



General terms and conditions of sale and delivery of International Precision Products B.V.

Definitions

- 1) In these terms and conditions, International Precision Products B.V. shall be referred to as Seller and its (potential) contracting party as Buyer.

Applicability

- 2) The terms and conditions provided herein shall apply to all offers, sales orders, confirmations and deliveries of Seller and all agreements concerning the sale and delivery of goods and services concluded with Seller. These terms and conditions shall also apply to the sale and delivery of goods which Seller is performing by a third party. Any deviations from these terms and conditions will apply only if they have been explicitly accepted by Seller in writing. In the event of any inconsistency between the provisions of these terms and conditions and the provisions of an offer by Seller or an agreement between Seller and Buyer, the written provisions of the agreement shall supersede any provisions contained herein. Seller expressly rejects the applicability of any general terms and conditions of Buyer.

Offers and acceptance

- 3) All offers made by Seller shall be free of obligation. Seller shall have the right to withdraw an offer, even if the offer contains an acceptance term or is accepted by Buyer, but in the latter case only within 5 working days of receipt of the offer acceptance. Buyer can only accept an offer in writing. If Seller receives a written acceptance of its offer and withdrawal does not take place within the aforementioned period, the agreement will be deemed to have been concluded. Agreements are also deemed to have been concluded upon written acceptance by Seller of an order placed by Buyer, or as soon as Seller starts with her activities in response to an order placed by Buyer. Any modifications of or additions to a concluded agreement are legally binding only if they have been confirmed by Seller in writing. Seller cannot be held to its offer if Buyer can reasonably understand that the offer, or any part thereof, contains an obvious mistake or error.

Prices

- 4) Prices and quotations are based on delivery ex works (Van Dalenlaan 398, 2082 VR Santpoort-Zuid, The Netherlands) and do not include delivery costs, service costs, freight, packaging, insurance, sales tax, banking costs, excise duties and levies, unless stipulated otherwise in the agreement. Any such additional costs shall be borne by Buyer.

Delivery

- 5) Unless agreed otherwise, delivery shall be ex works (Van Dalenlaan 398, 2082 VR Santpoort-Zuid, The Netherlands), in accordance with the ICC Incoterms.

- 6) An agreed delivery period/date shall not be a strict deadline. Seller shall use its best efforts to deliver the goods at the time/times specified in the agreement. However, Seller will never be considered to be in default by the mere failure to meet the delivery date. Should Seller, for whatever reason, not meet with regard to timely delivery of orders, then Seller shall never be required to pay compensation of any kind whatsoever, unless otherwise has been agreed in specific cases or unless Buyer proves intentional act or gross negligence of Seller or its directors.
- 7) Seller is entitled to make partial deliveries and to invoice those parts separately.
- 8) Buyer shall not have the right to postpone delivery and is obliged to take receipt of the delivered goods, failing which Seller shall have the right, at its sole discretion, to (i) store the goods at the risk and expense of Buyer, in which case delivery shall be deemed to have taken place and all invoices will become immediately due and payable, or (ii) dissolve the agreement.
- 9) All risk of loss or damage shall immediately pass to Buyers at the moment of delivery to buyers stipulated delivery address.
- 10) Seller shall have the right at its sole discretion to suspend or dissolve all orders in whole or in part, without recourse to the courts and without incurring any liability for damages, or to demand advance payment for deliveries, if Seller has good reason to fear that Buyer will not meet its obligations based on statements from Buyer and if the financial conditions of Buyer has deteriorated to such an extent that Seller also has good reason to fear that Buyer will not meet its obligations and Buyer is, among other things, the subject of bankruptcy, suspension of payment, receivership, administration order, natural persons debt rescheduling act, or if an application for one of these measures is pending for Buyer, or if a decision for the dissolution or merger of the company of Buyer has been made or if any writ or process is or will be issued in any action or proceeding against Buyer.
In the event of suspension or dissolution on the aforesaid grounds, Buyer shall be liable to compensate Seller for any loss or damages incurred by Seller as a result thereof. Furthermore, all such amounts that may be payable by Buyer to Seller in the aforementioned cases or under the present agreements shall be immediately due and payable without further notice or demand.

Complaints

- 11) a. Buyer is required to check if the delivered goods are of the correct quantity and quality within 8 days of delivery. In the event Buyer discovers that the quantity or quality of the goods do not correspond with the agreement, Buyer must report such defect immediately when it was discovered and not later than 8 days after delivery. If in any reason a defect that could not reasonably be discovered until a later time (hidden defects), Buyer shall report such defect within 8 days after it was discovered or reasonably should have been discovered.
- b. If no complaint is made within the time limits referred to in section a) of this article, Buyer shall forfeit any right arising from any defect in the quality or quantity of the delivered goods.
- c. Complaints concerning defects are valid only if Buyer submits to Seller within the aforementioned period a written statement setting out the precise nature and grounds of the complaint (= complaint advice) and the relevant invoice number and/or the relevant product number(s) and/or a description of the products that are the subject of the complaint.
- d. If any discrepancy in the quantity of the goods delivered on any particular drop is minimal, Buyer may not refuse delivery and Seller will deliver the undelivered balance as soon as possible.
- e. Complaints about the goods delivered, which meet the quality requirements, but which turn out to be unfit for the purpose for which Buyer intended to use the goods and any complaints about the

goods, which are in accordance with the quality of the sample or specification approved by Buyer are not valid.

- f. Submission of a complaint shall not entitle Buyer to suspend payment of the goods under dispute without the permission of Seller. Seller shall notify Buyer within two weeks of receipt of the complaint as to whether the complaint is valid.
- g. If Seller finds that a complaint is valid, Seller shall at its option refund the purchase price, repair the goods or replace the goods with similar goods. Should Seller, for whatever reason, be in default with regard to correct delivery of orders, then Seller shall not be required to pay compensation of any kind whatsoever, unless otherwise has been agreed in specific cases or unless Buyer proves Intentional act or gross negligence of Seller or its directors.

Retention of Title

- 12) All delivered goods shall remain the property of Seller until all invoices – including those not yet due and including any interest and costs – under any purchase contract between Buyer and Seller have been paid. Seller shall not lose its (reserved) ownership if and/or because Buyer processes or converts the goods. In the event that, notwithstanding the above stipulations, Seller does lose ownership Buyer shall grant, at first request of Seller, all required cooperation necessary for the establishment of a nonpossessory pledge on the goods involved, for the benefit of Seller.

Notwithstanding the aforementioned stipulation of this article Buyer shall be competent to sell the goods it has received, within the framework of its normal activities.

As a condition however it hereby shall always apply that Buyer has informed its purchasing other party in writing of the complete contents of this article in time before the conclusion of any purchase agreement. Seller shall always be entitled to demand of Buyer that it shall only sell and deliver after a nonpossessory pledge for the benefit of Seller has been established on the goods involved. As soon as Seller informs Buyer of this demand the competence as referred to as aforementioned shall automatically be cancelled.

In the event that Buyer is in default toward Seller in correctly and/or timely compliance with one or more of its obligations as referred to in the first sentence of this article, the competence referred to in the preceding paragraph shall automatically be cancelled. It revives retroactively if Buyer has again complied with its overdue obligations.

Buyer shall never be competent to encumber and/or part with goods delivered under retention of title as a loan or in use.

Buyer is not allowed to completely or partly give the goods in pledge to third parties until complete payment has taken place.

If Buyer does not comply with its obligations, or if well-founded fear exists that it will not comply, Seller shall be entitled to remove or cause to be removed the delivered goods from Buyer or third parties keeping the goods for Buyer, under retention of title as referred to in the first paragraph of this article, at the expense of Buyer.

Buyer is obliged to grant all cooperation thereto, on forfeiture of an immediately due and payable fine of 10% per week of all it is due to Seller, without prejudicing the obligations mentioned in the proceeding sentence.

Indemnification

- 13) Buyer shall indemnify, defend and hold Seller harmless against any claims, actions, damages, losses, costs and expenditures, including but not limited to attorneys' fees and costs, incurred by Seller, its affiliates, any of its customers, subcontractors or contract manufacturers as a result of any claim, suit, action, or threat thereof of (i) product liability, product safety and relevant product liability legislation globally, personal injury and or death, (ii) loss or damage to property, and/or (iii) alleged or actual breach by Buyer

of any of its warranties, representations, duties, liabilities and/or obligations pursuant to the Agreement, arising out of or relating to the Agreement and/or Products or the use and exploitation thereof or Buyer's activities or omissions in relation to this Agreement. Buyer is responsible for providing adequate insurance coverage for the execution risk and the product liability risk for at least the market value of the goods delivered to it. Buyer shall ensure that appropriate safety and preventive measures are in place to limit damage.

Payment

- 14) a. Payment of the purchase price shall be made to an account number provided by Seller. Payment is due within 30 days from invoice date, unless otherwise agreed in writing. If Buyer fails to pay within the period of 30 days from invoice date Buyer shall automatically be in default. From that moment Buyer will be charged 1% interest per month or part of a month, unless the statutory commercial interest is higher, in which case the statutory commercial interest is due and payable.
- b. Payments shall first be deducted from the costs and subsequently from the interest (in that order) which has become due and shall thereafter be deducted from the oldest outstanding principal and the current interest.
- c. Set-off and suspension of payment shall not apply.
- d. In the event of payment by transfer into a bank account held by Seller, such payment will be deemed to have been made as soon as the amount has been credited to the account held by Seller.
- e. If Buyer fails to pay on time, Seller shall have the right to demand prepayment for all future deliveries of goods, or a security for timely payment, terminate or dissolve all or part of the contract, or suspend further execution of the order until all payments and other financial commitments are met.
- f. If Buyer announces that it will not meet its obligations then payment of all deliveries (including future deliveries) will be due and payable immediately without further demand from Seller.
- g. Buyer shall be liable for any loss suffered by Seller as a result of failure by Buyer to pay on time.

Warranty

- 15) Only explicit
- b. A warranty is not valid:
1. For defects due to injudicious usage or negligence by Buyer or his personnel or his customers;
 2. For defects attributable to normal wear and tear, improper handling, extraordinary loading, or usage of unsuitable plant or equipment;
 3. If Buyer himself carries out repairs, or assigns third parties to carry out repairs, on the delivered goods.
- c. Seller is liable with regard to the suitability of the delivered goods, not manufactured by Seller itself, only as far as it can hold the supplier of such goods liable for the suitability thereof.
- d. If Seller replaces any parts during a repair under the warranty, Buyer shall not be entitled to have the replaced parts returned to him.

Liability

- 16) To the fullest extent permitted by law, and notwithstanding any other provision of this agreement, Seller's liability towards Buyer, arising from or in connection with defective goods shall be expressly limited at all times up to the sum of the paid price(s) of the defective good(s) or up to the sum of € 50.000,00, whichever is less.
- 17) To the fullest extent permitted by law, and notwithstanding any other provision of this agreement, Seller's liability against Buyer, regarding any other circumstance than mentioned in article 17 of these terms and conditions, shall be expressly limited and will in no event exceed the amount for which a claim

is awarded under Seller's existing liability insurance(s) with a maximum as fixed under such insurance policy/policies. Copies of existing insurance policy/policies are available on request.

- 18) Seller's total liability towards Buyer, irrespective of the number of loss-causes occurrences, shall be expressly be limited and will in no event exceed the sum of € 50.000,00.
- 19) Seller shall under no circumstances be liable towards Buyer:
 1. for loss of revenue, loss of business opportunity or the costs associated therewith;
 2. for damages due to non-timely delivery or non-delivery;
 3. for damages regarding delivered goods, which meet the quality requirements, but which turn out to be unfit for the purpose for which Buyer intended to use the goods and for damages regarding quality complaints in case the goods are in accordance with the quality of the sample and/or specification approved by Buyer.
- 20) These limitations shall not apply in the event Seller or its directors act intentionally or with wilful recklessness.
- 21) Any claim against Seller will become time-barred 12 months after Buyer becomes or should have become aware of the fact giving rise to the damage.

Force Majeure

- 22) Seller shall not be liable to Buyer for failure to perform or for delay in performance due to an event of force majeure which may delay or prevent the delivery of goods. Force majeure is understood to mean in any circumstance beyond the control of Seller, including, but not limited to: war, riots, strikes, acts of government authority, business interruptions in Seller's operations, disruptions in the normal supply of raw materials and supplies for Seller, technical failures, as well as stagnation in the transport of goods by Seller's transport of choice, which are of such nature that the execution of the agreement becomes impossible or so difficult and/or disproportionately expensive that Seller cannot in all fairness be required to fulfil or to immediately fulfil the agreement, or Seller cannot perform or properly perform a service.

Costs

- 23) Buyer is bound to pay all (extra-) judicial costs incurred by Seller as a result of Buyer's failure to properly fulfil its obligations on time. The extra-judicial costs are at least equal to 15% of all outstanding claims with a minimum of €250.00 per claim.

Applicable Law and Jurisdiction

Any offers and agreements issued or entered into pursuant to these terms and conditions are governed by and shall be construed in accordance with the laws of the Netherlands. The applicability of the Vienna Sales Convention shall be explicitly excluded. Any dispute arising from this agreement shall be referred for decision to the competent court in Haarlem, Netherlands, unless mandatory law provides otherwise. Seller shall also have the right to file a suit with the court that has jurisdiction under the law.

Eigentumsvorbehalt (Germany only)

Das Eigentum an den gelieferten Waren bleibt zur Sicherung aller Ansprüche vorbehalten, die uns aus der gegenwärtigen und künftigen Geschäftsverbindung bis zum Ausgleich aller Salden gegen den Abnehmer und seine Konzerngesellschaften zustehen. Unser Eigentum erstreckt sich auf die durch Verarbeitung der Vorbehaltsware entstehende neue Sache. Der Abnehmer stellt die neue Sache unter Ausschluss des eigenen Eigentumserwerbs für uns her und verwahrt sie für uns. Hieraus erwachsen ihm keine Ansprüche gegen uns.

Bei einer Verarbeitung unserer Vorbehaltsware mit Waren anderer Lieferanten, deren Eigentumsrechte sich ebenfalls an der neuen Sache fortsetzen, erwerben wir zusammen mit diesen Lieferanten – unter Ausschluss eines Miteigentumserwerbs des Abnehmers - Miteigentum an der

neuen Sache, wobei unser Miteigentumsanteil dem Verhältnis des Rechnungswertes unserer Vorbehaltsware zu dem Gesamtrechnungswert aller mitverarbeiteten Vorbehaltswaren. Der Abnehmer tritt bereits jetzt seine Forderungen aus der Veräußerung von Vorbehaltsware aus unseren gegenwärtigen und künftigen Warenlieferungen mit sämtlichen Nebenrechten im Umfang unseres Eigentumsanteils zur Sicherung an uns ab.

Bei Verarbeitung im Rahmen eines Werksvertrages wird die Werklohnforderung in Höhe des anteiligen Betrages unserer Rechnung für die mitverarbeitete Vorbehaltsware schon jetzt an uns abgetreten.

Solange der Abnehmer seinen Verpflichtungen aus der Geschäftsverbindung an uns ordnungsgemäß nachkommt, darf er über die in unserem Eigentum stehende Ware im ordentlichen Geschäftsgang verfügen und die an uns abgetretenen Forderungen selbst einziehen.

Bei Zahlungsverzug oder begründeten Zweifeln an der Zahlungsfähigkeit oder Kreditwürdigkeit des Abnehmers sind wir berechtigt, die abgetretenen Forderungen einzuziehen und die Vorbehaltsware zurückzunehmen.

Scheck-/Wechselzahlungen gelten erst nach Einlösung der Wechsel durch den Abnehmer als Erfüllung.

Hinsichtlich der Vereinbarung von Eigentumsvorbehaltsrechten gilt ausschließlich deutsches Recht.