

VDL VDS TECHNISCHE INDUSTRIE GENERAL PURCHASING CONDITIONS

Article 1: Definitions

The following capitalised terms will have the following meanings:

- 1.1 Services:
Work to be performed by the Supplier for the Client.
- 1.2 Goods:
Corporeal objects to be delivered and property rights to be provided by the Supplier to the Client, including parts, accessories and components thereof.
- 1.3 Supplier:
The Client's contracting party.
- 1.4 Client:
VDL VDS Technische Industrie bv, having its registered office and principal place of business at Industrieweg 29, 5527 AJ Hapert, the Netherlands, listed in the business register of the Chamber of Commerce in Eindhoven, the Netherlands.
- 1.5 Agreement:
The Written arrangements made between the Client and the Supplier in respect of the provision of Goods and/or Services.
- 1.6 Production Tools:
Dies, moulds, forms, stamps, gauges, models, drawings, methods, production technologies and other tools, working methods and instructions that the Supplier needs to provide the Goods and/or Services.
- 1.7 Written/in Writing:
In these Conditions, electronic data traffic is considered equivalent to written documents.
- 1.8 Conditions:
These general purchasing conditions.
- 1.9 Communication:
Any oral and Written communication, preferably in the Dutch language, or alternatively in the English language.

Article 2: Applicability

- 2.1 These Conditions will apply to all Agreements and all enquiries, offers and orders regarding the provision of Goods and/or Services by the Supplier to the Client.
- 2.2 These Conditions shall prevail over the terms and conditions of Supplier at all times.
- 2.3 If any term mentioned in these Conditions is inconsistent with the Agreement, the term in the Agreement will prevail.
- 2.4 The Supplier's general terms and conditions are explicitly rejected.
- 2.5 Any amendments or additions to these Conditions will be binding on the Client only if agreed with the Client in Writing and will apply only to the Agreement in respect of which the amendment or addition was agreed, unless agreed otherwise in Writing.

Article 3: Formation of the Agreement

- 3.1 Enquiries for an offer issued by the Client will not be binding on the Client.
- 3.2 Unless agreed otherwise in Writing, the Supplier's offers will be valid for a period of at least three months after the date of the offer.

- 3.3 The costs involved in an offer, including but not limited to the costs of drawings, designs and samples, Are solely for the account of the Supplier.
- 3.4 The Agreement will be formed by the issue of a purchase order.

Article 4: Prices

- 4.1 Any prices will be exclusive of VAT, include all costs related to the performance of the Supplier's obligations and, unless agreed otherwise in Writing, be based on delivery DDP (INCOTERMS 2010) at the agreed place of delivery.

Article 5: Changes and additional work

- 5.1 The Client will be authorised, in consultation with the Supplier, to change the quantity and/or nature of the Goods and/or Services to be provided.
- 5.2 If, in the Supplier's opinion, a change required by the Client will have consequences for the agreed price, delivery time or other relevant circumstances, it is required, before complying with this change, to notify the Client thereof (in Writing) as soon as possible, and within no more than 2 working days of notification of the required change. If the Client deems these consequences unreasonable, the parties must first consult.
- 5.3 The Client will only be required to pay for work not included in the Agreement if this work and the consequences thereof for the agreed price have been agreed with the Client in advance (and in Writing) and the Client has given a (Written) order for the work to be performed on the basis of that agreement.

Article 6: Invoicing and payment

- 6.1 Unless agreed otherwise in Writing, the Supplier will only invoice the Client for the Goods and/or Services provided after those Goods and/or Services have been delivered.
- 6.2 The right to invoice will lapse after the expiry of 6 months from the day on which the Goods and/or Services in question were provided to the Client.
- 6.3 In its invoice, the Supplier is to state the packing list number, the order number provided by the Client, the item number, the quantity and the price.
If the Agreement pertains to the performance of Services that will be charged to the Client on an hourly, half-day or daily basis, the Supplier must also enclose a detailed timesheet. Invoices that do not comply with these requirements will be returned by the Client with the request to supplement any missing data.
- 6.4 If the Client has approved the invoice, it will pay the invoice within 30 days of the invoice date and by the end of the month. If the invoice did not comply with the requirements set in Article 6.3, this period will commence on the first day of the month following the day on which the Client receives a proper invoice from the Supplier.
- 6.5 If it has been agreed that the Client will pay in advance, the Client will be entitled to require that the Supplier, as security for the repayment of that advance payment, provides an unconditional and irrevocable bank guarantee at its own expense issued by a bank that is acceptable to the Client.
- 6.6 Payment by the Client will not in any way whatsoever constitute a waiver of rights.
- 6.7 The Client will be authorised to set off the amounts that it owes the Supplier against any claims that it (and/or other companies that belong to the same group as the Client) may have against the Supplier (and/or against any other companies that belong to the same group as the Supplier). If, in the event of set off, amounts are in different currencies, the Supplier will determine in which of those currencies set off will be made. Conversion will be at the official rate applicable on the date on which payment is due according to the invoices in question.
- 6.8 Invoices are preferably to be sent (in digital form) to: invoice@vdlvds.nl in PDF for each separate invoice.

Article 7: Delivery

- 7.1 Unless agreed otherwise in Writing, delivery will take place DDP (INCOTERMS 2010) at the agreed place of delivery. The Supplier may deliver early or in consignments only with the Client's prior (Written) consent.
- 7.2 The agreed time of delivery by the Supplier is of the essence to the Client. Accordingly, the Supplier will be in default without further notice of default in case of late delivery.
- 7.3 The Supplier must immediately notify the Client (in Writing) of any imminent failure to meet the agreed time of delivery.
- 7.4 Any damages which demonstrably caused by Supplier due to a failed or non-conformed delivery, as specified in the Agreement, will be reimbursed by Supplier. These damages consist of, but are not limited to, without limit, any costs for urgent transport, line stoppings and delays at Client's facility.
- 7.5 In consultation with the Supplier, the Client may decide to postpone delivery. In such event, the Supplier will store, preserve, secure and insure the Goods to be delivered properly packaged, separate and recognisable.
- 7.6 The Supplier will be required to make any documentation belonging to the Goods and/or Services to be delivered available to the Client prior to or at the time of delivery. The Client is at liberty to use this documentation, including but not limited to the reproduction thereof for its own use.
- 7.7 Goods must be packaged properly and adequately and, if necessary, be marked with the Client's additional instructions, so that they reach the place of destination and are received in good condition. Each order line must be separately packed and properly recognisable as such, preferably on a separate pallet.
- 7.8 The Goods to be delivered should include a packing list. The packing list should state the order and item number stated by the Client, the quantity and the correct description of the Goods in question.
- 7.9 All packaging, excluding return packaging, will become the property of the Client upon delivery, unless the Client waives this option. The Supplier must pay for the costs of returning the packaging or return packaging.
- 7.10 Quantities
Over-delivery.
In the event of over-delivery of Goods, the Client will be entitled to refuse the excess Goods delivered. The Supplier will be notified thereof and will be responsible for collection of the Goods and will be required to draw up a credit note.
Under-delivery.
If fewer Goods are delivered than were ordered, the Supplier will be responsible for supplementing the quantity up to that ordered, unless such under-delivery has been approved (in Writing).
Invoices will be accepted for payment after the foregoing has been arranged, after which the payment period as set forth in article 6.4 will commence.
- 7.11 For each delivery, it should be clearly indicated which packaging is delivered for purposes of proper packaging registration.
- 7.12 In the event of delivery of production materials, goods and parts by Third Parties to the Supplier, the Supplier is to forward the accompanying documentation to the Client within twenty-four hours.
- 7.13 Force Majeure. If Supplier is not able to produce, sell or deliver any goods and/or services as specified in the Agreement, or Client is not able to accept a delivery, buy or use any goods and/or services as specified in the Agreement, due to an unforeseen event beyond the influence or fault of the affected party, any delay or impossibility to perform, as defined in the Agreement, shall be indemnified by the other party, for the duration of that particular event; provided that that the affected party is obliged to inform the opposite party without any delay, but within three (3) days, about the situation. This information must at least contain a description of the event and the expected duration of the event. Both parties must adapt their performance under the Agreement to the circumstances

according to the principle of equity and good faith. Client shall be relieved from the obligation to accept the ordered delivery/service wholly or in part and may, if necessary, dissolve the contract if the delivery/service is not of use to Client anymore due to the delay caused by Force Majeure or other collective action.

Article 8: Warranties

- 8.1 The Supplier warrants for a period of at least 12 months after delivery:
- 1 that all delivered Goods are fit for the purpose for which they are intended, if such purpose was communicated or could otherwise reasonably be known to the Supplier;
 - 2 that they are in accordance with the agreed specifications and approved samples;
 - 3 that the Goods have been manufactured to a professional standard, are of good quality, and are free of errors in construction, workmanship and material; and
 - 4 that the Goods and their operation are in compliance with regulations of mandatory law, including those relating to health, safety and environmental hygiene (Reach, ROHS, etc.), and electro-magnetic interruption, as applicable in the country for which the Goods are destined, if such destination was communicated or could otherwise reasonably be known to the Supplier.
- 8.2 If the Agreement pertains to, or includes, the delivery of Services, such Services will be delivered in a professional manner and to a professional standard. The Supplier will carry out the Services with a sufficient or agreed number of persons and quantities of materials, parts, devices and equipment, with the appropriate or agreed qualifications or quality. The Supplier warrants that the Services will be performed in accordance with the agreed requirements and that the intended result as evidenced by the Agreement will be achieved.
- 8.3 If the Client discovers that the Goods and/or Services provided by the Supplier do not conform to the warranties included in Articles 8.1 and 8.2, the Client will notify the Supplier in Writing as soon as possible. The Supplier arrange replacement or repair of the defects discovered by the Client within 5 days (or such other term as may be mutually agreed between the parties). If the Supplier fails to perform this obligation, the Client will be entitled, at the Supplier's expense, to purchase the necessary Goods from a third party and/or to have the necessary Services performed by a third party, all without prejudice to any other options that may be available to the Client pursuant to the Agreement or the law.
- 8.4 Supplier's responsibility under this warranty contains, without any limitation, all damages caused by non-conforming Goods and/or Services. These costs can consist of, but are not limited to, repairs, replacement or recovery of any non-conforming Goods and/or Services.
- 8.5 Any damage caused by non-conforming Goods and/or Service to, for example, any persons or machines, are solely for the account of the Supplier based on the Dutch Civil Code (Burgerlijk Wetboek).
- 8.6 In addition to the obligations for Supplier as mentioned in article 8.4 of these Conditions, if any Goods are reasonably determined to fail to conform to the warranties set forth in the Agreement or these Conditions, Supplier shall reimburse Client for all reasonable losses, costs and damages caused by such non-conforming Goods and/or Services. Such costs and damages may include, but are not limited to, without limitation, costs, expenses and losses of Client and/or its customers arising from production interrupts or slowdowns; provided however, that Supplier shall not be liable under this section 8.6 for any costs of damages in an aggregate amount greater than the maximum amount the insurance covers in such cases.
- 8.7 The limitation mentioned in article 8.6 of these Conditions is only valid if Supplier has submitted a statement concerning his insurance to Client, before any claim of damage from Client has been reported to Supplier.

Article 9: Inspection

- 9.1 The Client will have the right, but not the obligation, to inspect, or cause the inspection of, the Goods and/or Services, as well as the equipment and material used in the performance of the Agreement, both prior to and after delivery. The inspection itself will not constitute delivery, purchase or acceptance of those Goods and/or Services.

- 9.2 The Supplier will cooperate in the inspection at no cost and will grant the Client or its representative access on demand to the place where the Goods are manufactured or stored or where the Services are performed. The Supplier will furthermore provide the Client or its representative with all such information as the Client may reasonably require to assess whether the Supplier is performing its obligations pursuant to the Agreement.
- 9.3 The provisions of Article 8.3 of these Conditions will apply in the event of rejection.
- 9.4 At its option, the Client will either return rejected Goods to the Supplier or retain them until the Supplier has given the Client further instructions in that respect. The risk of any rejected Goods will pass to the Supplier upon despatch of the foregoing notice to the Supplier. Title to the rejected Goods will return to the Supplier on the date of the foregoing notice. On the Client's demand, the Supplier will also immediately and fully repay all amounts paid in advance with respect to those rejected Goods and/or Services.
- 9.5 The Client may set additional requirements in respect of the documents delivered, such as: sample inspection documents, lists of measurements, material certificates, test results, etc. Any such additional requirements will be stated when placing the order.
- 9.6 Periodic assessment. The Supplier may be subject to period assessment by the Client and will be notified thereof. In the event of an insufficient assessment, the Client may decide to take measures, up to suspension of payment. Further information is available from the VDL VDS quality department.

Article 10: Staff

- 10.1 Only applicable to Services. Any staff engaged by the Supplier in the performance of the Agreement will meet the special requirements set by the Client and, in the absence thereof, the general requirements of professionalism and expertise. If, in the Client's opinion, any of the staff are insufficiently qualified, the Client will be authorised to order removal of such staff. In such event, the Supplier will be required to replace the staff.
- 10.2 Only applicable to Services. The Client will be authorised to identify any staff that the Supplier uses in the performance of the Agreement.
- 10.3 The Supplier will ensure that the presence of its staff at the Client's site and buildings will not affect the undisturbed progress of the work of the Client and any third parties.
- 10.4 Only applicable to Services. Before commencement of performance of the Agreement, the Supplier and its staff will acquaint themselves with the contents of the rules and regulations that apply to the Client's site and buildings, including those with respect to safety, health and the environment, and act accordingly.
- 10.5 The Supplier warrants vis-à-vis the Client that the employee insurance contributions, VAT and income tax (including national insurance) will be paid on time. The Client will at all times have the right to pay the Supplier the amounts in question, which the Client could be severally liable for pursuant to the Dutch Wages and Salaries Tax and National Insurance Contributions (Liability of Subcontractors) Act [*Wet ketenaansprakelijkheid*], by payment into its guarantee account within the meaning of such Act. The Client will also be entitled to withhold the amounts in question from the price due to the Supplier and use these to pay the industrial insurance board concerned or the collector of direct taxes directly on the Supplier's behalf. This transfer and/or payment will discharge the Client vis-à-vis the Supplier for the amounts in question.

Article 11: Title

- 11.1 All the Production Tools and all materials and parts that the Client has made available to the Supplier for the performance of the Agreement are and will remain the property of the Client.
- 11.2 If the Agreement also pertains to the development and/or manufacture of Production Tools, such Production Tools will become the Client's property after completion. The Supplier will transfer title to the Production Tools in question to the Client, including the intellectual property rights and know-how embodied in them, by means of a written statement promptly upon completion.

- 11.3 The Supplier will hold the Production Tools and the materials and parts that are the property of the Client as borrower for the Client. In that respect, the Supplier will ensure that the Production Tools and/or the materials and parts are marked in such a manner that it is clear to third parties that they are the property of the Client. The Supplier will also keep these separated from its own items and adequately insure them against loss, damage or theft.
- 11.4 If the Agreement pertains to the treatment of materials made available by the Client and the Supplier fails to fulfil its obligations in that respect to such an extent that the materials can no longer be used, the Supplier must reimburse the Client for the materials, without prejudice to any other rights that the Client may have pursuant to this Agreement or the law.
- 11.5 The Client will at all times and in all circumstances reserve the right to repossess its property - regardless of whether this has already been treated or used by the Supplier - against reimbursement of any treatment costs due by the Client.
- 11.6 The Supplier will use the Production Tools, materials and parts owned by the Client and will not allow these to be used by or for third parties, for or in connection with any purpose other than the performance of the Agreement.

Article 12: Intellectual property

- 12.1 Unless agreed otherwise in Writing, the intellectual property rights in any inventions, designs, data collections, drawings, recommendations, work instructions and other works that the Supplier has developed or created in the course of performance of the Agreement will be owned by the Client. Only the Client will have the right to file the applications and arrange the registrations necessary to protect those rights.
- 12.2 By entering into this Agreement, the Supplier transfers the rights referred to in Article 12.1 to the Client. In so far as required by law, the Supplier will cooperate in the transfer of the rights in question on the Client's demand.
- 12.3 The Supplier warrants vis-à-vis the Client that it has made arrangements with its employees or third parties engaged by it to ensure that the rights referred to in Article 12.1 can be transferred freely to the Client.
- 12.4 The Supplier will indemnify the Client against any third-party claims based on alleged infringement by the Goods and/or Services provided by the Supplier of the intellectual property rights owned by any such third parties.

Article 13: Confidentiality

The Supplier will use all data and information received orally or in Writing from the Client exclusively for the performance of the Agreement. The Client will retain title to all such data and information, which, to the extent in written form, must be returned to the Client immediately on request, including any copies thereof. The Supplier will be required to observe absolute confidentiality with respect to all such data and information and will not refer to any such data or information or to the fact that it makes or has made deliveries to the Client in any publications, advertisements or otherwise in oral or Written form, save with the Client's prior Written consent.

Article 14: Insurance

With respect to its liability vis-à-vis the Client pursuant to the Agreement or the law, the Supplier will take out and maintain sufficient insurance and will furthermore take out and maintain insurance on all regular conditions against all insurable risks in its business operations. At the Client's request, the Supplier will immediately submit a certified copy of its insurance policies and proof of premium payment.

Article 15: Termination, cancellation

- 15.1 If the Supplier fails, or fails punctually or properly, to perform any obligation under the Agreement (if performance is not permanently impossible: in spite of demands stating a reasonable period of time

for performance), as well as in the event of a suspension of payments, liquidation, a guardianship order or winding-up of the Supplier's company, or an application for any of the above, the Client will be entitled, without any judicial intervention or notice of default being required, to dissolve all or part of the Agreement by mere Written notice to that effect.

- 15.2 If the Agreement pertains to a continuous or recurring provision of Goods and/or Services, the Client will at all times be entitled to terminate the Agreement with due observance of a notice period as mutually agreed, or in the absence thereof a notice period of 5 days, without any liability arising on its part to pay damages.
- 15.3 If the Agreement pertains to the performance of Services and was entered into for a specific project, the Client will also be entitled to terminate the Agreement with due observance of a notice period as mutually agreed, or in the absence thereof a notice period of 5 days. In such event, the Client will only be required to pay a proportionate part of the agreed price.
- 15.4 Upon termination of the Agreement pursuant to this Article 15, the Supplier will be required to comply with a request from the Client to hand over all that the Supplier has developed or created for the Client within the scope of the Agreement, even if not yet completed.

Article 16: Disputes and applicable law

- 16.1 Any Agreements, all or part of which are governed by these Conditions, will be governed by the laws of the Netherlands. The provisions of the United Nations Convention on Contracts for the International Sale of Goods are explicitly excluded.
- 16.2 Any disputes between the parties, including those that are considered disputes by only one of the parties, will be amicably resolved to the extent possible. If the parties fail to reach a solution, any and all disputes arising from enquiries, offers, orders and Agreements, by whatever name, will be decided by the court of competent jurisdiction in the district where the Client's company has its registered office.

Article 17: Final provisions

- 17.1 During the term of the Agreement and for a period of one year following its termination, the Supplier will not hire any workers and/or other employees of the Client who were involved in the performance of the Agreement or otherwise cause them to work for it either directly or indirectly, save with the Client's prior Written consent. Employees will be understood to include employees who were in an employment relationship with the Client less than 6 months earlier.
- 17.2 In the event of a breach of Article 17.1, the Supplier will forfeit an immediately payable penalty in the amount of EUR 1,000 for each breach and EUR 500 for each day that the breach continues. This penalty will not affect the right to full compensation for loss or damage in accordance with the statutory provisions.
- 17.3 Only with the prior consent of the Client will the Supplier be entitled to subcontract its work under the Agreement to third parties. Notwithstanding any such consent, the Supplier will remain liable for the punctual and proper performance of the Agreement.
- 17.4 The rights and obligations arising from the Agreement for the Supplier cannot be assigned.
