the invoice value of the performance at issue.
- 11.4** Extensu is not liable for trading losses, such as damage in the form of lost profits and other consequential losses.
- 11.5** Extensu is not liable for the accuracy of advice, information and usage instructions provided in the scope of the delivered goods. Usage instructions are guidelines; the principal must conduct his own examination under the circumstances in question in order to verify the accuracy of these instructions.
- 11.6** Any legal claim the principal has against Extensu becomes null and void one year after the goods have been delivered or made available to the principal in conformance with the agreement, unless the principal has initiated legal proceedings against Extensu within this term.
- 11.7** The limitations of liability included in these terms and conditions do not apply if the damage can be attributed to intent or wilful recklessness on the part of Extensu or its managerial employees.

Article 12 Force majeure

- 12.1** Force majeure is understood to mean: circumstances that make it impossible to honour the obligation but that cannot be attributed to Extensu. If and in so far as these circumstances make it impossible or unreasonably difficult to honour an obligation, force majeure includes: strikes; a general shortage of the requisite raw materials and other goods or services needed to render the agreed

performance; unforeseeable delays at suppliers or other third parties on which Extensu depends; a situation in which a performance relevant in connection with the performance to be rendered by Extensu is not rendered, not rendered in time or not properly rendered to Extensu; government measures which prevent Extensu from fulfilling its obligations in time and/or properly; excessive absences due to sickness; terrorist attacks; restricted or discontinued supplies of energy, whether or not by public utility companies; fire; time lost through frost or other weather influences and general transport problems.

- 12.2** Extensu is also entitled to invoke force majeure if the circumstance that prevents (further) fulfilment commences after Extensu should have fulfilled its obligation.
- 12.3** During a force majeure situation, Extensu's delivery and other obligations are suspended. If the period of time in which fulfilment of the obligations by Extensu is not possible on account of force majeure lasts longer than three months, both parties are authorised to dissolve the agreement without any obligation to pay damages.
- 12.4** In the event that Extensu has already fulfilled part of its obligations or can only fulfil part of its obligations at the time the force majeure situation commences, Extensu is entitled to separately invoice the part Extensu already delivered and/or Extensu can deliver and the principal is required to pay this invoice as if a separate contract is involved.

Article 13 Termination of the agreement

- 13.1** Extensu's claims against the principal will become due and payable at once, inter alia in the following cases:
- if after concluding the agreement Extensu learns of circumstances which give Extensu valid grounds to fear that the principal will not fulfil its obligations;
 - if the principal winds up its business, is declared bankrupt or is granted suspension of payments;
 - if Extensu has asked the principal to furnish security for the fulfilment and this security is not furnished or is inadequate;
 - if the principal is in default in some other manner and fails to fulfil its obligations under the agreement. In the events mentioned above, Extensu is authorised to suspend the further performance of the agreement and/or to dissolve

the agreement, all this subject to the obligation of the principal to compensate the damage Extensu suffers as a result and without prejudice to the other rights to which Extensu is entitled.

- 13.2** If circumstances arise relating to persons and/or materials used by Extensu, or which Extensu is in the habit of using, in the performance of this agreement, that make performance of the agreement impossible, or so difficult and/or disproportionately expensive that fulfilment of the contract can in all fairness no longer be demanded, Extensu is authorised to dissolve the agreement.

Article 14 Change of address

The principal must immediately inform Extensu in writing of any change of address. Goods delivered to the principal's last known address will be deemed to have been received by the principal.

Article 15 Dispute resolution and applicable law

- 15.1** Contrary to the statutory rules for the competence of the civil court, any dispute between the principal and Extensu will be settled in the first instance exclusively by the court in Zwolle, unless dictated otherwise in Section 108 (2) of the Dutch Code of Civil Procedure. Extensu will always be authorised to submit a dispute to the court which has jurisdiction by law or according to the applicable international convention.
- 15.2** All agreements between Extensu and the principal are governed by Dutch law.

Article 16 Translations

In the event of any differences between translations of these general terms and conditions and the Dutch version of the terms and conditions, the Dutch text will prevail.