

Part 1: General Terms and Conditions

1. Scope of application, offer, order confirmation

1.1 These General Terms and Conditions shall apply exclusively to all business relationships between Electromach B.V., Hengelo ("Contractor"), and enterprises, legal persons under public-law and special assets under public law ("Customer"), in particular regarding business relationships with respect to which the Customer places orders for

- a) the sale and/or delivery of goods ("Contract Product"); and/or
- b) the rendering of works and/or services ("Works and Services").

Additional Terms and Conditions shall apply to (i) the sale and delivery of Contract Products (Part 2 below) and (ii) the rendering of Works and Services (Part 3 below).

By placing the order, accepting the delivery of the Contract Product, receipt of the Service or acceptance of the Works, the Customer acknowledges the General Terms and Conditions as well as the respective Additional Terms and Conditions (Part 2 respectively Part 3 below) (together "Terms and Conditions of Delivery and Services"). Any deviating or supplementary terms and conditions of the Customer shall only be deemed accepted if and to the extent that the Contractor expressly acknowledges and confirms such terms and conditions in writing.

1.2 Offers by the Contractor shall be non-binding. This shall not apply if the Contractor places binding offers within the scope of procurement procedures for public contracts. For this contract, solely the written order confirmation by the Contractor and these Terms and Conditions of Delivery and Services shall be relevant.

1.3 Oral agreements or promises shall only be valid if an authorized employee of the Contractor has confirmed them in writing.

1.4 The Terms and Conditions of Delivery and Services shall also apply to all future transactions with the Customer. In the case of a permanent business relationship, the Terms and Conditions of Delivery and Services, as amended from time to time, shall become part of the contract even if they are no longer expressly referred to.

2. Conclusion of Contract via the Contractor Webshop

2.1 The Contractor also distributes the Contract Products and/or Works and Services via the Contractor Webshop operated under www.r-stahl.com/en/nl ("Webshop"). Sales and deliveries of Contract Products and provision of Works and Services by the Contractor on the basis of orders placed by the Customer via the Webshop shall be made exclusively in accordance with these Terms and Conditions of Delivery and Services. The Customer accepts the Terms and Conditions of Delivery and Services by the placing of an order via the Webshop.

2.2 The presentation of the Contract Products and/or Works and Services in the Webshop does not constitute binding offers by the Contractor to enter into a sales contract, but merely invite the Customer to make a binding offer as to whether and which Contract



Products and/or Works and Services it wants to order from the Contractor. The Customer may choose Contract Products and/or Works and Services of the Contractor from the product range in the Webshop and add them to the shopping cart via the button "Add to Cart". Before clicking the button "Order with Obligation to Pay", all Contract Products and/or Works and Services selected by the Customer, their total price including statutory VAT in the respective applicable amount as well as duties, charges and shipping costs are again displayed in an order overview to the Customer for review. At that stage, the Customer will have the opportunity to identify and correct any incorrect entries before finally placing the binding order. Before placing the binding order, the contractual provisions including these Terms and Conditions of Delivery and Services can be accessed once again and saved in durable medium. Via the button "Order with Obligation to Pay", the Customer submits a binding offer for the conclusion of a contract on the Contract Products and/or Works and Services collected in the cart. The offer can, however, only be submitted and transferred if Customer accepts, and thereby includes in its offer, these Terms of Sale by ticking the corresponding box.

- 2.3 The Contractor shall confirm receipt of the Customer's order by e-mail. However, such confirmation of receipt is not yet a legally binding acceptance of the Customer's order.
- 2.4 The contract shall only become effective once the Contractor has accepted the Customer's offer. The Contractor's order acceptance can be made expressly by way of a declaration in text form, e.g. by sending a written order confirmation by e-mail, or by the Contractor handing over the Contract Products for dispatch and/or begins with the provision of the Works and Services and informing the Customer accordingly. The contract shall be governed exclusively by the contents of the order acceptance and these Terms and Conditions of Delivery and Services. Verbal agreements or promises shall only be valid if an authorized employee of the Contractor has confirmed them in writing.
- 2.5 If the Contract Products and/or Works and Services ordered by Customer cannot be delivered or provided, e.g. because the corresponding Contract Products and/or Works and Services are not in stock, the Contractor may refrain from accepting the order. In this case, no contract will be concluded. The Contractor shall inform Customer thereof without undue delay.
- 2.6 The contract terms will be saved and stored after the contract has been concluded, but are no longer accessible to the Customer. The Customer will, however, be provided with any and all contractual provisions and these Terms and Conditions of Delivery and Services (by e-mail or letter).

3. Performance periods and dates

- 3.1 Performance periods and dates shall only be binding if they have been agreed as binding in the contract and the Customer has communicated and/or provided in due time all information and documentation as well as any approvals and permits required for the performance. Moreover, any agreed advance payments must have been received by the Contractor as agreed, and any other requirements for processing the order, as agreed by individual agreement, must have been fulfilled. The performance period shall commence upon the date of the order confirmation, provided that the Customer properly fulfils the aforementioned contractual obligations. Otherwise, the performance periods and dates shall be extended and/or postponed accordingly; this shall not apply to the extent that the Contractor is responsible for the respective delay. In the case of additional

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or supplementary orders placed at a later point in time, the performance periods and dates shall be extended and/or postponed accordingly.

3.2 The obligation to deliver shall be subject to the Contractor's correct and timely receipt of goods from its sub-suppliers.

3.3 Events that are unforeseeable, unavoidable and beyond the Contractor's control and sphere of influence and events for which the Contractor is not responsible ("Disturbance") shall release the Contractor from its obligation to provide timely performance for the duration of such event. The performance periods and dates shall be extended and/or postponed for the duration of the Disturbance. Disturbance within the meaning of this paragraph shall include, without limitation:

- mobilization, acts of war, riots, civil war, blockades, labour disputes, demonstrations, factory occupations and sabotage;
- natural disasters such as ice, high/low water, hurricanes, tornadoes, cyclones, earthquakes and floods;
- material impairments of the procurement channels with respect to the foreign currencies required to pay for raw materials;
- loading or transport problems, delays, restrictions and discontinuations;
- obstructions by explosion, fire, complete or partial destruction of production facilities or warehouses, machines and machine parts;
- machinery breakdown;
- consequences of an energy crisis, shortages of fuel, excipients or energy;
- shortages of labour due to illness or epidemics;
- deliveries to the Contractor of raw materials, excipients or packaging material that were not made or not made as specified in the order;
- sovereign government actions, in particular official orders and the like in Germany and abroad;
- imminent violation of national or international provisions, in particular import or export provisions relating to the delivery and/or delays, if any, caused by approval procedures provided for by such provisions; the Customer is obliged to obtain all information and documentation that can be prepared by the Customer and is required for the export/transfer/import pursuant to such provisions.

It is irrelevant whether the aforementioned Disturbance occurred in the factory of the Contractor or of a sub-supplier.

The Contractor shall inform the Customer about the occurrence of the Disturbance in an appropriate manner. If the Contractor informs the Customer orally, the Contractor shall provide the Customer with a corresponding written confirmation as soon as this is reasonable for the Contractor according to the circumstances. Upon termination of the Disturbance, the Contractor is obliged to perform within a reasonable time period within the means at its disposal in terms of production and otherwise. The Contractor shall inform the Customer about the relevant performance date as soon as possible.

If the end of a Disturbance is not foreseeable or if the Disturbance lasts for more than 3 months, any party may (i) rescind this contract in case of a contract on the sale and delivery of Contract Products (pursuant to Part 2 below), or (ii) terminate the contract in case of a contract regarding the rendering of Works and Services (pursuant to Part 3 below). However, the Contractor is entitled to partial deliveries of the Contract Products

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and/or partial rendering of the Works and Services if the Contractor is able to make and/or render them despite the Disturbance. The invoiced amount shall be reduced on a *pro rata* basis. In this respect, the Customer is only entitled to rescind and/or terminate the contract in part. This shall not apply if the Customer is not interested in a partial delivery and/or partial rendering of Works and Services. The right to rescind or terminate the contract shall be excluded to the extent that the Contractor is obliged to accept the raw materials due to its purchase contracts for raw materials and the Customer can be reasonably expected to abide by the contract once more. The right to rescind or terminate the contract shall be exercised in writing.

In the event that the Customer rescinds or terminates the contract (in each case in part, where applicable), the Customer shall reimburse the Contractor for any necessary costs incurred by the Contractor prior to the occurrence of the Disturbance, in particular any development and production costs with respect to Contract Products specifically to be manufactured for the Customer and/or Works and Services specifically to be rendered for the Customer.

- 3.4 If the performance by the Contractor is delayed, the Customer is only entitled to rescind and/or terminate the contract if the Contractor is responsible for the delay and a reasonable grace period set by the Customer has expired to no avail.

4. Damages and limitation of liability

4.1 The Contractor's obligation to pay damages shall be limited as follows:

- a) For damages caused by a breach of a material contractual obligation, the liability of the Contractor is limited to fulfilment of its obligations in case of defects as described in Part 2, Article 3 and in Part 3, Art. B.2 and C.3 (Customer's rights in case of defects).
- b) The limitation of liability as set out above shall not apply to damages caused intentionally or by gross negligence, culpably caused personal injuries nor to any liability under the Dutch Civil Code (Burgerlijk Wetboek) Art. 6: 185-193 (*Produktaansprakelijkheid*) and in case of any further mandatory liability. All liability of the Contractor for defects in the delivered product and in connection with the delivery, such as for damage resulting from liability towards third parties, for commercial damage, consequential and indirect damage and for damage resulting from any wrongful act or omission of (staff members of) the Contractor, is excluded.
- c) Thus, the Contractor is also not liable for:
 - infringement of patents, licenses or other rights of third parties;
 - damage or loss, from whatever cause, of raw materials, subassemblies, models, tools, and other goods made available by the Customer.

4.2 The limitation of liability as set out above shall apply to all claims for damages, for whatever legal reason, and in particular to liability in tort and liability based on fault within the scope of contractual negotiations.

4.3 The Customer shall take all reasonable measures necessary to avert and reduce damage.

4.4 To the extent that the damage is covered by a liability insurance or product liability insurance of the Contractor, the Contractor shall assign such insurance claims to the

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Customer and shall be exempted from any liability in accordance with the insurance cover.

5. Prices and payment terms

- 5.1 Unless the parties have agreed upon a specific price, the price shall be determined according to the Contractor's price list as applicable at the date of conclusion of the contract; the Contractor shall submit such price list to the Customer upon the Customer's request to the extent that the Customer is not yet aware of it.
- 5.2 Unless agreed otherwise, the prices shall apply EXW the Contractor (Incoterms 2020) excluding the respectively applicable statutory value added tax. Additional costs such as packaging, transport, insurance, customs as well as assembly shall be charged separately.
- 5.3 Any payment obligations resulting from the contract shall be settled in euros.
- 5.4 Unless agreed otherwise, any payments shall be made in the manner decided by the Contractor without any deductions within 14 days from the date of the invoice. If this payment period expires to no avail, the Customer shall be in default of payment. Payments by the Customer shall not be deemed to have been made until the Contractor has received the respective payment.
- 5.5 In the event that the Customer is in default, the Contractor is entitled without any notice of default to charge interest, counting from the expiry date, at a rate of 3 point above the legal interest in force in the Netherlands, as meant in Article 6: 119a and Article 6:120 Civil Code (*Burgerlijk Wetboek*) as well as all judicial and extrajudicial costs in connection with the claim. Any claims for further damages due to the default shall remain unaffected.
- 5.6 Bills of exchange and checks shall only be taken on account of performance upon special arrangement and without any bank charges or other costs for the Contractor.
- 5.7 The Customer is only entitled to a set-off if its counterclaim is uncontested, ready for decision or has been finally adjudicated.

The Customer is only entitled to assert a right of retention to the extent that its counterclaim is based on the same contract and is uncontested, ready for decision or has been finally adjudicated.

- 5.8 If the Contractor becomes aware of the risk of the Customer's impossibility to perform after entering into the contract, the Contractor is entitled to make any outstanding deliveries or render any outstanding services only against advance payment or the provision of a security; if such advance payment or security has not been made or provided even after the expiration of a reasonable grace period, the Contractor may, without prejudice to its further rights, rescind the respective contracts in whole or in part. The Contractor shall remain entitled to assert further rights.

6. Property rights, trademarks and advertising

- 6.1 The Contractor reserves all rights in the offer documents and all documents, information and know-how that the Customer receives from the Contractor within the scope of the

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sales and performance process, in particular pictures, drawings, data on weight and size and samples. They may only be made available to third parties upon prior written approval by the Contractor. This shall not apply to information that is already publicly known irrespective of the sales and performance process, with respect to which the Customer proves that it was already in its possession before it was disclosed, or which was made available to the Customer by a third party authorized to dispose of such information, irrespective of the sales and performance process.

- 6.2 The Customer shall not perform and may not authorize a third party to perform any act that may endanger the trademarks or other intellectual property rights used by the Contractor in relation to the Contract Products. In particular, trademarks and/or other distinctive features that are either part of the Contract Products or imprinted on or attached to them in any other form, may neither be obscured nor altered, removed or supplemented.
- 6.3 The entire promotional, advertising and sales material ("Advertising Material") provided by the Contractor shall remain the property of the Contractor. The Customer may use this Advertising Material only in accordance with the instructions of the Contractor and only in relation to the sale of the Contract Products, and the Customer is not entitled to authorize any third party to use the Advertising Material.
- 6.4 The Customer may only advertise the Contract Products and use the Advertising Material and the trademarks of the Contractor for this purpose if the Contractor has granted its prior express consent in writing. The Contractor may withdraw its consent at any time; in such case, the entire advertising measure must be terminated at the Customer's expense according to the instructions of the Contractor. Irrespective of whether the Contractor has granted its consent, the Customer shall in any event remain responsible for ensuring that all advertising measures or advertisements fulfil the statutory requirements, if any, and do not violate any industrial property rights of third parties.

7. Confidentiality

- 7.1 The parties shall keep confidential all confidential information of the other party that becomes known to them. The parties undertake to involve only such employees or third parties in the cooperation that they have obliged to maintain confidentiality to a comparable extent in advance.
- 7.2 All information of a party, irrespective of its form, that is marked as confidential in writing or the confidentiality of which clearly follows from its nature, in particular trade and business secrets, shall be deemed confidential.
- 7.3 Information shall be deemed non-confidential if the receiving party can prove that it (i) is or was generally accessible, (ii) was already in the party's possession without any confidentiality obligation, (iii) was developed independently by another party without using confidential information, or (iv) was lawfully acquired from any third party that was not obliged to maintain confidentiality.
- 7.4 The confidentiality obligations shall survive the termination of the business relationships between the parties.

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8. Applicable law, legal venue, written form and partial invalidity

- 8.1 These General Terms and Conditions of Delivery and Services and the entire business relationships between the Contractor and the Customer shall be exclusively governed by Dutch law, prevailing for the Kingdom in Europe to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG).
- 8.2 Exclusive venue for any and all disputes arising from or in connection with the parties' contractual relationship shall be the competent court (Rechtbank) for Hengelo, the Netherlands. The Contractor is, however, entitled to sue the Customer at the Customer's statutory venue.
- 8.3 The below provisions shall apply to the contractual relationships in the following order of priority:
- a) the individual agreements entered into between the parties;
 - b) these Terms and Conditions of Delivery and Services;
 - c) the statutory provisions, in particular the provisions of the Dutch Civil Code (Burgerlijk Wetboek, "**BW**").
- 8.4 Any changes of and amendments to the contract and/or these Terms and Conditions of Delivery and Services and any side agreements shall require the written form. The same shall apply to any amendment of this written form requirement.
- 8.5 The Customer may only assign the rights arising from the parties' contractual relationship to third parties with the Contractor's written consent.
- 8.6 Should any provision of these Terms and Conditions of Delivery and Services and/or any provision of any other agreement be or become invalid, this shall not affect the validity of the remaining provisions and other agreements.

**Part 2: Additional Terms and Conditions for the Sale and Delivery of Contract Products****1. Scope of application and scope of delivery**

- 1.1 These Additional Terms and Conditions for Sale and Delivery ("Terms and Conditions of Sale") shall apply in addition to the General Terms and Conditions (cf. Part 1 above) in relation to the sale of Contract Products (Article 7: 1 et seqq. BW). The Terms and Conditions of Sale shall also apply to contracts the subject matter of which is the delivery of products produced by the Contractor for the Customer.
- 1.2 In case of conflicts between the Terms and Conditions of Sale and the General Terms and Conditions, the Terms and Conditions of Sale shall prevail over the General Terms and Conditions to the extent this is required to resolve the conflict. In all other respects and in all other cases, the General Terms and Conditions shall apply accordingly and in addition to the Terms and Conditions of Sale.
- 1.3 The content and scope of offers shall exclusively be determined on the basis of the Contractor product specification. In particular, any documents, pictures, drawings, data on weight and size and any similar information forming part of the offer shall be regarded as guidelines only, unless they are expressly designated as binding by the Contractor. The Contractor reserves the right to perform technical changes in the Contract Product only if this does not impair its technical function.

7. Shipment, passing of risk and acceptance

- 2.1 The Contract Product shall be delivered EXW Contractor's location (Incoterms 2020), unless expressly agreed otherwise. If the Contractor is obliged to ship the Contract Product based on any other agreement, the Contractor is entitled to determine the type and route of shipment at its own discretion. Upon the Customer's request, a transport insurance shall be taken out for the delivery; the respective costs shall be borne by the Customer.
- 2.2 Irrespective of its rights in case of defects, the Customer shall accept any delivered Contract Products even if such products display minor defects.
- 2.3 The Contractor may make partial deliveries for good reason if and to the extent this is reasonable for the Customer.
- 2.4 Unless otherwise agreed, packaging is arranged for by the Contractor and not requested by the Customer. The packaging is therefore transport packaging. The Customer is obliged to return the transport packaging in a clean condition and separate from any other items during the Contractor's normal business hours.
- 2.5 If the Customer is in default of acceptance or in breach of any other cooperation obligation, or if shipment is delayed for any other reason the Customer is responsible for, the Contractor is entitled, without prejudice to its other rights, to reasonably store the Contract Product at the Customer's risk and expense. The Contractor shall insure the Contract Product at the Customer's request and expense. Commencing 10 days after

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the notification of the readiness for dispatch, the Customer shall be charged the costs incurred for the storage of the Contract Product in the factory of the Contractor, at least, however, 0.5% of the invoice amount for each month.

3. Quality, Customer's rights in case of defects, duty to inspect and limitation period

- 3.1 Upon passing of the risk, the Contract Product shall have the agreed quality; the agreed quality shall exclusively be determined by the specific written agreements between the parties concerning the characteristics, features and specifications of the Contract Product.

Information provided in sales catalogues, price lists and any other information material provided to the Customer by the Contractor and any other descriptions of the products shall under no circumstances constitute a guarantee for any specific quality of the Contract Product; such specific guarantees must expressly be made in writing.

The Contractor reserves the right to change the Contract Product with regard to its construction, material and/or workmanship provided that this does not change its agreed quality.

- 3.2 Any rights of the Customer in case of defects of the Contract Product shall require that the Customer inspects the Contract Product upon delivery and notifies the Contractor of any defects in writing and without undue delay, but no later than within 7 days following delivery; any hidden defects must be notified to the Contractor in writing without undue delay upon their discovery.
- 3.3 In the event of a notice of defects, the Contractor shall have the right to inspect and test the Contract Product to which objection was made. The Customer shall give the Contractor the required time and opportunity to exercise this right. The Contractor may also request the Customer to send the Contract Product to which objection was made back to the Contractor at its own expense. Should the Customer's notice of defect prove to be unjustified, and provided the Customer has realized this prior to the notice of the defect or negligently failed to realize it, the Customer is obliged to reimburse the Contractor for all costs incurred in this respect, e.g. travel expenses or shipping costs.
- 3.4 The Contractor is entitled to remove defects, at its option, either by remedying the defect or by replacement delivery of the defective part or the entire Contract Product, both free of charge to the Customer (together: "Subsequent Performance").

The Customer shall grant the Contractor reasonable time and opportunity for the Subsequent Performance. If the removal of the defect is absolutely necessary due to reasons of endangerment of operational safety and/or to prevent disproportionate extensive damage, the Customer shall notify the Contractor accordingly without undue delay, stating the respective circumstances, whereupon the Contractor, in due time, in any case after 5 days, shall give the Customer permission to remove the defect itself or by commissioning third parties and request the Contractor to reimburse the necessary costs.

Any parts replaced by the Contractor shall pass into the ownership of the Contractor.

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- 3.5 The Customer's rights in case of defects shall be excluded in the following events: (i) natural wear and tear, (ii) defects of the Contract Products due to reasons for which the Customer or downstream customers in the supply chain is/are responsible, in particular caused by improper use, the failure to observe the operating manual, incorrect first use or improper treatment (e.g. excessive use), (iii) incorrect assembly and/or installation by the Customer, downstream customers in the supply chain or a third party commissioned by them, (iv) the use of unsuitable accessories or unsuitable spare parts or the performance of inappropriate repair works by the Customer, downstream customers in the supply chain or third parties commissioned by them, and (v) the use of inappropriate supplies and replacement materials, poor construction works, inappropriate ground, chemical, electrochemical or electric influences, insofar as the Contractor is not responsible for such reasons.
- 3.6 The Customer shall bear the costs such as but not restricted to, for materials, shipment, transport, handling, disassembly, assembly, cost of traveling, accommodation and labour that accrue for the purpose of Subsequent Performance. To the extent the disassembly of the defective Contract Product and the assembly of the repaired or replaced Contract Product are required for the purpose of Subsequent Performance, the Contractor is entitled, at its choice, either to carry out the disassembly and assembly itself or to leave this to the Customer. In the latter case, the Customer shall, first of all, submit to the Contractor for review an offer for the disassembly and assembly carried out by itself or a third party; the Customer is obliged to keep the costs as low as possible and, if possible, to use its own manpower at its own expense. If the disassembly and assembly are carried out by the Customer, the Contractor shall only reimburse the proven and required costs. The Contractor is not obliged to carry out the disassembly and assembly and/or to bear the respective costs if and to the extent that the costs incurred in this respect bear no proportion to the seriousness of the defect and the purchase price of the Contract Product. This must regularly be assumed if the costs for the disassembly and assembly amount to more than 30% of the Contract Product's purchase price. The Customer is obliged to provide the Contractor with all information required for the disassembly and assembly and to enable the Contractor to inspect and review the rejected Contract Product on site.
- 3.7 If the Subsequent Performance fails, if such remedy is unreasonable for the Customer or if the Contractor has refused such remedy pursuant to Article 7: 21 sub 1.b BW, the Customer may himself undertake or employ a third party to undertake necessary remedial works at the risk and expense of the Contractor. Where successful remedial works have thus been undertaken by the Customer or a third party, reimbursement by the Contractor of reasonable costs incurred by the Customer shall be in full settlement of the Contractor's liabilities for the said defect. These costs shall however not exceed 15% of the agreed purchase price for the Contract Product.

Where the defect has not been successfully remedied, as stipulated in Art. 3.6,

- a) the Customer is entitled to a reduction of the agreed purchase price of the Contract Product in proportion to the reduced value of the product, provided that such reduction shall not exceed 15 per cent of the agreed purchase price for the Contract Product, or
- b) where the defect is so substantial as to significantly deprive the Customer of the benefit of the contract, the Customer may terminate the contract by notice in writing to the Contractor. The Customer is then entitled to reimbursement of the purchase price paid for the Contract Product and to compensation for the damage he has suffered up to a maximum of 15 per cent of the agreed purchase price for the Contract Product.



3.8 The limitation period for the Customer's claims for defects shall be 12 months as of the time of the passing of risk. This period shall not apply (i) to the Customer's rights in case of defects concealed in bad faith or caused intentionally, (ii) if and to the extent that the Contractor has assumed a guarantee, (iii) to damage claims of the Customer due to culpable damage to life, body or health, (iv) to damage claims of the Customer due to any damage caused by the Contractor intentionally or by gross negligence, (v) to damage claims of the Customer due to other reasons than defects of the Contract Products, as well as (vi) to claims under the Dutch Civil Code (Burgerlijk Wetboek) Art. 6: 185-193 (Produktenaansprakelijkheid) or in case of other mandatory statutory liability provisions..

4. Retention of title

4.1 The Contract Products shall remain the property of the Contractor until any and all claims of the Contractor arising from its business relationship with the Customer have been paid in full.

4.2 The Customer may only sell the products subject to retention of title ("Products subject to Retention of Title") within the scope of normal and proper business transactions. The Customer is not entitled to pledge the Products subject to Retention of Title, grant chattel mortgages on them or make other dispositions endangering the Contractor's title to such products.

4.3 The Customer shall provide the Contractor at all times with all desired information concerning the Products subject to Retention of Title or receivables assigned to the Contractor under this contract. The Customer shall immediately notify the Contractor of any attachments of or claims to the Products subject to Retention of Title by third parties and shall provide the necessary documents in this regard. The Customer shall at the same time advise the third party of the Contractor's retention of title. The costs of a defence against attachments and claims shall be borne by the Customer.

4.4 The Customer is obliged to treat the Products subject to Retention of Title with care for the duration of the retention of title.

4.5 Should the Customer be in default of material obligations such as payment to the Contractor, and should the Contractor rescind the contract, the Contractor may, notwithstanding any other rights, request surrender of the Products subject to Retention of Title and may make use of them otherwise for the purpose of satisfying its matured claims against the Customer. In such case, the Customer shall grant the Contractor or the Contractor's agents immediate access to the Products subject to Retention of Title and surrender the same.

4.6 The Contractor undertakes to release, upon the Customer's request, any security it is entitled to if the realizable value of the security exceeds the claims to be secured by more than 10%.

4.7 On the Contractor's demand, the Customer is obliged to appropriately insure the Products subject to Retention of Title for the duration of the retention of title, in particular

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against theft, damage caused by breakage, fire, water, and other damage. The Customer is obliged to provide the Contractor with the respective proof of such insurance and assign the claims arising under such insurance to the Contractor.

- 4.8 In the case of deliveries to other jurisdictions in which the foregoing provisions governing the retention of title do not have the same effect as in the Netherlands, the Customer shall do everything to create equivalent security rights for the Contractor without undue delay. The Customer shall cooperate in all measures such as registration, publication, etc. that are necessary and beneficial for the validity and enforceability of such security rights.

5. Product liability

If the Customer sells the Contract Product, whether unchanged or changed, whether after processing, transformation or joining with other goods, the Customer shall indemnify the Contractor in their internal relationship against any product liability claims of third parties if and to the extent that the Customer is responsible for the defect leading to the liability also within their internal relationship.

**Part 3: Additional Terms and Conditions for the Rendering of Works and Services****Section A: General Provisions****A.1. Scope of application and scope of Works and Services**

A.1.1 These Additional Terms and Conditions for the Rendering of Works and Services ("Works and Services Terms") shall apply in relation to Works (aanneming van werk) (Art. 7:750 sections 631 et seqq. BW) and Services (overeenkomst van opdracht (Art. 7: 400 et seqq. BW) in addition to the General Terms and Conditions (cf. Part 1 above).

A.1.2 In case of conflicts between the Works and Services Terms and the General Terms and Conditions, the Works and Services Terms shall prevail over the General Terms and Conditions to the extent this is required to resolve the conflict. In all other respects and in all other cases, the General Terms and Conditions shall apply accordingly and in addition to the Works and Services Terms.

A.0. Works and Services rendered by the Contractor

A.2.1 The Contractor shall render the Works and Services in accordance with the performance description, the Works and Services Terms and pursuant to the accepted rules of technology. Technical or other standards shall only be complied with to the extent they are expressly listed in the performance description and shall apply in the version applicable at the time of the offer.

A.2.2 If the performance description contains any unintended gaps or ambiguities, the Contractor is entitled to adjust the respective content of the performance description in its reasonable discretion, taking into account the Customer's interests.

A.2.3 Works and/or Services to be rendered by the Contractor shall not comprise the procurement and maintenance of standard software and required hardware. This shall be the Customer's sole responsibility.

A.2.4 The Contractor is entitled to commission subcontractors for the rendering of the Works and/or Services.

A.2.5 To the extent installation works are required on site, the Customer shall permit the Contractor, its vicarious agent or the Customer's third-party provider to access the installation site and make available to them all other equipment required at the installation site, and shall instruct them with respect to any specifics and accompany the Works and Services in an appropriate manner.

A.2.6 The handling of external legal affairs, including legal advice, as well as assistance in tax matters do not fall within the scope of the services.

A.1. Remuneration

A.3.1 Unless otherwise agreed, the services rendered by the Contractor shall be invoiced monthly at the actual cost.



A.3.2 If the remuneration is based on "man-days", "person-days" or the like, such a "day" shall be deemed to comprise up to eight clock hours worked by an employee on a calendar day.

A.3.3 Travel costs, charges and other ancillary costs, as well as expenses incurred in connection with the rendering of the contractually agreed service by the Contractor, shall be invoiced in addition and at the actual cost.

A.4. Liability for data loss

In the case of data losses, the Contractor's liability shall be limited to the reimbursement of the costs incurred in connection with the recovery of the data from electronic backup media. The Customer's obligation to regularly perform a backup according to the state of the art shall remain unaffected.

A.5. Licenses and third-party rights

A.5.1 Upon full payment of the agreed remuneration and, in the case of Works, upon acceptance, the Customer may, unless agreed otherwise, use the results of the Works and Service rendered to it by the Contractor (hereinafter collectively referred to as the "**Work Results**") for its internal business purposes, worldwide and for an unlimited period of time.

A.5.2 Section A.5.1 shall not apply to standard products that are part of the Work Results. Standard products means definable products or solutions by the Contractor or third parties that are subject to separate license terms. Section A.5.1 shall not apply to any pre-existing materials or solutions of the Contractor, either. The rights to the pre-existing materials or solutions of the Contractor shall remain with the Contractor.

A.5.3 The Contractor warrants that the provided Work Results do not infringe any third-party rights in case of a contractually agreed use by the Customer. The Customer shall notify the Contractor in writing of any third party rights asserted against the Customer without undue delay and shall leave the legal defence and any settlement negotiations in the Contractor's responsibility. The Customer shall assist the Contractor to a reasonable extent free of charge.

If a right of a third party affects the contractually agreed use of a Work Result by the Customer, the Contractor may, at its choice, (i) take lawful measures to remove the third-party rights impairing the contractual use of the Work Results or (ii) remedy the enforcement of such rights or (iii) change or replace the Work Results in a way that they no longer infringe the third-party rights.

The Customer shall not have any claims arising due to defects in title if the Work Results were changed by the Customer or third parties, unless the Customer proves that the infringement was not caused by the change.

**Section B: Specific Provisions for Services****B.1. Scope of Services**

The content and scope of offers shall exclusively be determined on the basis of the Contractor performance description. In the case of Services, the Contractor does not owe the achievement of the specified project target and/or the suitability of the results for a specific purpose or the further processing or use of the results by the Customer.

B.0. Rights of the customer in case of Services not rendered or not rendered as contractually agreed

B.2.1 The Contractor shall render all Services professionally and expertly in accordance with the industry standard. In case of a service not rendered or not rendered as contractually agreed, the Contractor is entitled to render or repeat the Service properly to the extent this is possible and reasonable for the Customer. The Customer shall only be entitled to further rights and claims pursuant to the statutory provisions if it has requested the Contractor to properly render or repeat the Service within a period of at least 14 days and this grace period has expired to no avail, unless granting a grace period is unnecessary.

B.2.2 The limitation period for the Customer's rights in case of services not rendered or not rendered as contractually agreed shall be 12 months as of the commencement of the statutory limitation period pursuant to Article 3:311 BW.

B.1. Termination

Unless the service contract () (overeenkomst van opdracht) has a fixed term or unless otherwise agreed, service contracts may be terminated in writing by either party at any time upon two weeks' notice as per the end of any month.

Section C: Specific Provisions for Works**C.1. Scope of Works**

The content and scope of offers shall exclusively be determined on the basis of the Contractor performance description. In case of Works, the Contractor shall make economically reasonable efforts to provide the Customer with the work as agreed by the parties. Unless contractually agreed otherwise, the Contractor shall not assume any warranty for the work's suitability for a specific purpose or the further processing or use of the work by the Customer.

C.0. Acceptance

C.2.1 Any Works to be rendered by the Contractor shall be subject to acceptance.

C.2.2 Upon completion, the Contractor shall make the works available to the Customer for

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acceptance. Unless otherwise agreed, the Customer shall accept the works within 7 days after they were made available if the created works do not have any defects that preclude acceptance.

If the Works are not accepted within 7 days after they were made available, the Contractor is entitled to request acceptance by the Customer in writing, setting a deadline of at least 14 days. Upon expiry of this renewed deadline, the Works shall be deemed accepted.

C.2.3 In case of a software implementation or system integration, the parties shall mutually agree on the process and scope of the acceptance test upon the commencement of the performance of the contract. Any defects precluding acceptance shall be defects of classes 1 and 2 pursuant to the following classification.

A class 1 defect is a deviation resulting in the work to be accepted or an integral part thereof not being usable by the Customer.

A class 2 defect is a deviation causing substantial restrictions of use in material functions of the work which cannot be avoided for an appropriate period of time reasonable for the Customer.

Class 3 defects are all other deviations from the agreed quality of the work.

C.2.4 The Customer shall document the result of the acceptance test including any defects and their classification in an acceptance protocol. If the Customer rightfully denied acceptance, the Contractor shall remove the defects. After that, the necessary parts of the acceptance test shall be repeated.

c.3. Customer's rights in case of defects

C.3.1 The unconditional acceptance of the work shall exclude all of the Customer's rights and claims in connection with defects to the Works that were already identifiable at the time of acceptance. The assertion of claims in connection with defects that were not identifiable upon acceptance shall be excluded unless the Customer notifies the Contractor of the defects in writing without undue delay after their detection.

C.3.2 The Customer's rights based on defects shall be subject to Sections 3.3 through 3.5 of the Terms of Sale (cf. Part 2 above), which shall apply accordingly.

In case of defects in quality precluding acceptance pursuant to Section C.2.3, the Customer is entitled to rescind the contract if Subsequent Performance definitely failed. The definite failure shall be determined taking into account the complexity and the circumstances of the removal of the defects in quality.

C.3.3 The limitation period for the Customer's claims for defects shall be 12 months as of the date of acceptance. This period shall not apply (i) to the Customer's rights in case of defects concealed in bad faith or caused intentionally, (ii) if and to the extent that the Contractor has assumed a guarantee, (iii) to damage claims of the Customer due to culpable damage to life, body or health, (iv) to damage claims of the Customer due to any damage caused by the Contractor intentionally or by gross negligence, (v) to damage claims of the Customer due to other reasons than defects of the Contract



Products, as well as (vi) to claims under the Dutch Civil Code (Burgerlijk Wetboek) Art. 6: 185-193 (Produktaansprakelijkheid or in case of other mandatory statutory liability provisions.

c.4. Termination

The Customer may terminate contracts for work in writing at any time with a notice period of 4 weeks as per the end of a month. In this case, the Contractor is entitled to request the agreed remuneration already incurred pursuant to Section A.3.

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ELECTROMACH

GENERAL TERMS AND CONDITIONS OF PURCHASE ELECTROMACH B.V.

FILED AT THE REGISTRY OF THE COURT IN OVERIJSEL ON 21 OCTOBER 2019,
LOCATION ALMELO, UNDER FILE NUMBER 47/2019.

WHEREAS

These General Terms and Conditions of Purchase have been drawn up for (the purchasing organisation) Electromach B.V., with registered office and place of business in (7559 SP) Hengelo (Ov) at Jan Tinderbergenstraat 193, registered in the trade register under number 06040491 ("*Electromach*"). Electromach operates a trading company focused on explosion safety, and is part of German R.STAHL Technology Group; the shares of Electromach are held by R. Stahl Aktiengesellschaft, established in Stuttgart.

With the General Terms and Conditions of Purchase, Electromach aims to provide a record of the terms and conditions under which they conclude contracts with suppliers, as well as to give access to Electromach's practices in the purchase of goods and services. The present General Terms and Conditions of Purchase contain the following Articles:

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ARTICLE 1 (DEFINITIONS)

The following used terms and indications are to be understood as follows:

- i. *Offer*: a response of the Supplier to the Request of Electromach for the Delivery of Goods or Services;
- ii. *Request*: the (first) request by Electromach to the Supplier for the Delivery of Goods or Services;
- iii. *Third Parties*: any person, natural or legal person, who is not (directly) involved as one of the Parties in the Agreement;
- iv. *Services*: work to be carried out;
- v. *Terms and Conditions of Purchase*: the present general terms and conditions of purchase of Electromach, to be referred to in external communications as the "General Terms and Conditions of Purchase of Electromach";
- vi. *Intellectual and industrial property rights*: all (intellectual) property rights, including copyrights, and related rights, such as personal rights, which arise from the fulfilment of the Supplier's obligations under the Agreement;
- vii. *Supplier*: the provider of Goods or Services, or at least a natural or legal person who supplies Goods or Services to Electromach, or at least the person with whom Electromach is considering entering into an Agreement in respect of Goods or Services;
- viii. *Delivery of Services*: the execution of the agreements made in the Agreement or the delivery of the agreed Services;
- ix. *Delivery of Goods*: providing Goods, including the installation and assembly of those Goods;
- x. *Order*: the order resulting in an Agreement;
- xi. *Agreement*: the agreements between Electromach and the Supplier concerning the Delivery of Goods or Services;
- xii. *Parties*: Electromach and the Supplier;
- xiii. *Personnel*: the personnel or auxiliary persons to be engaged by the Supplier for the execution of the Agreement, who work under their responsibility;
- xiv. *Written/In Writing*: printed on paper, on the understanding that digital messaging may also be regarded as sufficient.
- xv. *Confidential information*: all information, in any form, that the Parties exchange or have already exchanged in connection with the (potential) conclusion of an Agreement or during the Agreement, to which they each provide or have provided access or which they see or have seen. This includes in any case the Request, the Offer, the Order, the Agreement and the means referred to in Article 8.2.
- xvi. *Goods*: tangible objects.

ARTICLE 2 (APPLICABILITY)

- 2.1 These Terms and Conditions of Purchase apply to all requests, offers, tenders, orders, quotations and Agreements relating to the Delivery of Goods or the Delivery of Services by a Supplier for the benefit of Electromach;
- 2.2 The applicability of the general terms and conditions of the Supplier, under any name, is expressly rejected. The Parties may only agree otherwise explicitly and In Writing ("battle of forms"); In the event of (conflict) between the Agreement (including appendices) and the Terms and Conditions of Purchase, the content of the Agreement (including appendices) shall prevail. The Parties together may only agree otherwise explicitly and In Writing;
- 2.3 The original Dutch text of the Terms and Conditions of Purchase shall prevail over translations thereof;
- 2.4 It is not possible to deviate from the content of the Terms and Conditions of Purchase. The Parties may only agree otherwise in

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- advance, explicitly and In Writing;
- 2.6 In the event that any provision of the Terms and Conditions of Purchase - including the recitals - should be found to be null and void or be annulled by either Party, the other provisions of the Terms and Conditions of Purchase shall remain in full force and effect;
- 2.7 The Supplier is deemed to also accept the applicability of the Terms and Conditions of Purchase with regard to later Agreements with Electromach.

CONCLUSION OF THE AGREEMENT

ARTICLE 3 (REQUEST, OFFER AND ACCEPTANCE)

- 3.1 A Written or oral Request by Electromach for the Delivery of Goods or Services shall be followed by a Written Offer by the Supplier for the Delivery of Goods or Services. The Request of Electromach shall be accompanied by (the handing over of) the Terms and Conditions of Purchase, and by the declaration of applicability of the Terms and Conditions of Purchase. The Offer made by the Supplier describes the Goods or Services, the quantities, the time of delivery and indicates a price. The prices are in euros;
- 3.2 An Offer made by the Supplier is irrevocable. A quotation by a Supplier shall be considered an irrevocable Offer;
- 3.3 Electromach shall not be bound by any Offer made by the Supplier until the conclusion of the Agreement;
- 3.4 Acceptance of the Offer shall take place by means of a Written Order to that effect. The Order establishes the Agreement for the Delivery of Goods or Services. The Agreement may also be concluded, in addition to accepting the Offer by means of an Order, by a (extended) two-sided Written Agreement;
- 3.5 In so far as the delivery of the Terms and Conditions of Purchase to the Supplier did not take place at the time of the Request, or when the Supplier subsequently declared their own terms and conditions applicable, Electromach shall still or again notify the Supplier of the applicability and the content of their Terms and Conditions of Purchase.

ARTICLE 4 (DEVIATING ACCEPTANCE)

- 4.1 If Electromach, as a result of an Offer made by a Supplier, places an Order that deviates (in terms of content) from the Offer made by a Supplier, such order will be deemed to be a first offer that must be accepted by the Supplier. Acceptance shall (only) be deemed to have taken place when:
- a. a copy signed for approval by the Supplier is received within 5 (five) days after having placed the Order by Electromach; or,
- b. the Supplier has executed the Order within 5 (five) days of having placed the Order by Electromach.
- 4.2 An offer within the meaning of Article 4 can be revoked by Electromach until the moment of acceptance within the meaning of this Article;
- 4.3 When Electromach places an Order with a Supplier without a prior offer, Articles 4.1 and 4.2 shall apply accordingly.

ARTICLES 5 (PRICING)

- 5.1 The pricing according to the Offer of the Supplier shall be deemed to be the (fixed) agreed price;
- 5.2 Electromach shall be obliged to pay the agreed price in accordance with Article 14, unless the Agreement or these Terms and Conditions of Purchase provide otherwise;
- 5.3 Contrary to Article 5.1, the Agreement may state circumstances that may lead to price adjustment;
- 5.4 Contrary to Article 5.1, price reductions relating to the Goods or Services to be delivered, occurring prior to the time of delivery as referred to in Article 12.4, take the place of the agreed price;
- 5.5 The agreed price includes all costs in connection with the fulfilment of the Supplier's obligations, with the exception of turnover tax;

- 5.6 Costs resulting from quotations, samples, test shipments and sample materials shall be borne by the Supplier;
- 5.7 The Supplier shall not be entitled to transfer or pledge any rights or obligations under the Agreements without the prior Written consent of Electromach.

ARTICLE 6 (DOCUMENTATION)

- 6.1 The Supplier is obliged to make the accompanying documentation available to Electromach prior to or at the latest with the delivery as referred to in Article 12.4;
- 6.2 Electromach is free to use the documentation within the meaning of this Article, including multiplying it for their own use;
- 6.3 Any documentation or samples received shall not be returned by Electromach.

ARTICLE 7 (CONCLUSION OF THE AGREEMENT)

- 7.1 The Agreement between the Parties will be concluded:
- a. in case of application of Article 3, after the Supplier's Offer has been accepted In Writing by Electromach by means of a Written Order to that effect, or after a bilateral Written Agreement as referred to in Article 3.5 has been concluded;
- b. in case of application of Article 4, after the offer (the Order) of Electromach has been accepted by the Supplier with due observance of the provisions of Article 4.
- 7.2 Contrary to Articles 3, 4 and 7.1, an Agreement may also be concluded orally, albeit only after Electromach has provided the Supplier with the contents of the Agreement In Writing, where explicit reference is made to the Agreement concluded orally;
- 7.3 Electromach has the right to terminate, dissolve or cancel the Agreement by means of a Written notification to the Supplier as long as the Supplier has not yet started the execution of the Agreement, without any obligation to compensate damages. In any case, Electromach may terminate, dissolve or cancel the Agreement without being obliged to compensate damage within 3 (three) working days after the conclusion of the Agreement.

EXECUTION OF THE AGREEMENT

ARTICLE 8 (TOOLS)

- 8.1 If necessary, the Supplier shall provide the necessary materials and tools, including work clothing and safety equipment;
- 8.2 If during the execution of the Agreement, use is made of drawings, moulds, models, specifications, instructions and inspection conditions (among other things) made available or approved by Electromach, these shall remain the property of Electromach;
- 8.3 If during the execution of the Agreement, use is made of materials (raw materials, auxiliary materials, tools, drawings, specifications, software and the like) (among other things) made available by Electromach, these materials shall remain the property of Electromach;
- 8.4 In the situation referred to in Articles 8.2 and 8.3, the Supplier is obliged to mark the said tools as recognisable property of Electromach, to keep them in good condition and to use them with care as long as the Supplier acts as the holder with respect to the tools;
- 8.5 Changes to tools within the meaning of Articles 8.2 and 8.3 as well as the use of these tools for or in connection with any other purpose than the delivery to Electromach, shall only be allowed after prior Written consent of Electromach.

ARTICLE 9 (PROGRESS)

- 9.1 Upon request, the Supplier is obliged to provide information to Electromach regarding the progress of the work under the Agreement. This as often and in the manner as determined in the Agreement, or at least when Electromach deems this necessary in the given circumstances.

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ARTICLE 10 (OUTSOURCING TO THIRD PARTIES)

- 10.1 The Supplier is prohibited without the prior express Written consent of Electromach from transferring or subcontracting the execution of an Agreement in whole or in part to Third Parties, or from making use of posted or hired workers;
- 10.2 Electromach has the right to attach conditions to the permission in the sense of Article 10.1;
- 10.3 In the situation referred to in Article 10.1, the Supplier shall be obliged, upon request, to notify Electromach of the security provided for the payment of turnover tax, wage tax and social security contributions, which are prescribed by law;
- 10.4 When the permission as referred to in Articles 10.1 and 10.2 has been obtained, the Supplier remains fully responsible and liable with respect to the Third Parties engaged or appointed by it in connection with the work to be carried out for Electromach;
- 10.5 In the situation referred to in Article 10.1, Article 20.1 shall apply, on the understanding that the Supplier shall in particular indemnify Electromach in respect of liability with respect to the Liability of Subcontractors Act (Wet Ketenaansprakelijkheid). If Electromach is held liable under the Liability of Subcontractors Act, they shall have a right of recourse against the Supplier.

ARTICLE 11 (CIRCUMSTANCES ON SITE)

- 11.1 The Supplier or their Personnel or Third Parties engaged by them must, before the execution of the Agreement, ascertain the circumstances on site and in the buildings where the work will be carried out; in particular when the Supplier performs their work at the site of Electromach;
- 11.2 The Supplier or their Personnel or Third Parties engaged by it shall, before the execution of the Agreement, ascertain the contents of the locally applicable regulations and rules; in particular when the Supplier performs their work at the site of Electromach;
- 11.3 Damage suffered by Electromach due to delay in the execution of the Agreement caused by failure to comply with the obligations referred to in Articles 11.1 and 11.2 shall be at the expense and risk of the Supplier;
- 11.4 The Supplier shall ensure that their presence, or that of their Personnel or Third Parties engaged by it, does not impede the progress of work of Electromach.

ARTICLE 12 (DELIVERY)

- 12.1 The Supplier shall be obliged to make all information, documentation and instructions available to Electromach that Electromach reasonably needs to make optimal use of the delivered Goods or Services at the latest at the time of delivery;
- 12.2 The Supplier is obliged to deliver the Goods or Services in the agreed form, quantity, quality and in accordance with the agreed specifications, accompanied by a waybill or packing slip. In connection with the rights and obligations of the Supplier and Electromach in respect of (international) transport, the International Commercial Terms Delivered Duty Paid (DDP) shall apply unless otherwise agreed, whether or not in the Agreement or the Terms and Conditions of Purchase;
- 12.3 The Supplier is obliged to comply with the deadlines set in the Order, or at least in the Agreement, and to deliver at the designated place. Partial deliveries are not permitted without the Written consent of Electromach;
- 12.4 The Goods shall be deemed to have been delivered at the moment that the Goods have been received and Electromach, taking into account Articles 12.1, 12.2 and 12.3, has free disposal of the Goods. In the case of Services or works, the moment when the service is completed shall be deemed to be the moment of delivery;
- 12.5 In case of late delivery, the Supplier shall be in default without further notice of default being required, except in case of force

majeure in which case Article 18 applies; the agreed time of delivery shall count as a deadline. The Supplier shall immediately notify Electromach In Writing of the imminent exceeding of the delivery time;

- 12.6 If Electromach, before the delivery has taken place, requires that the Goods or Services are to be delivered at a place other than that stated in the Order or Agreement, or at a later time, the Supplier shall be obliged to comply with this request;
- 12.7 If the Supplier wishes to execute the Agreement early in any way, the Written consent of Electromach shall be required. In case of early execution, Electromach shall not be obliged to pay earlier than at the originally agreed time of payment;
- 12.8 After delivery, the Supplier shall take away, or at least have taken away, any waste and packaging material;
- 12.9 The Supplier shall be obliged, where appropriate, to have spare parts available during the usual lifetime of the Goods delivered.

ARTICLE 13 (TRANSFER OF RISK AND OWNERSHIP)

- 13.1 The Supplier shall ensure proper packaging and such security and transport of the Goods that they reach the place of delivery in a good condition. The Supplier bears the risk of transport damage;
- 13.2 The ownership and risk of the Goods shall pass to Electromach at the moment they have been delivered in the sense of Article 12.4, and if necessary assembled, installed and approved respectively;
- 13.3 If the Supplier incorporates materials of Electromach - including raw materials, auxiliary materials, tools, drawings, specifications and software - in Goods of the Supplier, this shall be a new Good of which the ownership belongs to Electromach.

FULFILMENT OF THE AGREEMENT

ARTICLE 14 (INVOICING AND PAYMENT)

- 14.1 The invoice of the Supplier shall preferably be sent by email, and shall be addressed to the financial administration of Electromach (crediteurenadministratie@electromach.nl);
- 14.2 The invoice of the Supplier shall contain a specific description of the nature and scope of the Goods or Services delivered and the name of the person whose Request and Order (or offer) have been accepted;
- 14.3 Contrary to Article 14.1, Electromach may designate another addressee for the invoice. The Supplier shall in that case amend the address;
- 14.4 Within the framework of the Delivery of Services, Electromach shall pay the total price plus the statutory turnover tax monthly within 60 (sixty) calendar days unless otherwise agreed, but only after the Supplier has provided Electromach with a specified invoice within the meaning of Article 14.2;
- 14.5 Within the framework of the Delivery of Goods, Electromach shall pay the price plus the statutory turnover tax within 60 (sixty) calendar days, unless otherwise agreed, after the Goods have been delivered in accordance with Article 12 and only after the Supplier has provided Electromach with a specified invoice within the meaning of Article 14.2;
- 14.6 Electromach shall have the right to reduce the amount of the invoice by amounts which the Supplier (still) owes to Electromach for whatever reason. In addition, Electromach shall have the right to suspend their payment if they observe a shortcoming in the fulfilment of the Agreement on the part of the Supplier, or if there is a well-founded suspicion that the Supplier will fail to fulfil their obligations;
- 14.7 The exceeding of any term of payment by Electromach based on a (presumption of) inadequacy of the invoice within the meaning of Articles 14.1 to 14.3, inaccuracy of the invoice, inadequacy of performance or otherwise a shortcoming in the performance of the Agreement does not give the Supplier the right to suspend their performance or to terminate the Agreement;

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- 14.8 In case the situation referred to in Article 14.7 applies, and when it should appear afterwards that Electromach has mistakenly not paid or paid (too) late, the Supplier shall, in deviation from Section 6:119a of the Dutch Civil Code, only be entitled to default interest in the amount of the statutory interest referred to in Section 6:119 of the Dutch Civil Code, after a proper notice of default;
- 14.9 On Electromach making a payment, Electromach's rights and claims of shall in no way be waived. In the event that Electromach, for their own reasons, waives any right or meets the requirements of the Supplier otherwise, these waivers shall be limited to the specific circumstances of the case and shall not affect the rights that Electromach may assert in other situations.

ARTICLE 15 (INSPECTION AND AUDITS)

- 15.1 Electromach shall be entitled to inspect or have the Goods to be delivered inspected at any time, both during the production, processing and storage as well as after the delivery referred to in Article 12.4. The inspection may include testing or taking samples. The provisions of this Article shall apply as much as possible *mutatis mutandis* to (periodic) audits;
- 15.2 On first request, the Supplier shall provide access to the place of production, processing or storage to Electromach, their employees or an engaged Third Party for the purpose of the aforesaid inspection;
- 15.3 The Supplier shall cooperate in the inspection free of charge;
- 15.4 If an inspection as referred to in this Article cannot take place at the intended time due to the actions of the Supplier, or if an inspection must be repeated, the costs arising from this shall be borne by the Supplier;
- 15.5 In the event of rejection after delivery of the Goods, the Supplier shall ensure that the Goods delivered are repaired or replaced free of charge within 5 (five) working days. If the Supplier fails to comply with these obligations within the period set out in this Article, Electromach shall be entitled to purchase the required Goods from a Third Party, or to take measures or have a Third Party take measures at the expense and risk of the Supplier;
- 15.6 If the Supplier does not collect the rejected Goods within 5 (five) working days, Electromach shall have the right to return the Goods to the Supplier at the Supplier's expense;
- 15.7 The inspection by Electromach as referred to in this Article does not release the Supplier from any liability;
- 15.8 The rights in favour of Electromach resulting from the provisions of this Article shall not affect the (other) rights and claims resulting from the law or these Terms and Conditions of Purchase.

ARTICLE 16 (INTELLECTUAL PROPERTY)

- 16.1 The Supplier guarantees the free and undisturbed use by Electromach of the Goods and Services provided by the Supplier. Article 20.1 shall apply, from which it follows in specific terms that the Supplier shall indemnify Electromach against the financial consequences of claims by Third Parties due to infringement of Intellectual and Industrial Property Rights;
- 16.2 The Intellectual and Industrial Property Rights of all that the Supplier manufactures on behalf of Electromach shall remain with Electromach. To the extent necessary, the Supplier hereby transfers all such rights to Electromach. If any further formalities are attached to this transfer, the Supplier shall cooperate unconditionally and irrevocably;
- 16.3 With regard to Intellectual and Industrial Property Rights, the Supplier shall be entitled to use the information and documentation provided by Electromach, however only in connection with the Agreement; such information and documentation are and shall remain the property of Electromach.

ARTICLE 17 (SHORTCOMING AND LIABILITY)

- 17.1 In the event of any shortcoming on the part of the Supplier,

without prejudice to the provisions of Articles 12.5, 18.6, 19.5 and 23.1, the Supplier will be given notice of default In Writing. If their shortcoming has not been rectified within 5 (five) days thereafter, the Supplier shall be in default;

- 17.2 The Supplier who imputably fails in the fulfilment of their obligation(s) shall be liable towards Electromach for the compensation of the damage suffered or to be suffered by Electromach, both directly and indirectly, without prejudice to other rights of Electromach including the right to dissolve the Agreement as referred to in Article 23. In the event that Electromach, as a result of the Supplier's failure, becomes liable to pay a (contractual) penalty to their customers, at least the amount of this penalty shall be deemed to be the damage to be compensated;
- 17.3 Without prejudice to the right to compensation and the other statutory rights resulting from an attributable failure, Electromach shall be entitled to an immediately payable penalty of 2.5% of the price of the Goods or Services concerned for each day that the failure continues with a maximum of 25%.

ARTICLE 18 (FORCE MAJEURE)

- 18.1 If the Supplier can reasonably foresee that they will not be able to fulfil their obligations towards Electromach (force majeure), they shall be obliged to inform Electromach immediately, stating their reasons;
- 18.2 The Supplier is obliged to eliminate or to have eliminated any cause of force majeure, as far as this is possible, as soon as possible;
- 18.3 It is up to the Supplier who invokes force majeure to prove as soon as possible, but at the latest at the time that they had to perform, and submit evidence, that the lack of compliance is due to force majeure within the meaning of the law (Section 6:75 of the Dutch Civil Code) and the provisions of this Article of the Terms and Conditions of Purchase;
- 18.4 Force majeure on the part of the Supplier does not in any case include lack of personnel, strikes (other than those recognised by the trade union), non-performance of Third Parties engaged, failure of tools and liquidity or solvency problems;
- 18.5 In case of force majeure of the Supplier, Electromach is entitled to suspend the fulfilment of the relevant and related obligation(s) on their part for as long as the force majeure continues. This without Electromach being obliged to pay any compensation for damages (see also: Article 14.6);
- 18.6 If the Supplier is definitively unable to perform, or if the period of force majeure has lasted longer than 30 (thirty) days or it is reasonably expected that it will last at least 30 (thirty) days, the Supplier shall be in default without notice of default required and Electromach shall have the right to dissolve the Agreement with immediate effect and without judicial intervention. This without the Supplier as the defaulting party having any right to compensation;
- 18.7 For the remaining, Article 17.1 shall apply as much as possible accordingly.

ARTICLE 19 (DEFECTS AND GUARANTEES)

- 19.1 The Supplier guarantees that all Services and Goods delivered, as well as the installation or assembly thereof, comply with what has been agreed in this respect;
- 19.2 The Supplier guarantees that the Goods and Services delivered are complete, free of defects and ready for use, unless otherwise agreed In Writing;
- 19.3 The Supplier guarantees, with due observance of the provisions in Article 26, that the delivered Goods and Services comply with all relevant statutory provisions or other regulations issued by the authorities in this respect concerning, among other things; quality, environment, safety and health;

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- 19.4 The Supplier guarantees that the (inter)national and supranational regulations regarding packaging and transport are complied with by it as well as by the Third Parties engaged by it for this purpose;
- 19.5 If Electromach observes that the delivered Goods or Services do not (entirely) comply with what the Supplier has guaranteed in accordance with Articles 19.1 up to and including 19.4, the Supplier shall be in default without further notice of default being required, except in case of force majeure for which Article 18 applies;
- 19.6 In order to fulfil their guarantee obligations, the Supplier shall repair the delivered or defective part thereof free of charge or replace it with new one or supplement it within the (reasonable) period set by Electromach at the notification of the defect;
- 19.7 Without prejudice to other rights under the law and these Terms and Conditions of Purchase, the Supplier shall be obliged to repair defects that are discovered within a period of three months or within the guarantee period. If the Supplier fails to comply with this request, Electromach shall have the right to repair these defects (or have them repaired) at the expense of the Supplier;
- 19.8 In addition to Article 19.7, a period of eighteen months shall apply in respect of manufacturing, construction, design and metal faults, within which the Supplier shall be liable for defects in so far as the guarantee period would cover a period of less than eighteen months;
- 19.9 In case of urgency, Electromach has the right to have repairs or replacements carried out by Third Parties at the expense of the Supplier.

ARTICLE 20 (INDEMNITIES)

- 20.1 The Supplier shall indemnify Electromach against all (financial) consequences of claims of Third Parties, in connection with the performance of their obligations arising from the Agreement.

ARTICLE 21 (INSURANCE)

- 21.1 In the situation referred to in Articles 8.2 and 8.3, the Supplier will take out insurance for this and to take other measures to prevent the destruction or loss, because contrary to ownership in that case, the risk of the tools made available rests with the Supplier;
- 21.2 The Supplier has taken out, or will take out, proper insurance for the following risks: professional liability, loss of and damage to business equipment and business liability;
- 21.3 Upon request, the Supplier shall immediately submit to Electromach a certified statement of the insurer and proof of payment of the premiums paid in respect of the insurances referred to in Articles 21.1 and 21.2.

AMENDMENT OF RELATIONS

ARTICLE 22 (AMENDMENT OF THE AGREEMENT)

- 22.1 Any amendment or supplement to the Agreement may only be made In Writing by mutual consent.

ARTICLE 23 (DISSOLUTION OF THE AGREEMENT)

- 23.1 In the event of a shortcoming by the Supplier in the fulfilment of their obligations under the Agreement or any other agreements arising therefrom, as well as in the event of their bankruptcy, suspension of payment and in the event of discontinuation, revocation of any permits, seizure of (part of) company property or Goods intended for the execution of the Agreement, liquidation or takeover or any comparable situation of the Supplier's business, they shall be in default by operation of law.
- 23.2 In so far as the Supplier, in situations as referred to in Article 23.1, retains items of Electromach in connection with the execution of the Agreement, these shall be returned to Electromach immediately upon first request. The Supplier shall not impede the return of said goods by invoking suspension or retention rights;
- 23.3 In case of default, Electromach shall have the right to unilaterally

dissolve the Agreement in whole or in part without judicial intervention. Dissolution shall be effected by means of a registered letter to the Supplier;

- 23.4 Immediately after receipt of the registered letter as referred to in Article 23.3, the Supplier shall cease their activities on behalf of Electromach. Electromach shall then pay the price for the part already executed and delivered pro rata. The Supplier shall not be entitled to any damages in the event of dissolution;
- 23.5 With regard to the invoicing and payment of what Electromach (still) owes, Article 14 shall apply;
- 23.6 Obligations which by their nature are intended to continue after dissolution of the Agreement shall continue to exist after dissolution of this Agreement.

GENERAL GUIDELINES

ARTICLE 24 (CONFIDENTIALITY)

- 24.1 The Supplier shall refrain from disclosing Confidential Information without the Written permission of Electromach;
- 24.2 The Supplier shall refrain from using, copying or storing Confidential Information for purposes other than those related to the Agreement without the Written consent of Electromach;
- 24.3 The Supplier shall ensure that only the Personnel effectively involved in the conclusion or execution of the Agreement shall have access to Confidential Information;
- 24.4 The Supplier shall conform, where applicable, with the working method of Electromach with regard to informing the press and the media;
- 24.5 Violation by the Supplier of its obligations under Articles 24.1 up to and including 24.4 shall result in the forfeiture of an immediately payable penalty of EUR 50,000.00 per violation, without prejudice to the right to compensation for the damage suffered by Electromach;
- 24.6 An act contrary to Articles 24.1 to 24.4 by an employee or a Third Party engaged shall be considered as an act of the Supplier.

ARTICLE 25 (INTEGRITY)

- 25.1 The Supplier is prohibited from offering or promising (natural) persons associated with Electromach a benefit, in any way and any form, for the purpose of the conclusion or continuation of an Agreement;
- 25.2 Contrary to the provisions of Article 25.1, it is permitted to send business gifts to Electromach, or at least individual employees of Electromach, with a value of up to EUR 50.00 annually;
- 25.3 The Supplier shall be obliged, within the framework of the conclusion of an Agreement, to report to Electromach regarding employees of Electromach who also have a paid position with the Supplier;
- 25.4 Infringement of the prohibitions as described in Article 25 constitutes a shortcoming within the meaning of Article 23. Furthermore, Article 24.6 shall apply accordingly.

ARTICLE 26 (ORDER, SAFETY AND ENVIRONMENT)

- 26.1 The Supplier and their Personnel, as well as Third Parties engaged by the Supplier, are obliged to observe the statutory safety, health and environmental regulations;
- 26.2 In addition to the provisions of Article 26.1, the Supplier and their Personnel are obliged to comply with any operating instructions and regulations of Electromach in the field of safety, health and environment;
- 26.3 Electromach may require the Personnel of the Supplier and Third Parties engaged by it to submit a Certificate of Good Conduct (VOG) issued by Justis, department of Ministry of Justice and Security.

ARTICLE 27 (SOCIAL RESPONSIBILITY)

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- 27.1 The Supplier must comply with the standards and values prevailing in the Netherlands in the social field, including but not limited to discrimination against employees or suppliers, the use of child labour, inadequate working conditions or other unethical practices. Electromach also attaches importance to sustainability, where an appropriate attitude and entrepreneurial spirit is also expected of the Supplier.

IMPLEMENTATION OF THE AGREEMENT

ARTICLE 28 (CHOICE OF FORUM)

- 28.1 Disputes between the Parties - including those where only one of the Parties considers it as such - shall as far as possible be settled amicably and by proper consultation, and at the discretion of Electromach, with or without the intervention of a mediator;
- 28.2 If the amicable consultation does not lead to a solution, the dispute between Electromach and the Supplier shall be settled by the competent court of the District Court of Overijssel, contrary to the statutory rules on the (relative) jurisdiction of the Civil Court.

ARTICLE 29 (APPLICABLE LAW)

- 29.1 The legal relationship between Electromach and the Supplier is exclusively governed by Dutch law;
- 29.2 The applicability of the 'United Nations Convention on Contracts for the International Sale of Goods' (Vienna Sales Convention) is excluded.

ARTICLE 30 (FINAL PROVISION)

- 30.1 Electromach reserves the right to amend or supplement the Terms and Conditions of Purchase. Amendments and additions shall be notified In Writing to the Supplier and shall be introduced at a time to be determined by Electromach. If the amendment puts the Supplier in a less favourable position, the Supplier may terminate the Agreement within 14 (fourteen) days after notification of the amendment as of the date on which the new Terms and Conditions of Purchase come into effect.