

## CWS GENERAL TERMS AND CONDITIONS

### I. GENERAL

#### **Article 1: General – scope – quotations - formation of agreement**

- 1.1. In these general terms and conditions 'CWS' shall mean the Belgian company CWS-BOCO BELUX N.V., which has its registered office in Belgium, at Berchemstationstraat 78, 2600 Berchem, as well as all of its branches. 'customer' shall mean the other party that makes use of the services of CWS. 'Goods' shall mean the goods that are the subject and/or form part of the agreement with CWS.
- 1.2. These terms and conditions apply to all CWS's quotations and prices and to all agreements concluded with CWS. The application of any general terms and conditions of the customer is expressly excluded, unless CWS expressly accepts such deviating conditions in writing. Whenever, at the moment of acceptance of a quotation issued by CWS, the customer expresses reservations or makes changes with regard to such quotation, the agreement will only be entered into force between the parties after CWS has informed the customer in writing in its order confirmation that it accepts such deviations..
- 1.3. All CWS's quotations and prices are without obligation. Images and descriptions of goods in documents sent or handed over by CWS are purely provided for indicative purposes and are not binding with regard to the goods actually to be supplied. If a quotation of CWS includes a time limit for acceptance, then this means that the obligation-free offer will in any case expire after that time limit has expired.
- 1.4. The agreement between the parties is only concluded after both parties have signed the quotation and/or agreement as agreed. This signature is given when each party signs the written quotation and/or agreement in writing, or when this has been signed digitally via the digital quotation tool of CWS. The customer accepts that this digital signature is equivalent to a handwritten signature on the quotation and/or agreement.

If an agreement between CWS and the customer is concluded through an intermediary and the provisional confirmation provided by the intermediary deviates from the order confirmation of CWS, the agreement between CWS and the customer shall be governed by the provisions included in the order confirmation of CWS.

- 1.5. By signing an agreement with CWS the customer expressly accepts the application of the general and special terms and conditions of CWS.
- 1.6. CWS reserves the right at all times to make changes or to complement the general terms and conditions. CWS will notify the amended version to the customer when sending the first subsequent invoice that is subject to the new terms and conditions. If the customer does not accept the change or addition that has been made, the customer shall notify this to CWS within 14 calendar days after notification of the change or addition, failing which the customer shall be deemed to have agreed to the change or addition.
- 1.7. Changes or additions to the special terms and conditions of the agreement with the customer shall only have effect if these are agreed in writing by both parties.

#### **Article 2: Pricing**

- 2.1. The prices stated in the agreement are basic prices, excluding VAT and any contributions to environmental levies, and are based on 'carriage paid' delivery. Delivery, repair, assembly, dismantling and/or removal costs, as well as a service stop fee, will be charged separately, if applicable. CWS always retains the right to charge dismantling costs if it first has to dismantle goods at the customer's premises before it can install its own goods.
- 2.2. The prices of CWS included in the quotation and/or agreement are subject to increase based on changes in one or more price-determining factors, including but not limited to changed economic, fiscal and social circumstances, wage costs, freight prices, purchase prices, materials or parts prices or exchange rates. If CWS wishes to make use of this right to revise prices it shall inform the customer of this as soon as possible in writing.

#### **Article 3: Delivery - implementation**

- 3.1. CWS supplies or makes available goods carriage paid to the customer.
- 3.2. Proposed dates for supply, installation or repair are not binding but only indicative. In the case of a manifest delay in the delivery, installation or repair, CWS must always be placed in default in writing and CWS must be granted a reasonable time limit to comply with its obligations.

- 3.3. The customer will have to sign for receipt of deliveries. CWS reserves the right to request that the customer digitally signs a delivery note on the device of the representative of CWS. The customer expressly accepts that such a digital signature is equivalent to a handwritten signature on a document.

#### **Article 4: Customer obligations**

- 4.1. The customer is required to handle, store and protect CWS's goods with due care, to keep them in operationally ready condition and only to use them with due care in accordance with their normal use. The customer is obliged to follow strictly all instructions for use and guidance issued by CWS.
- 4.2. The customer is obliged to solely make use of goods of a sanitary nature offered by CWS, such as towels, soap, foam, toilet paper and air fresheners.
- If in the case of an all-in contract an excessive consumption of such consumables comes about, then this may result in price adjustments.
- 4.3. The customer is not entitled to change or adapt, disassemble or move goods belonging to CWS itself or to make these available in any form to third parties or to place these outside its control. Only CWS or its agents shall carry out technical maintenance on the hired goods.
- 4.4. The customer is responsible for the proper condition and organisation of premises where goods belonging to CWS are used or stored. During normal office hours the customer is obliged to grant one or more persons appointed by CWS access to the premises where CWS's hired goods are located, so that CWS can inspect these items at all times.
- The customer shall keep a clean and dry space available for CWS to allow the storage of any rented towel rolls. The customer shall ensure that this space is easily accessible, odour-free and free of dust and vermin and is regularly cleaned. The customer shall ensure that clean towel rolls are stored separately from dirty towel rolls and that the towel rolls are kept clean and dry when they are moved from the storage area to the toilets.
- 4.5. The customer is not entitled to suspend its contractual obligations, if it is itself already failing to comply with its own obligations.
- 4.6. The customer is obliged to inform CWS within 14 calendar days by registered letter of: (i) any change to its legal form (conversion of form of company), (ii) the transfer of its undertaking, (iii) any transfer of the registered office of its company, and (iv) any change to the legal or de facto control over the company of the customer in the meaning of Article 5 of the Belgian Companies Code.

#### **Article 5: Liability of the customer for hired items**

- 5.1. An inventory, agreed by both parties, of all hired goods that are made available to the customer shall be drawn up, at both the start and the end of the agreement and on every occasion that CWS or the customer considers necessary.
- In the absence of an inventory agreed by both parties at the end of the agreement, the calculation made by CWS shall constitute proof of the goods that are returned.
- 5.2. The customer shall be deemed to have received the goods in good condition and is obliged to return such goods subject to normal wear and tear to CWS at the end of the agreement, except for the consumables that have been sold and clothing for which the Residual Value Charge has been paid.
- 5.3. The customer is fully and exclusively liable towards CWS for any damage to goods and for the entire or partial destruction of goods of CWS, regardless of how this damage or destruction has arisen (such as: fire, vandalism, theft, etc.). The customer undertakes to compensate all missing, disappeared or abnormally damaged goods at the value of the goods as new at the time when the damage arises.
- 5.4. The customer shall ensure that the goods can be dismantled without damage and that the goods remain movable at all times.
- 5.5. The goods are transported at CWS's risk. In the event that a delivery provided for in the agreement is nevertheless performed using a means of transport belonging to or designated by the customer, the goods shall travel at the customer's risk.

#### **Article 6: Payment conditions – failure to comply**

- 6.1. Invoices are sent to the customer by post. As soon as CWS shifts to digital invoices, invoices will be sent exclusively by e-mail to the customer. If the customer then asks CWS to send invoices by post as well, then CWS reserves the right to charge a compensation for this. If the customer obliges CWS to book an invoice or to register this in a system designated by the customer, then CWS reserves the right to charge the customer a compensation for this.

CWS's invoices are payable within 30 days after the invoice date by transfer to the bank account designated by CWS, whether or not via direct debit. The customer is automatically in default if it fails to pay on time. If CWS is not able to state the reference, purchase number, order number or PO

number of the customer on the invoice because the customer does not send this information to CWS or does not send it on time, then this shall not give the customer the right to suspend the payment of this invoice.

- 6.2. In the event of late payment, CWS automatically has the right to charge late payment interest equal to the interest pursuant to the Act of 2 August 2002 on combating late payments in commercial transactions, from the day after the due date of the invoice. Furthermore, CWS automatically has the right in the case of late payment or any other breach of contract on the part of the customer, in addition to the principal and the late payment interest, also to claim damages equal to 10% of the principal, with a minimum of € 200,00 (two hundred), plus any judicial costs. CWS is entitled first to attribute all payments made to it to the interest and damages due from the customer and then to the oldest outstanding invoice, regardless of any indications to the contrary.
- 6.3. Non-payment of a single invoice on its due date will mean that all balances of all other outstanding invoices will immediately fall due, even if these invoices issued to the customer are not yet due.
- 6.4. CWS has the right at all times to demand sufficient security for compliance with the customer's payment obligations. Such security may consist of a deposit or a bank guarantee equal to the customer's payment obligations corresponding to a period of one month or another amount, as stated in the agreement or in the special terms and conditions applicable to the agreement with the customer. The nominal amount of the deposit will be released at the end of the agreement on condition that the customer has complied with all of its contractual obligations and that CWS's goods are returned in good condition.
- 6.5. In case of bankruptcy, court-ordered liquidation or a decision to de facto close down or liquidate the customer's company, CWS has the right to terminate the agreement with immediate effect and to demand compensation for the cancellation, without resort to a court of law. In the cases referred to above, all contractual claims of CWS shall be immediately due and payable in their entirety.

#### **Article 7: Retention of title - access**

- 7.1. All goods shall remain in the ownership of CWS. The customer must ensure that the ownership notices fixed to the goods are maintained. The customer shall inform the owner of its business premises (if any) and any third party that wishes to gain security on or attach the goods that the goods are the property of CWS. The customer is only the user of the goods, but bears the risk and the liability in relation to the goods from the moment of the delivery until the moment that the goods are taken back by CWS.
- 7.2. In the event that goods hired out by CWS are the subject of attachment against the customer or at its premises, the customer shall immediately warn CWS by registered letter with a copy by fax or by e-mail, stating the identity of the party levying the attachment. The customer shall inform CWS in the same way about any claims that third parties make to the hired goods. If the case arises the customer shall notify the party levying attachment or other third parties of CWS's exclusive right of ownership. The customer shall in this regard compensate CWS for all costs that it has had to incur in order to protect and enforce its ownership rights to the goods.
- 7.3. If goods are sold, then they shall be sold subject to express retention of title, as long as the price has not been paid in full and all other claims of CWS on the customer on the basis of the agreement or on the basis of these general terms and conditions have not yet been executed and/or paid in full. In this connection 'Price' shall mean: the principal sum, costs of transport and packaging, the VAT due from the customer and any other taxes or levies due from the customer, and also the interest and damages due from the customer to CWS.
- 7.4. The customer authorises CWS to access the location where the goods that are in the ownership of CWS are located if CWS wishes to inspect such goods.

#### **Article 8: Liability of CWS**

- 8.1. CWS is not liable for damage that the customer and/or its agents suffer for any reason whatsoever, including any breach of contract, negligence, failure or serious failure on the part of CWS, one of its agents or suppliers, except if the damage is the consequence of deception on the part of CWS or its agents. CWS moreover excludes any liability for any damage as a result of incorrect use of the goods by the customer and/or its agents and/or third parties.
- 8.2. CWS is not under any circumstances contractually or non-contractually liable (even if there is deception on the part of CWS or its agents) for indirect damage, including (this list is not limitative) business damage, consequential damage, stagnation damage, economic losses, loss of profits, lost savings, loss of clientele, loss of contracts, loss of income, loss of time, loss of goodwill or loss of reputation.
- 8.3. CWS's liability for damage in supplied goods shall be limited to the repair of a defect in the goods, or replacement thereof or part thereof, free of charge and at CWS's sole discretion. CWS's liability is in any event limited at most to the net invoice amount of the goods that resulted in the liability or – in

the event of hiring out – the payment for a period of 3 months regarding the goods. A defect is deemed to be a condition or property of a good as a result of which that good cannot grant the customer the enjoyment that the customer could expect when it entered into the agreement.

#### **Article 9: Complaints and notifications**

- 9.1. The customer must thoroughly inspect goods when they are delivered. Any complaints must – to be validly accepted – be notified within 5 calendar days in writing by registered letter and by fax or e-mail to CWS with a detailed and reasoned statement of the complaint. This applies both to goods supplied by CWS, the means of assembly, the performance of repairs and also as regards invoices. The aforementioned time limit shall commence after receipt of the goods, the assembly and/or the repair work, or the receipt of the invoices.
- 9.2. Any right of the customer shall expire if the customer does not notify this in writing within the above-mentioned time limit in accordance with Article 9.1 and also if the customer has not offered CWS the opportunity to investigate the complaints on site if need be to verify if they are justified.
- 9.3. The customer is not entitled to suspend the fulfilment of its payment obligations towards CWS because it has lodged a complaint.
- 9.4. The parties are deemed to have elected their respective registered offices as address for service. All notifications between the parties must be sent to the parties' registered offices.

#### **Article 10: Guarantee**

- 10.1. CWS guarantees that the design, the composition and the materials quality of the goods that it sells or hires out will in all respects meet all the relevant standards laid down for the goods in laws and/or other relevant conditions stipulated by the authorities that may be in force at the time of signing the agreement. CWS guarantees the soundness and quality of the goods it supplies, the materials used and the parts that are replaced and services during a time limit of 6 months after delivery, provided there is no question of vandalism or improper or abnormal use.

#### **Article 11: Conclusion and termination of agreements - guarantee**

- 11.1. The agreement between CWS and the customer is entered into for the period specified in the agreement. The parties are bound by the agreement from the time it is signed by both parties. However, the hire period only commences from the first (even partial) delivery of goods (hereinafter: 'the Start Date').
- 11.2. Unless one of the parties cancels the agreement at the latest 6 months before it expires by sending a registered letter with confirmation of receipt to the other party, the agreement shall subsequently be tacitly extended for the same duration as it was entered into. The Start Date of the agreement is the reference date for the termination.
- 11.3. In the event that the customer cancels or breaks the agreement during the term of the agreement, then the customer shall pay CWS a minimum lump sum and irreducible termination compensation equal to 50% of the amounts that would normally be invoiced up until the end of the term of the agreement, with a minimum equal to 1 year of rent. The above-mentioned termination compensation can be cumulated with and does not affect the residual value payment that is additionally due in the event of hiring work clothing.
- 11.4. If the customer does not comply with one or more obligations (such as but not limited to: delayed payment, prohibited use of the rented goods, using the services of another supplier, etc.), CWS, after placing the customer in default, reserves the right to suspend its services until the customer's unlawful situation has been rectified by the customer. This suspension measure is not contrary to the right of CWS to simply continue the periodic invoicing or the right to terminate the contract to the detriment of the customer, together with compensation for the damage incurred.
- 11.5. CWS has the right to terminate the agreement unilaterally without judicial intervention with immediate effect by sending a registered letter to the customer (i) in one of the instances referred to in Article 6.5 and Article 12.2 of these terms and conditions or (ii) if the customer, after being placed in default by registered letter, has not complied with its contractual obligation that has been properly and timely invoked within 14 calendar days.  
  
In the event of such termination at the customer's expense, the customer shall pay CWS a minimum lump sum and irreducible termination compensation equal to 50% of the amounts that would normally be invoiced up until the end of the term of the agreement, with a minimum equal to 1 year of rent. The above-mentioned termination compensation can be cumulated with and does not affect the residual value payment that is additionally due in the event of hiring work clothing. Nor does this contractually fixed compensation affect the right of CWS to greater compensation, if CWS can prove greater actual damage.
- 11.6. At the end of the agreement the customer is obliged to give CWS the opportunity to take back goods that are the subject of the agreement at the latest within 14 calendar days.

### **Article 12: Transfer of rights and obligations**

- 12.1. CWS is entitled to transfer its rights and obligations deriving from the agreement with the customer, and also the ownership of its goods, to a third party. In the event of such a transfer CWS shall inform the customer of this in writing.
- 12.2. The customer is not entitled to transfer its contractual rights and obligations to a third party, except with the express prior written permission of CWS. Even in the event of transfer with the approval of CWS, the transferor shall remain jointly and severally liable with the transferee to comply with obligations included in the agreement with CWS.

If the customer nevertheless transfers its contractual rights and obligations without the permission of CWS, Article 11.5 shall remain in force undiminished and the customer shall remain liable to CWS at all times.

### **Article 13: Confidentiality**

- 13.1. CWS and the customer undertake to consider the agreement as confidential and waive the right to disclose the content thereof to third parties, unless obliged to do so on the basis of a decision of a competent court or administrative authority. This obligation is valid for a period of 5 years from the date the agreement is signed, even if it is terminated before this time.
- 13.2. Any infringement of this Article and the obligation included therein shall give rise to an immediately due and payable lump-sum compensation of EUR 5.000,00 (five thousand) by the infringing party to the aggrieved party. The aforementioned amount is an estimate assumed and accepted by the parties as the minimum payment for the actual and foreseeable damage that will without doubt be incurred as a result of an infringement of this obligation. The payment of the aforementioned compensation by the party that committed the infringement of this Article shall not affect the right of the other party to prove the existence of greater actual damage and to demand compensation for such damage.

### **Article 14: Privacy**

- 14.1. CWS processes the personal data of the customer for direct marketing purposes. The customer can demand access to its personal data or object to the processing of its personal data for CWS-related marketing purposes by contacting CWS in writing.

### **Article 15: Force majeure**

- 15.1. In the event of force majeure on the part of CWS the time limit for the implementation of CWS's contractual obligations is extended by the time that the force majeure continues. If the force majeure lasts for longer than 6 months after the proposed time of delivery, then CWS has the right to terminate the agreement by registered letter, without the customer having any right to compensation.
- 15.2. Force majeure on the part of CWS is deemed to be any circumstance that CWS cannot reasonably avoid or prevent and which prevents the normal performance of the agreement concluded with the customer. This includes but is not limited to: wars, floods, natural disasters, fires, delays or impossibility to supply goods or services by third parties, destruction, damage or defects to CWS's company assets that are essential for the implementation of the order, strikes, sit-ins and lock-outs, government measures, transport difficulties, sickness of personnel and lack of raw materials.

### **Article 16: Applicable law and choice of jurisdiction**

- 16.1. In accordance with article 3 of the Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the Law Applicable to Contractual Obligations (Rome I), Parties agree that the agreements concluded with CWS are subject to Belgian law. In accordance with article 6 CISG, the application of the CISG is thus explicitly excluded. Without prejudice to the application of the mandatory rules of Regulation No 593/2008, any other provision on applicable law, whether national, supranational or international, is expressly excluded.
- 16.2. Any disputes between CWS and the customer shall be exclusively settled by the competent court within the judicial district of Antwerp, Antwerp Division.

## **II. ADDITIONAL CONDITIONS REGARDING THE HIRING OUT OF STANDARD OR CUSTOMISED CLOTHING AND DIRT TRAPPER MATS MANUFACTURED BY CWS**

### **Article 17: Term**

- 17.1. The hired clothing items and/or articles are made available by CWS to the customer (the hirer) for the period stated in the agreement, which is a minimum of 36 months (or 156 weeks) without the possibility of premature cancellation, in order to allow CWS to recoup its entire investment in these goods, which are specifically manufactured or purchased to meet the customer's needs or are customised for the customer's employees and are personalised using the customer's logo and/or a barcode, over a normal period of use.
- 17.2. The agreement commences on the Start Date as stated in Article 11.1.

- 17.3. The parties can provide for a seasonal break in the special terms and conditions of their agreement. If clothing is nevertheless sent to CWS during this seasonal break, then this clothing will be washed. CWS will charge the customer for this.

#### **Article 18: Prices – price reviews**

- 18.1. The prices of clothing items and/or other articles are fixed in the agreement with the customer.
- No additional charge will be made for shortening and lengthening clothing items within the possibilities of the selected range(s).
- At the time that the measurements are taken, it will become clear whether special sizes are needed that fall outside the standard sizes of the selected range(s). This concerns extra large or extra small sizes. An additional charge will be made for such sizes, depending on the selected range.
- At the time that the measurements are taken, it will also become clear whether clothing is required that falls outside both the standard sizes and the special sizes. In that case the measurements of the person are taken and the clothing will be made on that basis. An additional charge will be made for such clothing, depending on the selected range.
- CWS will inform the customer of any additional charges after the measurements have been taken.
- 18.2. Subject to the application of Article 2.2, the basic set prices will be adjusted automatically annually to reflect the new or replacement index formula fixed by the Federatie van Belgische Textielverzorging (Belgian Textile Care Federation). The FTB index can always be consulted on the official website of the FBT, [www.fbt-online.be](http://www.fbt-online.be). If necessary the indexation can be adjusted according to the index figure of another industry body or imposed by the government.
- 18.3. The price charged by CWS is calculated using a regular washing treatment for all dirty clothing or items. If the clothing or the article is so dirty that this needs to be washed more than once, then CWS is entitled to pass on the additional costs incurred for this to the customer.

#### **Article 19: Specific customer obligations**

- 19.1. On the basis of its specific knowledge of the circumstances and risks associated with the work of its own employees, the customer will independently evaluate the choice and specifications for the individual (protective) clothing items and safety equipment and the customer is solely liable for its choice.
- 19.2. The agreed hiring prices are due to be paid by the customer, whether or not the customer has actually made use of the goods (therefore also during leave, holidays, work interruptions, strikes, etc.).
- 19.3. The customer must ensure that its employees are all present at the time fixed for taking measurements. If CWS needs to take measurements more than twice because of the absence of certain employees, then CWS reserves the right to pass on the costs incurred for this. CWS rejects any responsibility for postponements in delivery dates resulting therefrom.
- If the customer asks CWS to take measurements during the implementation of the agreement for fewer than 3 wearers or if fewer than 3 wearers are present, then CWS reserves the right to pass on the costs of this to the customer.
- 19.4. The customer is responsible for emptying all pockets in the clothing before these are offered for washing. If any objects are left behind in the pockets, then CWS is entitled to pass on the cost of the resulting damage to the customer. CWS rejects any liability regarding the loss of objects still present in the pockets.

#### **Article 20: Specific obligations of CWS**

- 20.1. CWS undertakes to perform its services in accordance with the professional practices applicable in the industry and in accordance with the state of the art. CWS's services are intended to deliver the best possible result for the customer, without its obligations being qualified as an obligation to achieve results. The quality of the services performed by CWS shall – as far as possible – fulfil the requirements set by the customer.
- 20.2. If a dispute, lack of clarity or even disagreement arises between the parties and no solution can be found after mutual consultation, the parties agree to ask the Scientific and Technical Centre of the Belgian Textile Industry 'Centexbel' to give a decision on this.
- 20.3. When maintaining safety clothing CWS undertakes to follow the instructions of the suppliers in order to comply with the European standards in this regard.

- 20.4. CWS reserves the right to make changes to the ranges offered to the customer. The models and colours of the clothing items hired out by CWS are subject to change, without affecting the quality and the standardisation that these have to fulfil.

#### **Article 21: Liability for hired goods**

- 21.1. The customer is liable for all goods that are in its possession or in the possession of its employees. The customer must handle, store and protect hired goods with care (among other things to prevent suffocation and discolouration, chemical damage, fire, etc.). The hired goods must only be used in accordance with their intended use. The customer is not permitted to alter, transfer or sub-rent hired goods. The customer shall not repair, wash or clean goods hired from CWS of its own accord. CWS is at all times entitled to inspect hired goods at the customer and to make an inventory of them.
- 21.2. The customer is also liable for all hired goods of CWS that could go missing, for whatever reason. It is also liable for any abnormal damage or premature wear and tear affecting hired goods (also due to acids or fire, unless the hired goods should be resistant to these, given their intended use).
- 21.3. The customer undertakes to compensate all missing, disappeared or abnormally damaged items of clothing or articles at the residual value at that time. Subject to contrary written agreement, the residual value is equal to the selling price of the clothing item less the applicable weekly linear depreciation percentage, without being less than 30% of the selling price of the clothing item. The depreciation applies for each complete week starting from commencement of use of the clothing item or article in question and is equal to:
- 1.28% for shirts/T-shirts
  - 0.96% for trousers/dungarees/shorts/rain trousers/polos/sweaters/skirts/blazers
  - 0.77% for overalls
  - 0.64% for a work coat/half-apron/tunic/safety jumper/apron
  - 0.55% for a jacket/waistcoat/body warmer/blouson/raincoat/parka/fleece
  - 0.64% for dirt-trapper mats

#### **Article 22: Maintenance of hired clothing**

- 22.1. CWS or one of its appointed agents will clean, maintain, repair and replace hired goods as necessary. (*Important point to note: cement, colouring, heat-resistant fats, paint, bitumen and glue cannot be washed out of clothing*). The customer must not, on pain of paying compensation, clean or maintain hired goods itself, or arrange to have them cleaned or maintained, except in the event of force majeure on the part of CWS. CWS will carry out standard repairs that are appropriate for normal use of the clothing item and the intended lifespan free of charge. Repairs that are needed to maintain the function of the clothing item will be charged by CWS based on the agreed prices.
- 22.2. If due to force majeure (as described in Article 15 of these general terms and conditions of CWS) CWS cannot clean, maintain, repair or replace goods made available to the customer in a timely manner, the customer can itself maintain and clean goods or have them maintained and cleaned by third parties, without this being a reason for the customer to terminate the agreement or to charge or offset costs or compensation to CWS. However, the customer will only be liable to pay half the agreed hire price if the case arises.
- 22.3. At weekly collections and deliveries of hired goods, the numbers established by CWS are binding. Any objections by the customer regarding such numbers must be notified within 3 working days in writing with a copy by fax/e-mail to CWS. Goods belonging to CWS must under no circumstances be retained by the customer, even if the customer has handed over its own goods to CWS for whatever reason.

#### **Article 23: Changes to the quantity of clothing items to be hired**

- 23.1. When recruiting employees the customer has the possibility of adjusting the quantity of hired goods in proportion, at the prices in effect at the time, and CWS undertakes for its part to provide the customer with the necessary additional clothing. The models of hired clothing items can be subject to change.
- For the ordering of additional items of clothing for which no stocks are available, the delivery period depends on the delivery time by the supplier, the range and any custom work that might be required. CWS shall always keep the customer informed of the expected delivery date.
- 23.2. In the event that employees resign or are dismissed after the hire period has entered into effect, the customer has the option – at the end of the quarter when the employee has left – of returning the entire set of standard clothing that was ordered from CWS for that employee to CWS within 14 calendar days after the end of the quarter. Clothing that has been returned in good condition (without stains and repairs) can be used again. It will be retained in stock in the interim. The customer is liable to pay the residual value referred to in Article 21.3 for clothing that can no longer be used.

However, it is expressly agreed that this right shall only apply for the entire duration of the hire agreement for a maximum 15% of the standard clothing that was initially ordered for a maximum 15% of the customer's employees who were to be equipped. In the same way the proportions between the various models, qualities and colours must not vary more than 15% compared to the initially hired equipment. If the customer wishes to invoke this right for more than 5% of the employees who are to be equipped, this is only possible after prior written permission from CWS. However, CWS reserves the right at its own discretion to pass on a minimum invoicing of 85% of the number of employees of the customer initially equipped until the end of the agreement, or to charge a one-off termination fee that corresponds to the invoices that CWS could have charged for those goods/persons until the end of the hire agreement. What is more, this right does not apply to clothing that was specifically made for the customer.

CWS always states in the special agreement with the customer which items come under standard clothing and which items come under special clothing.

#### **Article 24: Termination of the agreement**

- 24.1. When the agreement is fully terminated, for whatever reason, the customer is obliged to pay the Residual Value Charge consisting of (i) the residual value of all hired goods (both customised and standard goods) as stated in Article 21.3 and (ii) the new value of the goods in stock at CWS that have been specially manufactured or bought in order to meet the customer's needs or which were custom-made to fit employees of the customer, being the sale price of those goods. The hired goods shall remain the property of CWS for the entire duration of the agreement and until the payment of the residual value thereof by the customer.

Subject to contrary agreement, in that case the residual value payment must be paid to CWS within 14 calendar days following receipt of the invoice in question.

- 24.2. This residual value payment by the customer to CWS is also payable in the event that the agreement is terminated prematurely as a result of a contractual error by the customer or CWS.