

GENERAL TERMS AND CONDITIONS OF SALE OF

TRACONED INDUSTRIAL AND TECHNICAL SUPPLY B.V.

Article 1 - Definitions

1. In these general terms and conditions "customer" shall mean any other party as purchaser or client to which TRACONED INDUSTRIAL AND TECHNICAL SUPPLY B.V., hereinafter called "TRACONED", sells goods under a contract of sale.
2. In these general terms and conditions "goods" shall mean goods, services and/or work.
3. In these general terms and conditions "TRACONED" shall be deemed to include all companies or firms to whom TRACONED entrusts the performance of a contract either in whole or in part.

Article 2 - Applicability

1. These general terms and conditions of sale shall apply to all offers from orders to and contracts with TRACONED.
2. If the customer has also declared general terms and conditions applicable, these shall be binding upon TRACONED only if and to the extent that these have been accepted by TRACONED explicitly and in writing.
3. Once a contract has been effected with a customer under these present general terms and conditions, the customer shall be understood to agree to the applicability of these terms and conditions to all subsequent contracts between himself and the supplier.

Article 3 – Offer

1. All offers from TRACONED shall be free of engagement.

2. All offers shall be based on the performance of the contract by TRACONED under normal conditions and during normal working hours.

Article 4 - Contract

1. A contract between the parties shall come into existence by a written confirmation by TRACONED or by explicit acts by TRACONED towards the performance of the contract, in which case the customer shall be deemed to have waived the applicability of the customer's general terms and conditions of purchase.
2. Additional work shall be understood to mean any goods or items that are supplied and/or installed by TRACONED in consultation with the customer during the performance of the contract in excess of the quantities explicitly laid down in the contract or the order confirmation or any work that is presented by TRACONED in excess of the work explicitly laid down in the contract or the order confirmation. Additional work must be recorded in writing.
3. TRACONED may require that the customer use a specific form for the order confirmation, and may stipulate a term for the return of the order confirmation. In the event of delay in the return by the customer of the order confirmation, the contract shall be deemed to have come into existence in accordance with TRACONED's order confirmation.
4. Neither party shall be bound by any variation of or addition to the contract except as agreed by both parties in writing.
5. Verbal promises or agreements made by or with a representative or any agent acting for TRACONED shall be valid at law and binding upon TRACONED only after and insofar as these have been confirmed in writing by TRACONED.

Article 5 - Price

1. All prices stated by TRACONED are exclusive of value added tax and other government charges payable in respect of the sale and supply and are based on delivery ex works according to the Incoterms as obtaining on the date of the offer, except insofar as provided otherwise in these terms and conditions. Works shall be understood to mean the business premises of TRACONED.
2. If after the date of the formation of the contract any of the costing factors undergo an increase – even if this occurs as a result of foreseeable circumstances – TRACONED shall be entitled to raise the agreed price accordingly.
3. The contract shall be understood to include the entitlement of TRACONED to separately charge for any additional work carried out by it, as soon as the amount to be charged is known. The provisions of paragraphs 1 and 2 of this article shall apply *mutatis mutandis* to the calculation of the price for such additional work.
4. Unless otherwise agreed in writing, cost estimates and plans shall not be charged separately. If for supplementary orders TRACONED needs to make new drawings, calculations, descriptions, models or tools, etc., the relevant costs shall be charged to the customer.
5. Packaging is not included in the price and shall be charged separately. No return packaging shall be accepted.
6. The costs of the loading and unloading and the transport of goods, tools and other things made available by TRACONED are not included in the price and shall be charged separately. The relevant costs paid by TRACONED shall be regarded as a payment in advance to the debit to the customer.

Article 6 - Payment

1. Unless otherwise agreed in writing, payment for the entire order, or in the event of part deliveries payment for the goods delivered, must be made within thirty (30) days of the invoice date.
2. Payment for additional work must be made as soon as the same has been charged to the customer.
3. TRACONED shall be entitled to require payment in advance or payment in cash for the goods to be supplied and/or any other security for the payment of the same. The customer shall be obliged to accede to such request.
4. The customer explicitly waives any right to set off any amounts mutually outstanding.
5. If the customer fails to pay any amount owed by him in conformity with the foregoing, he shall be deemed to be in default by operation of law without any further notice of default being required. In such event all other amounts owing by the customer to TRACONED shall become immediately payable by the customer and the customer shall also be immediately in default in respect of these amounts, likewise without any further notice of default being required. As from the day when the customer is in default he shall owe default interest to TRACONED at the rate of 1.5 % per month or part of a month in respect of which such default continues. TRACONED shall in such event be entitled to dissolve all current contracts with the customer without application to the court by means of a written statement to that effect and the customer shall be obliged to compensate TRACONED for any costs and damage resulting from such default. In addition, any credit extended by TRACONED to the customer shall cease.
6. In the event of the customer being in default in respect of timely payment as set out in paragraph 5 of this article, the customer shall be obliged on first demand to place at the disposal of TRACONED any things still in his possession and TRACONED shall

be entitled to repossess these things without any demand or notice of default and without any application to the court. TRACONED shall then be entitled to repossess these things wherever these are to be found and if necessary enter any property, premises or buildings of the customer. All this without prejudice to TRACONED's right to compensatory damages. TRACONED shall have these same rights in the event of suspension of payment, application for a moratorium of payments, bankruptcy/involuntary liquidation or winding-up of the customer.

7. All expenses, both judicial and extrajudicial, relating to the collection of any debt owed by the customer and arising out of or otherwise incidental to the contract shall be for the account of the customer. The extrajudicial expenses shall be deemed to amount to at least 15 % of the principal plus interest, expenses incurred and tax payable, with a minimum of NLG 100.00, without TRACONED being obliged to prove that it has actually incurred these expenses.
8. If TRACONED files a petition for bankruptcy/involuntary liquidation of the customer, the principal plus the interest and the extrajudicial collection expenses as well as the costs of such petition shall be payable by the customer.
9. Any payment made by the customer shall be regarded as payment in respect of the longest-outstanding invoice, regardless of any other statement to the contrary, whether or not explicit.

Article 7 – Delivery and Time of Delivery

1. Except insofar as provided otherwise in these terms and conditions, the goods to be supplied by TRACONED are based on delivery ex works in accordance with the Incoterms as obtaining on the offer date. Works shall be understood to mean the business premises of TRACONED.
2. The goods to be supplied by TRACONED shall be regarded as delivered when TRACONED places the goods at the disposal of the customer at the premises of

TRACONED or at such other place as the parties may have agreed, not cleared and not loaded onto a vehicle.

3. If the customer refuses to take delivery of the goods, the return freight, the storage costs and any other costs shall be for the account of the customer.
4. In case of delivery ex works, the customer shall be obliged to take delivery at the time when the goods to be delivered are ready for forwarding or transport. If the customer fails to timely take delivery, the goods shall, contrary to the provisions of article 7, paragraph 2, be regarded as delivered at the time that TRACONED required that the customer take delivery of the same. TRACONED shall have the right vis-à-vis the customer to compensation of damage and costs resulting from any refusal or delay in taking delivery.
5. The times of delivery agreed by TRACONED are target dates only and therefore must always be regarded as approximations. TRACONED undertakes to use its best endeavours to comply with these times of delivery.
6. The delivery time shall after the contract has come into existence commence once TRACONED has at its disposal all items, documents and information to be furnished by the customer and once any agreed payment in advance has been received by TRACONED or security for payment has been furnished for the benefit of TRACONED.
7. The delivery time may in any case be extended by TRACONED:
 - a. as a result of a change required by the customer in the goods to be delivered;
 - b. if the customer is late in the making of any payment, or the furnishing of security;
 - c. by the period of time during which there exists force majeure within the meaning of these general terms and conditions.

8. If the delivery time is exceeded this shall not entitle the customer to any compensation or to non-compliance of any of his obligations under the contract. The customer shall be entitled to dissolve the contract by means of a written statement to that effect if after a reasonable time as demanded by the customer TRACONED has failed to deliver the goods.
9. TRACONED shall have the right to deliver the goods in part consignments. For the purposes of these terms and conditions each part delivery shall be deemed to be an independent delivery.
10. If through circumstances beyond the control of TRACONED goods which are ready for dispatch cannot be immediately dispatched, TRACONED shall be entitled to store these goods for the account and risk of the customer in its warehouse or elsewhere and to insure the same against damage and loss. The customer shall be notified by TRACONED of such intention in advance if this is reasonably possible.

Article 8 – Risk and Ownership

1. The risk in the goods to be supplied by TRACONED shall be for the customer as from the time of delivery of the goods as referred to in article 7, paragraph 2, and article 7, paragraph 4.
2. Loading, forwarding or transport, unloading and insurance of the goods to be delivered shall be for the risk of the customer, also in the event that TRACONED itself sees to such loading, forwarding, transport, unloading or insurance.
3. All goods delivered by TRACONED shall remain the property of TRACONED until payment has been made in full of all amounts owed to TRACONED by the customer on account of the underlying contract, including damages, costs and interest. The customer shall not have any right of retention on these goods.
4. The customer shall not have the right to resell any goods that are subject to retention

of title or to encumber the same with any restricted real right, except in the ordinary course of his business which shall not include delivery of these goods to a third party through supply on the premises of such third party.

5. The customer shall be obliged to make and/or keep any goods that are subject to retention of title and/or to an undisclosed pledge clearly identifiable, and to store these goods separately from each other and from any other things stored at the customer's premises.
6. The industrial and intellectual property rights in or relating to the delivered goods shall remain vested in TRACONED or in third parties holding title to these goods and shall never pass to the customer.

Article 9 – Furnishing of Security

1. Every contract concluded by TRACONED is entered into under the suspensive condition that according to such information as TRACONED shall obtain, in the opinion of TRACONED the customer appears to be sufficiently creditworthy.
2. The customer shall at all times be obliged – and this obligation shall form an integral part of every contract to which TRACONED is a party – on first demand to furnish to TRACONED security for the fulfilment of all his obligations vis-à-vis TRACONED, both present and future.
3. The furnishing of the aforementioned security may be demanded both prior and after conclusion of the contract and/or the delivery. If the customer fails to fulfil this obligation, TRACONED shall be entitled to demand such security at law and, in addition, shall no longer be obliged to fulfil or continue to fulfil its obligations vis-à-vis the customer under any current contracts, without TRACONED being liable to pay any compensation on such account and without prejudice to TRACONED's right to compensatory damages.

Article 10 – Force Majeure

1. Force majeure shall exist if either party is temporarily or permanently prevented from executing the contract in whole or in part, due to circumstances beyond the control of the parties and/or due to circumstances beyond the control of TRACONED, such as strikes, lockouts, sickness of personnel, business interruptions, seizure, plant or machinery breakdowns, delays or failures in deliveries by suppliers, transport disruptions, accidents, etc. Moreover, force majeure shall in any case be understood to include epidemics, mobilization, natural disasters and stoppages due to frost.
2. If TRACONED is unable to fulfil its obligations due to force majeure, it shall at all times, besides its right to suspend performance of the contract for the duration of the force majeure situation, be entitled to unilaterally dissolve the contract in whole or in part as far as the part affected by the force majeure is concerned by means of a written statement to that effect, without being liable to pay any compensation on such account.

Article 11 - Complaints

1. Any complaints in respect of externally visible defects and/or delivered quantities must be lodged by the customer in writing by registered letter stating the date of delivery and the delivery note number within eight (8) days of the date of dispatch, failing which all rights of the customer vis-à-vis TRACONED shall lapse.
2. Complaints in respect of defects that are not externally visible on delivery and which become manifest within the warranty period mentioned in article 12 must be lodged in writing within fourteen (14) days after the occurrence of such defects, stating the date of delivery and the delivery note number and stating the reasons for the occurrence of the defects, failing which all rights of the customer vis-à-vis TRACONED shall lapse.
3. The lodging of a complaint shall not suspend the customer's payment obligations.

4. TRACONED must be afforded the opportunity by the customer to investigate the defects.
5. The returning of items shall be for the account and risk of the customer, unless otherwise agreed. TRACONED shall accept returned items only when it concerns a wrong delivery by TRACONED. Items may be returned by the customer only via TRACONED's own transport service and after having obtained TRACONED's permission, stating the delivery note number and/or invoice number, and then only when these items are delivered at the address of TRACONED undamaged and in the original packaging, except if and insofar as explicitly agreed otherwise.
6. In case of a well-founded complaint substantiated by the customer, TRACONED shall be free to decide either to replace the components or items to which the complaint relates, or to credit the invoice value to the customer, provided that the customer has fulfilled his payment obligation vis-à-vis TRACONED. All other rights of the customer to compensation are excluded.
7. Crediting in respect of returned items shall take place on the basis of the purchase price charged to the customer, with the proviso that the amount to be credited shall never exceed the price which TRACONED would have charged to the customer on the day on which the returned items were delivered to TRACONED, while handling costs may be deducted from this amount.
8. Specially ordered goods may not be returned.

Article 12 - Warranty

1. TRACONED warrants the soundness of the goods delivered by it for a period of six (6) months after delivery. A different period and extent for the warranty may also be agreed, in writing.
2. In respect of goods, or parts or components of the same, which are purchased by

TRACONED from third parties, the warranty shall extend as far as that furnished for these products by the manufacturer or supplier. TRACONED shall, if so required, make this manufacturer's warranty available for inspection by the customer.

3. The right to claim under the warranty shall lapse:
 - a. if the goods have been damaged or exhibit a defect which in the opinion of TRACONED is caused by improper use, insufficient maintenance or carelessness;
 - b. if the goods have been damaged or exhibit a defect due to their having been used for another purpose than that stated by TRACONED in the drawings and instructions;
 - c. if any maintenance in accordance with the instructions of the manufacturer/supplier has not been carried out;
 - d. in respect of those parts, components or accessories of the goods to which repairs or dismantling have been carried out contrary to the recommendations or instructions of TRACONED or the manufacturer/supplier.

Article 13 – Liability

1. TRACONED shall be liable only for damage resulting from defects in the goods delivered by it, and/or the repairs or other work carried out by it, if and insofar as such damage is caused by gross negligence or a wilful act or omission on the part of TRACONED or its employees. All further liability of TRACONED for defects in the goods delivered by it, or for damage resulting from the performance of the contract, is explicitly excluded. Except in the event of a wilful act or omission on the part of TRACONED, the liability for trading loss, loss of profits, indirect or consequential loss or damage is explicitly excluded.
2. In all cases in which TRACONED is obliged to pay compensation, such compensation shall never exceed, at the discretion of TRACONED, either the invoice value of the goods delivered due to which or in connection with which the damage was caused, or, if the damage is covered by an insurance of TRACONED, the amount which is

actually paid by the insurer in respect of such damage.

3. All defences which TRACONED may derive from the contract concluded with the customer for the purpose of fending off its liability, may be invoked by TRACONED's employees vis-à-vis the customer as though these employees were themselves a party to the contract.
4. Any claim against TRACONED shall lapse through the mere expiration of the period of one (1) year after the claim has come into existence.

Article 14 - Indemnity

1. Any failure on the part of the customer to fulfil any of the provisions of these general terms and conditions of sale as a result of which TRACONED suffers damage, shall oblige the customer to compensate TRACONED for all damage it has sustained, including loss through damage to its good name and reputation. The customer shall indemnify and hold TRACONED harmless from and against all claims made by third parties on account of injury to persons and/or damage to property, howsoever arising, in connection with the goods and/or services supplied by it.
2. The customer shall indemnify and hold TRACONED harmless in the widest sense from and against all damage which could arise for TRACONED if TRACONED in the execution of an order infringes any industrial property rights of third parties, and such infringement is the result of designs, specifications or other instructions furnished by the customer in connection with such order.

Article 15 - Dissolution

If and as soon as the customer fails to fulfil or timely fulfil or properly fulfil any of his obligations, or if he is adjudged bankrupt or put into involuntary liquidation, or files a petition for a moratorium of payments, or proceeds to the winding-up of his business, or if his business is otherwise closed down, or his assets or part of the same are attached, or if he

otherwise shows evidence of being insolvent, then TRACONED shall be entitled to dissolve the contract without any notice of default, by means of a written statement to that effect and with immediate effect, and to claim compensation of costs, damage and interest.

Article 16 – Jurisdiction Clause

All disputes between the parties shall be settled amicably or, in the event of this proving impossible, shall be adjudicated by the competent court in the district in which the central office of TRACONED is situated, without prejudice to TRACONED's right to institute legal proceedings against the customer in the district in which the customer has its principal place of business.

Article 17 - Applicable Law

All contracts to which these general terms and conditions of sale are applicable shall be governed by Dutch law.

Article 18 - Changes

TRACONED reserves the right to change these terms and conditions of sale in their entirety or in respect of certain parts or for particular items or customers.

Article 19

These general terms and conditions of sale were filed in the Dutch language and the English language with the Chamber of Commerce at Rotterdam.

Managing Director.