

General Standard Terms and Conditions for Rental (Version 2020-1)

These General Terms and Conditions for Rental are applicable on all quotations, rental agreements, deliveries and all other performances as well as invoices from Maats B.V. (hereinafter “Maats”) and for payments to Maats. Divergent conditions of Lessee are only valid when Maats has agreed and accepted the changes in writing.

In these Terms:

- “Lessee” means the person or legal entity who accepts the Maats’ verbal or written quotation for the rental of the Equipment or whose written order for the Equipment is accepted by Maats;
- “Equipment” means the goods (including any instalment of the goods or any parts for them) which Maats is to rent in accordance with these Terms;
- “Maats” means Maats BV, for Maats Pipeline Professionals;
- “CONTRACT” or “RENTAL AGREEMENT” means the contract for the rental of Equipment;
- “INCOTERMS” means the international rules for the interpretation of trade terms of the International Chamber of Commerce as in force at the date when the Contract is made, based on IC 2020;
- “TERMS” means standard terms of rental set out in (this document) and (unless the context otherwise requires) are to be completed with any special terms agreed in Writing between Lessee and Maats in the Rental Agreement;
- “WRITING” and any similar expression, includes facsimile transmission and comparable means of communication, including electronic mail or via the World Wide Web.

1. Quotations

- 1.1 All quotations / proposals of Maats are subject to change without notice and without obligation. Validity of all quotations expires automatically 30 days after quotation date. All documents attached to quotation, e.g. drawings, pictures, dimensions, weights, capacities only contain approximate details and no rights can be derived from it.
- 1.2 Availability of the Equipment offered in Maats’ quotations is subject to prior sale and/or rental.

2. Prices and taxes

- 2.1 All prices mentioned are in Euro, excluding VAT (or similar taxes, dues and duties), documents and packaging.
- 2.2 All taxes or duties levied outside The Netherlands are the sole responsibility of Lessee. If applicable, Maats will charge VAT and other government levies in accordance with applicable (international) laws and regulations, if necessary retrospectively.
- 2.3 Rental rates are on a daily rate basis and are valid for each calendar day of rental for the specified Equipment during the period of rental. (See clause 10 ‘Period of rental’). Rental rates are based on maximum 220 working hours per month. In case of excess of 220 working hours per month, additional working hours will be charged as per stipulation in the Rental Agreement.
- 2.4 Where Withholding tax is applicable, Lessee is obliged to inform Maats prior to the rental agreement and Maats is entitled to change the conditions of its quotation. A signed proof of payment by Lessee for Withholding tax is mandatory. Lessee is obliged to deliver this proof of payment to Maats within 30 days from payment of such tax. In case of delay or when the absence of this proof of payment leads to extra costs and/or non-deductible taxes for Maats these costs will be charged to Lessee.

3. Order acceptance

- 3.1 Orders are only accepted by Maats when confirmed in writing by an authorized employee of Maats. Commitments of Maats’ personnel in forms other than in writing by the authorized persons are not valid. Maats retains the right to change the order due to substantial especially design-and-development-related reasons.

4. Delivery terms and transportation

- 4.1 All deliveries are Free Carrier (FCA) Goor, the Netherlands, according to INCOTERMS[®] 2020. Lessee has the obligation to arrange appropriate transportation to and from the site at its own costs, including documents and duties. In case packaging (including checking, marking and any third-party inspection) is necessary, Maats will arrange this for the account of and charge to Lessee. In case of export outside EU territory, Maats will clear the Equipment for temporary export; Lessee is to arrange temporary import and re-export. Lessee is responsible for rigging and de-rigging of equipment. Maats’ instructions concerning transportation are imperative. In case of overseas transportation, all equipment is to be shipped below deck only, transportation by container excepted. Delivery and return point will be documented in the Rental Agreement.

4.2 In case it is agreed that Maats shall arrange (part of) the transportation to and from the site a new Incoterm will be agreed upon. Nevertheless, Maats can never be held liable for a delay in delivery/transportation and/or damage to the Equipment during transportation. Delivery periods or dates are mentioned in the Rental Agreement. The compliance of Maats with the agreed periods or dates of delivery is subject to Lessees compliance with all of its contractual obligations, like a mandatory written order and a Payment Guarantee. Any delay in handing over proof of these mandatory obligations, can cause an unequal (higher) delay in delivery by Maats, because of change of planning.

5. Invoices, payments, default and setoff

5.1 Invoices will be generated at the end of each calendar month and are based upon the actual number of calendar days of the respective month.

Payment term: within thirty (30) days from invoicing date.

Standard security of payments: Payments are to be covered by an irrevocable confirmed Letter of Credit (L/C). Wording of the L/C and the issuing bank are to be approved by Maats prior to opening. The L/C is to be valid for the period of rental plus the agreed payment term (30 days). The evidence by SWIFT message of the opened L/C is a precondition to the rental agreement.

5.2 If Lessee cannot comply with the above, Maats reserves the right to suspend or dissolve the agreement. In case of prolongation of rental duration, one (1) month prior to the expiry date of the L/C, Lessee has the obligation to extend the validity of the L/C and increase the total amount accordingly.

5.3 Invoices for all other performances such as special design and/or special modification of rented equipment and costs of repairs will be sent separately directly after these performances are executed. Invoices for (optional) insurance by Maats on behalf of Lessee are to be paid prior to delivery.

5.4 Payment of these invoices: due upon receipt. All payments are without any deduction, set off and free of expenses as well as on a non-charge basis for Maats. Lessee must not withhold payment.

In case Maats arranges the transportation for Lessee based on the agreed Incoterm, the costs for transportation are to be received by Maats, prior to arranging transportation.

5.5 The expiry date of the payment term is to be regarded as a strict deadline. In case of delay of payment, Lessee is immediately, without prior notice, in default and Maats will charge from the due date onwards one percent (1%) of delay interest per month on outstanding payments. In the calculation of this delay interest, the calendar month that has already started, will be calculated as a full calendar month. All given discounts, are no longer applicable, if necessary with retrospectively, when Lessee is in default.

5.6 In case of a delay in payment of more than one (1) month, all outstanding amounts become immediately due and payable and Maats is entitled – without obligation to give prior notice – to collect all outstanding payments and to charge Lessee all related costs (both judicial and extrajudicial).

6. Period of rental

6.1 The minimum period of rental is ninety days (90 days). The period of rental will commence from the date (first parts of) the Equipment leaves Maats' premises and will cease from the date the Equipment is returned to Maats' premises, provided the Equipment is returned in a clean and working condition (including all associated parts), normal wear and tear accepted. Equipment is deemed to be returned when all parts have been received clean and in good condition. In case Equipment is returned during the minimum period of rental, the period of rental will continue until the end of the minimum period of rental has been reached.

6.2 If Maats confirms, upon request by Lessee, in writing, that the rental period shall be extended after the initial period of rental, the rental will continue on a daily basis with the same terms and conditions as agreed upon before. In case of any overrun of the period of rental without the written permission of Maats, Maats is entitled to collect the Equipment and to charge Lessee for all related costs, including costs of consequential damages, it being understood that Maats shall not thereby become liable for damages to the Lessee and that such collection shall be without prejudice to any other rights Maats may have.

7. Early termination

7.1 If a Rental agreement is terminated early by Lessee, the termination will only be valid when submitted by the Lessee in writing, confirmed by Maats in writing.

7.2 This termination will be accepted provided that Lessee agrees to pay all related costs caused by the termination such as (but not limited to): costs for transport, packaging, (de-) mobilization, temporary import and re-export, adjustment, termination costs of L/C as well as 50% of the loss of rental revenue/rental fee for the remaining contractual duration.

8. Use, repair & maintenance

8.1 **Use:** All Equipment must only be used according to manufacturer's purposes and must be treated carefully, maintained properly, is only to be operated by a trained operator and must be returned in the same condition as it was received, except for normal wear and tear. Operating manuals, spare parts manuals and applicable certificates or copies thereof will be sent to Lessee at the start of the period of rental and are to be returned with Equipment. Missing operating and spare parts manuals and/or certificates at the end of the period of rental will be charged to Lessee, as well as all costs caused by incorrect use/transport, improper repair/maintenance or changes to the Equipment. After each month of rental, Lessee is obliged to report to Maats the conducted services and working hours by stating hour meter readings of the Equipment.

Costs of replacement of wire ropes or undercarriages / undercarriage parts / tires due to damage other than normal wear and tear are not included in the rental price.

8.2 **Repair:** In case of any damage or breakdown of the Equipment during the period of rental, Lessee is to report such in writing within 48 hours, indicating the cause of the damage or breakdown, the serial number and location of each piece of the affected Equipment. Provided the breakdown is caused by normal wear and tear, a standstill will apply as from the date of reporting breakdown; this means that the period of rental will be suspended and during this suspension no rental payments will be charged for the specific piece of Equipment. Breakdown or failure of 'options', not necessary for normal basic use of the Equipment (for example: air-conditioning, boom protection), is not accepted as reason to claim standstill.

8.3 In the event that Lessee and Maats disagree about the cause of damage or breakdown, parties can request a third parties judgement e.g. from an independent expert that both parties agree on. This judgement is binding upon the parties. Small repairs under the value of € 550, - conducted per piece of Equipment on the job-site are for the account of Lessee. For all repairs and services only OEM parts/products or Maats approved parts/products are to be used. If costs for repair are for the account of Maats, Lessee is not allowed to conduct any repairs to Equipment without Maats' explicit permission.

8.4 If certain spare parts are not available locally for repairs, Maats will forward these to Lessee. Except in case of normal wear and tear, all costs related to repairs and/or the breakdown of the Equipment, including material, spare parts, transportation, packaging and technicians are for Lessee account. Maats reserves the right of daily inspection of the Equipment. On request, Lessee will receive undercarriage reports of each crawler-type machine. Wear is based upon normal to heavy use of the Equipment. Regarding undercarriages or parts thereof, normal wear and tear is understood as 1,5% for 100 working hours.

8.5 If wear turns out to be disproportionate, Maats has the right to charge to Lessee the costs of repair or even exchange.

8.6 **Maintenance:** Lessee is responsible for regular daily equipment servicing according to the equipment manuals, including but not limited to checking fuel levels, all fluid levels, tires /tracks and greasing Equipment. Lessee is obliged to record these daily maintenance checks and hand over these notes to Maats when requested.

8.7 General Service Intervals according to the maintenance manuals are the responsibility of (and for the account of) Maats. If incorrect or incomplete daily maintenance is observed the costs of the Service Interval is for the account of Lessee.

9. Inspection

9.1 Lessee shall have the right to inspect for its own account the Equipment at Maats' facility prior to delivery. If nothing emerges from the inspection or if Lessee does not use her right to inspect the Equipment, Maats is deemed to have performed in accordance with the rental agreement.

10. Liability

10.1 Under no circumstances will Maats be liable for any other direct or indirect damages, such as, but not limited to incidental, consequential, special, punitive or statutory damages, costs, loss of profits, revenues or use suffered by Lessee. Any damage to be paid by Maats, whether based on breach of contract or non-contractual liability shall be limited to the amount stipulated in the Rental Agreement.

10.2 Lessee shall be liable to Maats for any and all losses or damages to the Equipment from whatever cause the same may arise, normal wear and tear excepted, as well as the liability claims relating to the use, operation, handling and/or transportation of the equipment. In the event of loss of or damage to the Equipment, the period of rental shall be continued until settlement has been effected. Lessee will indemnify, defend and hold harmless Maats and its personnel against and in respect of all claims, demands, actions and proceedings which are made and/or instituted against Maats and/or its personnel and/or in respect of any occurrence, loss, costs, penalties or damage for which Lessee is liable.

11. Insurance

- 11.1 Lessee shall conclude at its own costs following (primary) insurances for the rented equipment: Hull: all risks cover, including theft, loss, disappearance, flood, earthquake, inundation, land/rock slide. The insured value will be on a re-investment value basis stated by Maats. Liability: cover for bodily injury, death, or property damage including any consequential loss thereof arising out of the use, operation, handling and transportation of the rented equipment. The minimum insured limit will be (equivalent of) EUR 5.000.000 per single limit occurrence. Insurances referred to will in all cases be deemed to be the primary insurance and will provide that the insurers waive any right of subrogation against Maats. Maats will be named as co-insured and/or additional beneficiary in the policies. Lessee will supply Maats with a certificate and/or proper proof of the existence of the insurance policies including payment thereof.
- 11.2 Parties must also take out all compulsory insurance as required by law. In case it is agreed that Maats will insure equipment on behalf of Lessee, a deductible of EUR 10.000 per single occurrence is applicable, which remains Lessee's risk.

12. Ownership

- 12.1 All Equipment shall always be and remain the sole property of Maats or, in case of cross rental, of the party Maats rented the equipment from, which is herewith acknowledged by Lessee. If Lessee deliberately appropriates the rented equipment this will be regarded as embezzlement. Equipment, or any part thereof, shall not be sub-rented, re-rented or lent to any third party without prior written permission from Maats. Lessee shall forthwith notify Maats in writing of any seizure, confiscation or the imposition of any other form of rights on (part of) the Equipment to the benefit of third parties (whether by contract or operation of law) during the period of rental. Moreover, Lessee will inform Maats about the location of Equipment at first request. Upon seizure or confiscation of all or part of the Equipment as well as in case of administration or liquidation of Lessee, Lessee is obliged to inform the bailiff, receiver or administrator immediately about the property rights of Maats. If an event as described above will take place, Maats shall be entitled to terminate the Rental Agreement and to repossess or arrange for the return of any Equipment without further notice of default and without legal intervention, and charge to Lessee. The Lessee authorizes Maats in advance to access all sites in and around Lessee's property and/or jobsite.

13. Third Party

- 13.1 Lessee is aware of the fact that Maats has established or may establish security rights from a financing party on the Equipment offered by Maats, regardless of whether equipment is held by Maats or Lessee. Lessee is also aware of, and to the extent necessary, agrees to the fact that ownership of the Equipment may also rest with a financing party. In the event that Maats fails to fulfill its obligations towards the financing party, Lessee must agree on the financing party's demand to close the Rental Agreement with the financing party for the remaining term of the current Rental Agreement with Maats, and under similar conditions.
- 13.2 However if Lessee does not wish to continue the rental agreement with the financing party, Lessee is aware of, and to the extent necessary, agrees to the fact that Lessee may be obliged to surrender Equipment on the financing party's demand, without Lessee being able to invoke any right of retention or other right, if and as soon as the financing party demands surrender of the Equipment.
- 13.3 As a result of the financing party demanding the Equipment, the Rental agreement will be deemed terminated with immediate effect. In that case, Equipment is surrendered to or taken back by the financing party at a location in the Netherlands to be stipulated by the financing party, and Lessee undertakes to fully cooperate in this. The Parties cannot revoke this third-party clause.

14. Force majeure

- 14.1 Maats shall be released from its responsibilities for full or partial non-performance of its obligations if such non-performance is the consequence of Force Majeure circumstances including but not limited to flood, fire, earthquake and other natural disasters, war or military operations, or resolutions or decrees of the government in country of deployment. Maats shall notify Lessee in writing within 14 days of the commencement of the event, stating the reasons and the effect upon Maats. Immediately upon cessation of Force Majeure event Maats shall take all necessary steps to resume performance of its obligations. Should Force Majeure conditions continue for a period of 90 consecutive days, then either Party may terminate the rental agreement giving 30 days' notice in writing.
- 14.2 Any amount due by Lessee to Maats in accordance with the Rental Agreement prior to the date of occurrence of Force Majeure shall be paid independently of occurrence of said Force Majeure. If any such circumstances directly affect fulfilment of the obligations in time stipulated by the Rental Agreement, this term should be shifted adequately for the validity period of the corresponding obligation.

15. Applicable law and settlement of disputes

15.1 These Terms and all rights and obligations under contracts between Maats and Lessee shall exclusively be governed by and construed in accordance with the laws of The Netherlands. All disputes will be settled by negotiations between the Parties. If the Parties do not come to a settlement within 3 months, the dispute shall be submitted to the exclusive jurisdiction of the competent court in Almelo (Court of Overijssel), the Netherlands.

16. General provisions

16.1 Any divergent conditions agreed upon between Lessee and Maats per Rental Agreement will not constitute a precedent for any future agreements. Maats is not liable for any changes in regulations and/or legislation in Lessee's country or country of deployment of the Equipment during the period of rental that could affect the use of the Equipment. If such changes will be applicable, Lessee shall hold Maats harmless against, defend and compensate Maats for all costs and/or damages related to such changes, including costs of return transportation, packaging and any temporary import /export costs.

17. Severability

17.1 Should any individual provision or any part of any provision be or become void, illegal or unenforceable, the validity of the remaining provisions hereof shall in no way be affected. In such case the void and/or unenforceable provision or provisions shall be replaced by relative provisions coming as close as possible to the sense and spirit and purpose of these Terms.