

GENERAL TERMS AND CONDITIONS

The General Terms and Conditions of the private company with limited liability established under the laws of the Netherlands, **LM Systems B.V.**, having its registered office and principal place of business at Gildetrom 25, 3905 TB Veenendaal, the Netherlands, registered in the Dutch Chamber of Commerce Trade Register with number 30118114.

These General Terms and Conditions are filed with the Dutch Chamber of Commerce on September 8, 2017, with the aforementioned registration number.

These General Terms and Conditions replace the General Terms and Conditions that were filed with the Dutch Chamber of Commerce (Utrecht) on March 10, 1994, with number GV3723.

Clause 1 - Definitions

In these General Terms and Conditions, the following terms are understood to mean:

- 1.1. **LM Systems:** the private company with limited liability established under the laws of the Netherlands, LM Systems B.V., having its registered office and principal place of business at Kruisboog 2, 3905 TG Veenendaal, the Netherlands.
- 1.2. **Customer:** the natural or legal person by whose order or for whose account or by whom an agreement is concluded with LM Systems.
- 1.3. **Products:** all products that LM Systems under an agreement will sell and deliver to Customer.
- 1.4. **Services:** all services that LM Systems under an agreement will perform for Customer.

Clause 2 - Applicability

- 2.1. These General Terms and Conditions apply to all offers made by LM Systems (and acceptances of these offers), as well as to any agreement concluded with LM Systems, irrespective of how such an agreement is named.
- 2.2. These General Terms and Conditions also apply if Customer has already accepted these General Terms and Conditions in previous agreements with LM Systems. If these General Terms and Conditions apply, they shall also apply to future agreements between LM Systems and Customer.
- 2.3. Deviating terms and conditions and/or stipulations shall only be part of the agreement between LM Systems and Customer if such terms and conditions and/or stipulations have explicitly been accepted by LM Systems in writing.

Deviating terms and conditions accepted by LM Systems shall only be applicable to the offer or agreement with respect to which they were made and shall not apply to future agreements.

- 2.4. LM Systems explicitly rejects the applicability of Customer's own terms and conditions relating to purchases, offers or any other general terms and conditions.
- 2.5. Should at any point in time one or more terms and conditions of these General Terms and Conditions turn out to be void or being nullified, in whole or in part, the remaining terms and conditions shall still fully apply.
- 2.6. If LM Systems at any point in time does not demand strict compliance with these General Terms and Conditions, this does not mean that these General Terms and Conditions no longer apply or that LM Systems loses its right to demand strict compliance of these General Terms and Conditions in other instances.

Clause 3 - Offers

- 3.1. All offers made by LM Systems are without engagement and are only to be considered as an invitation to place an order to conclude an agreement.
- 3.2. All offers are valid 30 days, unless explicitly stated otherwise.
- 3.3. Data supplied with an offer, such as drawings, photos, product specifications etc., are as accurate as possible but nevertheless purely informative and not binding.
- 3.4. Prices in offers are exclusive of transportation costs, unless explicitly stated otherwise. Prices are ex VAT and packaging, unless explicitly stated otherwise.

Clause 4 - Agreements

- 4.1. An agreement is concluded if and when (a representative of) LM Systems (to that end) has accepted an order placed by Customer (in response to the offer made by LM Systems). This acceptance has to be in writing. Acceptance in digital form is also possible.
- 4.2. LM Systems has the right to refuse orders without giving any reason.
- 4.3. By placing an order Customer agrees with the applicability of these General Terms and Conditions to the agreement and explicitly waives the applicability of his own general terms and conditions, in conformity with Article 2.4 of these General Terms and Conditions.

- 4.4. If, with regard to the offer made by LM Systems, any reservations or alterations are made in the order placed by Customer, the agreement shall, contrary to Article 4.1. be concluded only after (a representative of) LM Systems (to that end) has given explicit and written notice to Customer that it agrees with this deviation(s) from its offer.
- 4.5. Agreements shall not be exclusive unless explicitly agreed on beforehand.

Clause 5 - Intellectual Property Rights

- 5.1. Unless otherwise agreed, all copyrights, trademarks and other intellectual or industrial property rights regarding designs, sketches, pictures, drawings, software etc. provided by LM Systems to Customer (that are part of an offer), remain at all times vested in LM Systems, regardless whether LM Systems has charged Customer for manufacturing of these materials/data. All these materials/data shall not be used, copied or provided to any third party or otherwise made public by Customer, without explicit permission of LM Systems beforehand.
- 5.2. If no agreement is concluded after an offer made by LM Systems, Customer shall within 14 days after the offer has expired, for his own account, return to LM Systems all materials/data that are part of the offer provided to him by LM Systems.

Clause 6 - Sale and delivery of Products, risk transfer

- 6.1. Delivery times are as accurate as possible but always indicative. Exceedance of the delivery time shall not grant Customer the right to postponement of payment, termination of the agreement and/or compensation of damages. If there is an excessive exceedance of the delivery time, LM Systems shall consult with Customer.
- 6.2. If Customer desires extra work, the delivery time shall be extended with the period of time that LM Systems needs to deliver extra materials and parts, or to have extra materials and parts delivered, to perform this extra work.
- 6.3. Delivery of the product shall take place at the site of Customer. The risk of all direct and indirect damages occurring to or because of the Product, transfers the moment that the Product leaves the site of LM Systems.
- 6.4. Customer shall cooperate fully to enable LM Systems to deliver the Product.
- 6.5. Products that are not taken up by Customer shall be stored at the risk and expense of Customer.

Clause 7 - Performance of services

- 7.1. LM Systems shall perform the agreed services to the best of its knowledge and capacities, and in accordance with the standards of good workmanship.
- 7.2. If a good performance of the agreement requires the assistance of a third party, LM Systems shall have the right to involve a third party to perform all services or part of these services.
- 7.3. Costs of services shall be settled on the basis of subsequent calculation (hours and parts).

Clause 8 - Prices

- 8.1. All prices, charged by LM Systems, are ex VAT, without deduction of any discount, unless explicitly agreed otherwise in writing. LM Systems shall give notice separately of extra costs (for extra work), in writing.
- 8.2. If there is an increase in cost price after an offer is made or an agreement is concluded, that is not attributable to LM Systems, LM Systems shall have the right to adjust the offered or agreed price(s). LM Systems shall inform Customer immediately, in writing, if and when there is an increase in price(s).
- 8.3. If there is an increase in costs for LM Systems due to changes in the order made by Customer, LM Systems has the right to charge Customer these extra costs.

Clause 9 - Payment

- 9.1. With regard to the sale of Products and/or the performance of services, payment shall take place as indicated by LM Systems, within 30 days after the date of the invoice and without deduction of any discount, unless explicitly agreed otherwise in writing.
- 9.2. All payments made by Customer to LM Systems – except interest and costs – shall first be regarded as having been made with regard to the oldest outstanding invoice(s), irrespective of specifications by Customer to the contrary.
- 9.3. Customer has no right to suspend payment or to set off any alleged claim against a (payment) claim of LM Systems.
- 9.4. If invoices are not paid (in time), LM Systems has the right to claim statutory interest rate in conformity with Article 6:119a Dutch Civil Code. The interest will accrue from the due date to the date on which the principal sum is paid in full.
- 9.5. All costs actually incurred by LM Systems to have its invoices paid in full, extra-judicial and judicial, shall be borne by

Customer unless LM Systems decides to set these costs at 15% of the principal sum to be paid by Customer.

- 9.6. If LM Systems is entitled to interest and (extra-judicial and/or judicial) costs, all payments made by Customer to LM Systems shall first be regarded as having been made with regard to these interest and costs, irrespective of specifications by Customer to the contrary.

Clause 10 – Retention of Title

- 10.1. Delivered Products shall fully remain property of LM Systems until Customer has fully paid all outstanding invoices (also the ones regarding earlier deliveries) from LM Systems including interest, costs and penalties. Until that time, Customer is obliged to take good care of the delivered Products. All costs with regard to and damages occurring to the Product during the time that ownership of the Product has not yet transferred from LM Systems to Customer, shall be borne by Customer.
- 10.2. Customer is under no circumstances entitled to sell, to rent out, to pledge or otherwise encumber the Product as long as he has not fully paid all outstanding invoices (also the ones regarding earlier deliveries) from LM Systems including interest, costs and penalties.
- 10.3. Customer is obliged to inform LM Systems immediately in writing if a third party claims any right with regard to the Product delivered under retention of title and to do everything in his capacity to secure the property rights of LM Systems.
- 10.4. LM Systems is at any time entitled to claim ownership of the Product and to collect the Product from Customer, if Customer does not fulfil his obligations under the agreement, e.g. no (timely) payments or probably not being capable of (timely) payments.
- 10.5. Collecting Products pursuant to this Clause does not affect the right of LM Systems to claim damages based on the rules that govern breach of contract.

Clause 11 - Solvency

- 11.1. LM Systems is always entitled to require in its opinion sufficient security for payment from Customer before delivery or before continuing a delivery or performance of the agreement.
- 11.2. Refusal from Customer to provide the required security for payment entitles LM Systems to terminate the agreement, without prejudice to its right to

reimbursement of expenses incurred and loss of profits.

- 11.3. LM Systems always has the right to require payment in advance.

Clause 12 - Inspection, Complaints

- 12.1. Customer shall, at the time of delivery of the Product, immediately inspect the delivered Product for the presence of defects. Customer shall, at the time the agreed services are performed, immediately check if these services have been performed well.
- 12.2. If Customer does not complain to LM Systems in writing within 14 days after he discovers a defect or ill-performance, or should have discovered this, he can no longer enforce such a complaint.
- 12.3. Complaints can only be enforced with respect to those Products that are still in the state in which they were delivered by LM Systems.
- 12.4. Deviations regarded acceptable in trade or those that are unavoidable are no grounds for complaints.
- 12.5. Pending the investigation by LM Systems, Customer shall retain the concerned Product(part) or return the concerned Product(part) to LM Systems, if LM Systems requests this. Costs of transport shall be borne by Customer unless it appears from the investigation that there is indeed a defect in the Product(part). In that case, costs of transport shall be borne by LM Systems.
- 12.6. Customer may complain about the amount of an invoice to LM Systems, in writing, within the payment term. If the payment term is longer than 30 days, Customer has to complain to LM Systems, in writing, within 30 days after the invoice date. If Customer fails to do so, he can no longer enforce such a complaint.
- 12.7. If Customer only complains about a certain part of a specified invoice, he shall still have to pay the remaining parts of the invoice within the payment term.

Clause 13 – Warranty

- 13.1. Unless agreed otherwise in writing, the warranty period is 12 months after delivery of the Product or the agreed Services. If parties have agreed on another warranty period, all Articles hereafter in this Clause are still applicable.
- 13.2. If a warranty claim is valid and within the warranty period, LM Systems shall have the choice whether it remedies the defect by repair or replacement, or to credit a proportionate amount of the invoice. In any

- case, Customer always has to provide LM Systems the opportunity to repair the concerned Product or to perform the concerned services again.
- 13.3. If LM Systems chooses to repair the concerned product or to perform the concerned services again, it shall decide time and manner of performance. If the initially agreed performance included (in part) processing Customer's material then Customer shall provide LM Systems with new material at his expense.
- 13.4. LM Systems becomes the owner (again) of all parts that it replaces.
- 13.5. Parts or materials that LM Systems will repair or replace, shall be sent to LM Systems by Customer.
- 13.6. If Customer, after prior consultation with LM Systems, decides to have a third party (in his own country) perform the repair work, LM Systems shall then only be obliged to deliver replacement materials. Customer bears the costs of the repair work.
- 13.7. Customer can only make a claim under the warranty if he has fulfilled all his own obligations vis-à-vis LM Systems.
- 13.8. Customer cannot make a claim under the warranty if the defect(s) is/are caused by
- normal wear and tear;
 - improper use;
 - no maintenance or badly performed maintenance;
 - installation, assembling, repair or changes made by Customer or a third party;
 - defect or improper materials or devices used by Customer.
- 13.9. Excluded from warranty are:
- delivered Products that were not new at the time of delivery;
 - parts for which claims under manufacturer's warranty can be made.
- 13.10. Articles 13.2 until 13.9 apply mutatis mutandis if Customer should claim breach of contract or non-conformity, or make any other claim.
- 13.11. Customer cannot transfer any rights arising from this Clause.

Clause 14 - Liability

- 14.1. LM Systems' liability based on whatever legal or contractual ground, is limited to damages for which LM Systems is insured. The amount of damages LM Systems has to pay if it is liable shall never be higher than the amount paid by its insurance company in the concerned case.
- 14.2. If Article 14.1 for whatever reason does not apply, LM Systems' obligation to pay damages shall be limited to no more than

15% of the total purchase price or the total price for the performed services (ex VAT) with a maximum of € 10.000,--.

- 14.3. LM Systems is not liable for:
- consequential damages (i.a. business interruption loss, loss of production, loss of profits, costs of transport and travel and accommodation expenses); Customer can take out an insurance policy for these damages;
 - damages caused by intent or gross negligence on the part of auxiliary persons or employees that are not managing employees of LM Systems.
- 14.4. LM Systems is not liable for damages caused by defect or improper materials that come from Customer or are prescribed by customer or must be obtained by a supplier prescribed by Customer, and for failure of delivery (by the stipulated date) of said materials.
- 14.5. LM Systems is not liable for damages caused by incorrect and/or incomplete information provided by Customer to LM Systems, unless it should have been sufficiently apparent to LM Systems that the provided information was incorrect and/or incomplete.
- 14.6. LM Systems is not liable for violation of intellectual or industrial property rights of third parties caused by using information provided by Customer under the agreement.
- 14.7. Customer indemnifies LM Systems for all claims from third parties regarding damages that are chargeable to Customer by virtue of these General Terms and Conditions, including the violation of the aforementioned intellectual and industrial property rights. Customer is liable for all costs in this regard.
- 14.8. LM Systems is not liable for external causes affecting the delivered Product.
- 14.9. LM Systems is not liable for technical advice. This advice is given to the best of one's ability.
- 14.10. Customer indemnifies LM Systems for all claims from third parties regarding product liability as a result of a defect product delivered by Customer to a third party that consisted in part of products and/or materials delivered by LM Systems to Customer. Customer has to compensate LM Systems for all damages suffered in this regard, including all costs of defence.

Clause 15 – Suspension, termination and force majeure

- 15.1. If Customer does not fulfil his obligation(s) under the agreement or a related agreement with LM Systems (in time), LM Systems has the right to suspend its deliveries and/or services by means of a written statement, even if parties already agreed to a (fixed) term of delivery.
- 15.2. If Customer does not fulfil his obligation(s) under the agreement or a related agreement with LM Systems (in time), LM Systems has the right to terminate the agreement by means of a written statement without judicial intervention.
- 15.3. LM Systems shall also have the right to terminate the agreement by means of a written statement, without judicial intervention, if Customer is declared bankrupt or is granted a moratorium or if another insolvency scheme or statutory debt adjustment arrangement becomes applicable to Customer, in case of attachment or if Customer in other respects loses full or partial power of disposition of his assets.
- 15.4. Upon the demand of one of the parties, the court may terminate the agreement in whole or in part, on the basis of unforeseen circumstances of such a nature that the other party, according to standards of reasonableness and fairness, may not expect the contract to be maintained in unmodified form.
- 15.5. Termination of the agreement results in all existing mutual claims becoming demandable immediately. LM Systems has the right to take back its Products immediately.
- 15.6. LM Systems has the right to suspend its obligations under the agreement if LM Systems is temporarily unable to fulfil its obligations under the agreement due to force majeure, without any obligation for LM Systems to pay Customer any damages whatsoever.
- 15.7. Force majeure is understood to mean any circumstance after concluding an agreement, foreseen or unforeseen, that LM Systems cannot exert any influence on and that prevents LM Systems to fulfil its obligations under the agreement.
- 15.8. Those circumstances include but are not limited to:
- a supplier of LM Systems, for example, does not (timely) fulfil its obligation(s) towards LM Systems, as a result of which LM Systems is unable to perform its

own obligation(s) towards Customer;

- strikes;
 - transport problems;
 - domestic, foreign or international government measures that prevent LM Systems to fulfil its obligations under an agreement timely and/or properly;
 - natural disasters;
 - fire;
 - power failure;
 - loss or theft of tools or materials;
 - war, terror, violent or armed insurrections;
 - weather conditions.
- 15.9. LM Systems is no longer entitled to suspension if the temporary impossibility to fulfil its obligations under the agreement due to force majeure has lasted more than six months. Both parties are then, after those six months, entitled to terminate the agreement with immediate effect, but solely for that part of the agreement that has not yet been performed, without any obligation for LM Systems to pay Customer any damages whatsoever.
- 15.10. If it is or will be permanently impossible for LM Systems to fulfil its obligations under the agreement due to force majeure, both parties are entitled to terminate the agreement with immediate effect, but solely for that part of the agreement that has not yet been performed, without any obligation for LM Systems to pay Customer any damages whatsoever.

Clause 16 - Termination of agreement

- 16.1. If Customer wants to terminate the agreement without there being any attributable failure to perform its obligations under the agreement on the part of LM Systems, and LM Systems agrees to this termination, the agreement shall be terminated by mutual consent. LM Systems has in that case the right to compensation for financial loss such as loss of profits and costs incurred.

Clause 17 - Applicable law and disputes

- 17.1. These General Terms and Conditions are exclusively governed by and construed in accordance with the law of the Netherlands.
- 17.2. Any dispute that may arise out of offers, orders, deliveries and/or agreements of purchase and sale or for the performance of services between LM Systems and Customer shall exclusively be governed by and construed in accordance with the law of the Netherlands. The United Nations

Convention on Contracts for the International Sale of Goods (CISG) is not applicable thereto, nor any other international rules that can be excluded.

- 17.3. Any dispute that may arise out of offers, orders, deliveries and/or agreements of purchase and sale or for the performance of services between LM Systems and Customer shall exclusively be submitted to the jurisdiction of the following court: Rechtbank Midden-Nederland, location Utrecht, the Netherlands, unless Dutch law dictates otherwise.