

**GENERAL TERMS AND CONDITIONS OF SALE OF TRACONED INDUSTRIAL AND
TECHNICAL SUPPLY B.V.**

Article 1 - Definitions

- 1.1 'Traconed Industrial and Technical Supply B.V' (referred to below as 'TRACONED'):
Traconed and the companies to which TRACONED has contracted out the performance of all or part of a purchase contract.
- 1.2 'Purchaser': any party which enters into a purchase contract with TRACONED for the purchase of goods and/or services sold by TRACONED.
- 1.3 'Contract': the contract between TRACONED and the Purchaser for the supply of goods and/or services.
- 1.4 'Goods and services': the goods and services supplied under a Contract.

Article 2 - Scope

- 2.1 These general terms and conditions of sale (the 'General Conditions') govern all offers from and all instructions to TRACONED, and all contracts between TRACONED and the Purchaser.
- 2.2 TRACONED expressly rejects any other general terms or conditions upon which the Purchaser may seek to rely.
- 2.3 If any provisions of a Contract or these General Conditions proves to be void or voidable, the other provisions will remain fully enforceable. In such an event, the parties shall negotiate to replace the void or voidable term with a term that is binding, and that is as close as possible to the scope and intent of the void or voidable term.
- 2.4 In the event of any discrepancy between any term of a Contract and these General Conditions, the term in the Contract shall take precedence.

Article 3 - Offer

- 3.1 All offers made by TRACONED remain open for thirty days. If the Purchaser fails to accept an offer from TRACONED within the said period, the offer automatically expires.
- 3.2 All offers TRACONED are without obligation, unless explicitly indicated otherwise. If the Purchaser accepts an offer, TRACONED is entitled to terminate the Contract within a period of 60 days thereafter, without thereby being liable to pay compensation.
- 3.3 All offers assume performance of the Contract by TRACONED under normal conditions, during normal working hours.

Any offer from TRACONED is based on information supplied by the Purchaser and all other relevant information available to, and circumstances applying to, TRACONED at the time of issuing the said offer. If there any changes to the circumstances under which TRACONED based its said offer, then TRACONED is entitled, but not obliged, to discount these changes in the performance of the Contract or to amend the contract price.

- 3.4 TRACONED reserves the right to charge the Purchaser for all costs incurred in issuing the offer in the event that the Purchaser does not accept the offer.

Article 4 - The Contract

- 4.1 There is a binding contract between the parties once there is written confirmation by TRACONED.
- 4.2 Additional work means the supply by TRACONED of goods and/or services in excess of the quantities stipulated in the Contract or order confirmation. Additional work will be performed subject to negotiation and must be recorded in writing.
- 4.3 TRACONED may stipulate a time limit within which the Purchaser should return the order confirmation. If this is not returned within this time limit, the offer from TRACONED will expire.
- 4.4 Any changes to a Contract must be agreed in writing between the parties.

- 4.5 Oral promises by, and agreements with, a representative or agent of TRACONED are not legally valid and binding upon TRACONED unless they have been confirmed in writing by TRACONED.

Article 5 - Price

- 5.1 Prices quoted by TRACONED are exclusive of turnover tax and other government duties payable on the supply of goods or services. The prices are based on delivery ex works from the premises of TRACONED applying at the date of the offer, unless there is a provision to the contrary in these General Conditions.
- 5.2 TRACONED is entitled to pass on the Purchase any increase in cost-determining factors occurring after a Contract is created, whether or not such increase was foreseeable at such time. The price increase must be paid by the Purchaser at the time of the next agreed payment instalment.
- 5.3 TRACONED may charge separately for additional work it carries out as soon as the extent of the additional work and related price is known. The price for the additional work will be calculated in accordance with this article.
- 5.4 Costs, budgets and plans will not be charged separately unless agreed otherwise. If as a result of any additional orders or changes made by the Purchaser it is necessary for TRACONED to produce new drawings, calculations, descriptions, models, tools, etc., these costs will be passed on to the Purchaser.
- 5.5 The cost of loading, transportation, and unloading of goods, tools, etc., supplied by TRACONED, is not included in the price and will be charged separately. Costs paid by TRACONED for this will be passed on to the Purchaser.
- 5.6 TRACONED reserves the right to revise prices at any time during the Contract. A change to prices does not, in principle, justify the Purchaser in terminating the Contract, except in the case of a substantial price index. The prices and/or price lists pertaining to the offer indicated by TRACONED remain open for a period of at most six months.

Article 6 - Payment

- 6.1 Payment for the entire Contract, or for the goods and services delivered in case of part deliveries, must be made within 30 days of the invoice date unless agreed otherwise in writing. Payment for additional work must be made within 30 days after this has been invoiced to the Purchaser.
- 6.2 TRACONED is entitled at any time to require advance payment or cash payment for goods and services to be delivered, or to otherwise require security for payment thereof. The Purchaser must comply with these requirements.
- 6.3 The Purchaser waives any right to set off of the parties' respective debts to each other.
- 6.4 If the Purchaser fails to make payment of any debt in the manner described above, it will automatically be in breach without the need for further notice of default. In such a case all other claims from TRACONED against the Purchaser become immediately due and payable and in respect of these debts the Purchaser will also automatically be in breach without the need for further notice of default. As from the date of the breach the Purchaser is liable to pay TRACONED interest for late payment at the rate of 1.5% per month or part thereof for as long as the breach continues. TRACONED is in such a case also entitled to terminate any Contract with the Purchaser without the need for court authorization by means of written notice. The Purchaser is then also liable for costs and loss incurred by TRACONED as a result of the termination. In addition, any credit facility granted by TRACONED to the Purchaser is ended.
- 6.5 In the event of a breach as described in section 4 of this article, the Purchaser must make available to TRACONED, on demand, goods in its possession belonging to TRACONED without prejudice to any right of TRACONED to compensation. This right also accrues to TRACONED in the event of non-payment by, or an application for a moratorium, insolvency, or liquidation of, the Purchaser.
- 6.6 All judicial and extrajudicial costs connected with the enforcement of any debt against the Purchaser arising from or connected with a Contract are payable by the Purchaser. The extrajudicial costs will be at least 20% of the principal sum plus interest, expenses, and any tax liability thereon. The extrajudicial costs will be no less than a total sum of €100.

- 6.7 A payment will firstly be applied to pay costs, then interest, and finally to clear the principal sum and continuing interest, irrespective of whether there is any express or implied stipulation to the contrary when the payment is made.

Article 7 - Delivery and delivery period

- 7.1 Goods are supplied by TRACONED on the basis of delivery ex works, according to the Incoterms applying at the date of the offer, except insofar as these General Conditions or the Contract stipulate otherwise. 'Ex works' refers to the business premises of TRACONED.
- 7.2 Goods are deemed to have been delivered by TRACONED when TRACONED makes the goods available to the Purchaser at the business premises of TRACONED or such other agreed location, uncleared and not loaded onto a vehicle.
- 7.3 The return transport, storage costs, and other costs are the liability of the Purchaser if the Purchaser declines to accept the goods.
- 7.4 The Purchaser must purchase the goods at the time they are ready for shipment. If the goods are not purchased in time, they are deemed to have been delivered – contrary to the provisions of Article 7 section 2 – at such time as TRACONED could reasonably expect them to have been purchased. TRACONED is entitled to compensation from the Purchaser for loss and costs resulting from the Purchaser's delay in acceptance, or refusal to accept, the goods.
- 7.5 Delivery periods agreed with TRACONED are best-efforts obligations only and therefore approximate.
- 7.6 The delivery period begins to run after there is a binding Contract and once TRACONED has received all materials, documents and data to be supplied by the Purchaser, together with any advance payment or security for payment in favour of TRACONED that may have been agreed.
- 7.7 The delivery period may be extended by TRACONED:
- a. as a result of changes to the goods required by the Purchaser after the start of the delivery period;
 - b. if the Purchaser is late with payment or supplying security for payment;

c. during a period of force majeure as defined in these General Conditions.

- 7.8 Delivery beyond the delivery period does not entitle the Purchaser to compensation or not to comply with any obligation upon the Purchaser under the Contract. The Purchaser is entitled to terminate the Contract by written notice if TRACONED has failed to deliver the goods within such reasonable further period as stipulated by the Purchaser once the delivery period has been exceeded.
- 7.9 TRACONED is entitled to deliver in parts, in which case it will notify the Purchaser in writing in advance. For the purposes of these General Conditions, each part delivery is regarded as a self-contained delivery.
- 7.10 TRACONED is entitled to store the goods in its warehouse or elsewhere at the expense and risk of the Purchaser, and insure them against any damage or loss, if goods that are ready for shipping cannot immediately be transported for reasons entirely independent of the will of TRACONED. Where reasonably possible, the Purchaser should be notified in advance of any such intention by TRACONED.

Article 8 - Risk and retention of title

- 8.1 The risk regarding goods to be supplied by TRACONED transfers to the Purchaser at the time these goods are made available as described in Article 7 sections 2 and 4.
- 8.2 The loading, shipping, unloading and insurance of the goods is performed after delivery as defined in Article 7 sections 2 and 4 at the risk of the Purchaser, even if this service is provided by TRACONED.
- 8.3 All goods supplied by TRACONED remain the property of TRACONED until such time as the Purchaser has paid in full all its liabilities under any Contract, including loss, costs and interest. The Purchaser does not acquire any right of retention to these goods.
- 8.4 The Purchaser is not entitled to sell or to encumber with any restricted property right any goods that are subject to a retention of ownership, except in the normal performance of its business, but not including the transfer of these goods to a third party by delivery to this third party's place of business.

- 8.5 The Purchaser must ensure that the goods subject to a retention of title and/or a non-possessory pledge in favour of TRACONED are at all times identifiable by keeping them separate from each other and from other goods.
- 8.6 The industrial and intellectual property rights pertaining to the goods remain with TRACONED or any third-party holder of such rights and are not assigned to the Purchaser.

Article 9 - Prohibition on subrogation / contracting out

- 9.1 The Purchaser is not permitted to subrogate, pledge or otherwise assign any claim it acquires at any time against TRACONED under a Contract without the prior written consent of TRACONED. The assignability of the claims described in the preceding sentence pursuant to Book 3 Article 83 (2) of the Dutch Civil Code is excluded. This exclusion has a property-law effect.

Article 10 - The transfer of rights and obligations

- 10.1 The Purchaser is not permitted to assign to any third party or encumber the Contract or any part thereof or any obligations arising thereunder without the prior written consent of TRACONED.

Article 11 - Security

- 11.1 On first request by TRACONED, the Purchaser must provide security for compliance with all its current and future obligations to TRACONED.
- 11.2 Security may be requested at any time before or after a Contract becomes binding, or before or after delivery. TRACONED is entitled to seek a court order for security if the Purchaser fails to comply. In addition, TRACONED is no longer obliged to comply with its obligations to the Purchaser under current Contracts without thereby becoming liable to pay compensation, and without prejudice of the right of TRACONED to claim compensation.

Article 12 - Force majeure

- 12.1 Force majeure occurs when performance of all or part of a Contract is temporarily or permanently prevented by circumstances for which the parties or for which

TRACONED cannot be held responsible, including, but not limited to, strike or sit down, personnel on sick leave, disruption to business, attachment order, defect to machinery, delayed or non-delivery by suppliers, transport breakdowns, accidents, etc. Force majeure also includes epidemics, mobilisation, natural disaster, and frost.

- 12.2 If due to force majeure TRACONED is unable to comply with its obligations, in addition to its right to suspend such performance for the duration of force majeure, TRACONED is entitled to unilaterally terminate in full or in whole such part of the Contract as is affected by force majeure by written notice, without thereby becoming liable to pay compensation.

Article 13 - Obligation to complain

- 13.1 The Purchaser must notify TRACONED in writing of any patent defects in, and/or incorrect quantities of, goods delivered within eight days following the delivery date, quoting the delivery date and the consignment number. If the Purchaser fails to complain within this period, it loses any right of claim against TRACONED.
- 13.2 The Purchaser must notify TRACONED in writing of any latent defects within 14 days of discovering the same, if the defects do not manifest themselves within the guarantee term specified in Article 12, quoting the delivery date and the consignment number. If the Purchaser must supply sufficient details of the nature of the defect in this complaint, failing which any claim it may have against TRACONED immediately lapses.
- 13.3 A complaint from the Purchaser against TRACONED does not suspend the Purchaser's payment obligations.
- 13.4 The Purchaser must enable TRACONED to investigate the complaint.
- 13.5 The return of goods is at the risk and expense of the Purchaser, unless agreed otherwise. TRACONED only accepts the return of goods if there has been any defective supply by TRACONED. Goods may only be returned by the Purchaser following the consent of TRACONED, together with the consignment number and/or invoice number, and only if such goods are delivered to the business address of TRACONED postage paid, undamaged, and in their original packaging, unless expressly agreed otherwise in writing.

- 13.6 If a complaint regarding defective goods is justified, TRACONED has the choice either to repair that defect or to credit the Purchaser for a proportionate part of the invoice, provided that the Purchaser has complied with all its payment obligations to TRACONED. TRACONED will choose how and when to remedy the defect. Any other rights of the Purchaser to compensation are excluded.
- 13.7 Returned goods will be credited on the basis of the purchase price actually charged to the Purchaser, even if the price of the goods has increased since the time of that purchase, and subject to any deduction for handling charges that TRACONED is entitled to charge.
- 13.8 Only goods held in stock by TRACONED may be returned.

Article 14 - Warranty

- 14.1 TRACONED warrants the sound quality of goods it supplies for a period of twelve (12) months following the date of delivery. The parties may agree in writing a different term and scope of this warranty.
- 14.2 In respect of goods, or parts thereof, that TRACONED has procured from third parties, the warranty covers the same scope as the warranty supplied by the manufacturer or supplier of those products. On request, TRACONED will enable the Purchaser to inspect such manufacturing warranty.
- 14.3 Claims under the warranty lapse:
- a. if the goods are damaged or reveal a defect that in the opinion of TRACONED is caused by the incorrect use, inadequate maintenance or lack of care;
 - b. if the goods are damaged or reveal a defect due to being used for a different way than specified by TRACONED in the drawings and instructions;
 - c. if the goods have not been maintained in accordance with the manufacturer's/supplier's instructions;
 - d. in respect of those parts and appurtenances of the goods which have been repaired or disassembled in a way that does not conform to the instructions of TRACONED or the manufacturer/supplier.

Article 15 - Liability

- 15.1 TRACONED is only liable for loss resulting from defects in its goods, or its repairs or other work, if and insofar as such loss is caused by a deliberate act or gross negligence of TRACONED or its employees. Any other liability of TRACONED for defects in its goods or for loss arising from performance of a Contract, is excluded. Except in the case of its deliberate act or gross negligence, TRACONED is not liable for commercial, consequential, or indirect loss.
- 15.2 TRACONED's obligation to compensate for loss under any statutory obligation is limited to loss insured under a policy taken out by or on its behalf, and may not exceed the amount paid out under such policy in respect of such claim.
- 15.3 If TRACONED is unable to claim under its insurance, its obligation to pay compensation is limited to a maximum of 75% of the total sum invoiced.
- 15.4 All defences that TRACONED can assert against the Purchaser under a Contract to refute liability may also be relied upon by its employees against the Purchaser, as if such employees were themselves parties to the Contract.
- 15.5 Any claim by the Purchase against TRACONED under a Contract will lapse if not made within one (1) year of the date on which the right to claim arises.

Article 16 - Indemnity

- 16.1 The Purchaser must compensate TRACONED for all its loss if the Purchaser is in breach of any provisions of these General Conditions, including harm caused to its name and reputation.
- 16.2 The Purchaser indemnifies TRACONED for all third-party claims under product liability in relation to a product supplied to a third party by the Purchaser that consisted in whole or in part of products and/or materials supplied by TRACONED. The Purchaser must compensate TRACONED for all loss thereby incurred, including the full costs of defending any such claim.

- 16.3 The Purchaser indemnifies TRACONED for all loss that TRACONED could suffer if in the performance of any instructions, TRACONED infringes any third-party industrial and intellectual property rights as a result of any designs, specifications or other instructions supplied by the Purchaser as part of the instructions.

Article 17 - Termination

- 17.1 TRACONED is entitled to terminate a contract with immediate effect, without notice of default, by written notice of termination, and to claim costs, loss and interest, if and as soon as the Purchaser:
- a. fails to comply properly, in time or at all with any of its obligations;
 - b. is declared insolvent;
 - c. applies for a moratorium;
 - d. goes into liquidation;
 - e. otherwise ceases its business operations;
 - f. has an attachment order secured upon all or any part of its assets;
 - g. otherwise appears insolvent.

Article 18 - Third-party clause

- 18.1 All exclusions and limitations of liability on the part of TRACONED and all terms indemnifying TRACONED in respect of third-party claims, are stipulated to also benefit employees of TRACONED and third parties for whose acts or omissions TRACONED can be held liable.

Article 19 - Invalidity

- 19.1 If any term of these General Conditions is held to be void, this will not affect the validity of the other terms herein.

Article 20 - Choice of forum

- 20.1 Any dispute between TRACONED and the Purchaser should be brought before the court with competent jurisdiction within the Court of Rotterdam.

Article 21 - Jurisdiction

21.1 The legal relationship between TRACONED and the Purchaser is governed by Dutch law.

21.2 The Vienna Sales Convention (C.I.S.G.) and all other international regulations whose exclusion is permitted, are hereby excluded.

Article 22 - Amendments

22.1 TRACONED reserves the right to amend the terms of these General Conditions completely, or in respect of certain goods or purchasers.

Article 23 - Dutch version binding

23.1 These General Conditions have been translated into English. In the event of any dispute concerning the interpretation of these General Conditions, the Dutch version is binding.

Rotterdam, 22 October 2018