

GENERAL TERMS AND CONDITIONS OF SALE

General terms and conditions of sale of Power Quality Saving B.V., established at Pagnevaartweg 163 in (4731 ZX) Oudenbosch, the Netherlands; registered in the Chamber of Commerce under number 72407395.

Article 1: Applicability

- 1.1 These terms and conditions are applicable to all offers made by Power Quality Saving B.V. ("PQS") and all agreements concluded by it with its counterparty. These terms and conditions are furthermore applicable to all obligations arising from subsequent agreements concluded between the parties.
- 1.2 The counterparty will hereinafter be referred to as: "the Client".
- 1.2 The applicability of general terms and conditions invoked by the Client is expressly rejected.

Article 2: Offers; Formation of the agreement

- 2.1 All offers made by PQS are subject to contract.
- 2.2 If PQS's offer is accepted, the agreement will not be concluded until PQS has accepted the order in writing or has commenced fulfilling the order and has confirmed this in writing.

Article 3: Cancellation

- 3.1 The Client may not cancel an order and/or annul the agreement without PQS's written consent.
- 3.2 If PQS gives its consent, the Client will owe an immediately due and payable fee equal to the agreed price less any savings made by PQS from cancelling the order or annulling the agreement.

Article 4: Scope of the work; Delivery period; Delivery

- 4.1 Unless otherwise agreed in writing, the agreement covers only the delivery of products and expressly does not cover the assembly, connection, installation and/or commissioning thereof. PQS may perform the assembly, connection, installation and/or commissioning (hereinafter "the work") at its own discretion, whether or not by engaging third parties.
- 4.2 The Client must ensure that PQS is able to perform the work, or have it performed, without any constraints.
- 4.3 All stated delivery times are by way of indication only.

- 4.4 The Client may not cancel the order and/or is not entitled to damages if the delivery/completion time is exceeded. If the stated delivery/completion time will be exceeded, PQS will contact the Client.
- 4.5 Unless otherwise agreed in writing, delivery takes place when PQS makes the item available to the Client at its business address and has informed the Client that the item is at its disposal. From that moment, the storage, loading, transport and unloading of the item, among other things, are at the Client's risk.
- 4.6 If PQS has agreed with the Client that PQS will take charge of the transport, the risk of storage, loading, transport and unloading will still rest with the Client. In addition, any and all taxes, levies and costs for cooperating with the customs formalities are payable by the Client.

Article 5: Prices; Changes; Additional work

- 5.1 The prices quoted by or agreed with PQS are ex works, and are exclusive of freight, packaging, insurance, and turnover tax, and any other duties or taxes levied by the government or other levies.
- 5.2 If one or more cost factors - including the purchase price, price of materials, raw materials, tools, parts, wages and transport costs - are increased prior to the date of delivery, regardless of whether this was foreseeable at the time the offer was made, PQS reserves the right to raise the quoted or agreed price accordingly.
- 5.3 PQS will notify the Client in writing of any price changes as referred to in Article 5.2. The Client is obliged to pay the price increase upon PQS's first request.
- 5.4 The price for additional work will be calculated on the basis of PQS's usual rates.

Article 6: Payment

- 6.1 Unless otherwise agreed, all invoices are payable within 30 days of the invoice date, at PQS's place of establishment or to an account number to be stated by PQS.
- 6.2 PQS may at all times request advance payment in whole or in part.
- 6.3 If the Client fails to pay within the agreed periods, it will be in default by operation of law without any notice of default being required.
- 6.4 As soon as the Client is in default with any payment, all of PQS's claims against the Client will be immediately due and payable and the Client will be in default by operation of law without any notice of default in respect of these claims as well.
- 6.5 With effect from the day on which the Client is in default, PQS may charge 1% interest per month, as well as all costs incurred by it to collect the purchase price, without prejudice to its other rights. PQS reserves the right to set the extrajudicial costs at 15% of the amount due.
- 6.6 Non-payment or a delay in payment will moreover allow PQS to suspend its performance and/or to rescind and/or terminate the agreement, without prejudice to PQS's right to compensation of all damage it suffers as a result of the Client's failure.

- 6.7 Any payment made by the Client will first be used to settle any costs and interest it owes and subsequently to settle the oldest outstanding claims, even if the Client states that the payment relates to later claims.

Article 7: Force majeure

- 7.1 Force majeure means circumstances that PQS reasonably did not have to take into consideration when concluding the agreement and of which it was unaware. This includes the failure by PQS's suppliers to comply with their obligations, transport problems, fire, strikes or work interruptions, loss of the parts to be processed, and import or trade restrictions.
- 7.2 In the event of force majeure PQS may, without judicial intervention, either postpone delivery for a maximum period of six (6) months, or terminate the agreement, without being obliged to pay any damages.
- 7.3 In the event of force majeure and if performance has become permanently impossible, or if a temporary force majeure situation has lasted more than six (6) months, the Client may rescind the agreement in respect of that part of the obligations that PQS has not yet fulfilled.

Article 8: Obligation to inspect; Complaints; Completion

- 8.1 The Client is obliged to inspect the delivered products for visible defects immediately upon delivery.
- 8.2 Any visible defects must be reported to PQS in writing within five (5) business days of delivery.
- 8.3 Any invisible defects should be reported to PQS in writing within five (5) days of discovery.
- 8.4 The report referred to in Articles 8.2 and 8.3 must be accompanied by a detailed description of the alleged defect.
- 8.5 The Client may no longer invoke a defect if it has not complained as set out in Articles 8.2, 8.3 and 8.4.
- 8.6 PQS must be given the opportunity to investigate a complaint. If the complaint was submitted in time and is found by PQS to be correct, PQS will either remedy the relevant shortcomings or defects within a reasonable period of time, or replace the delivered goods. The Client continues to be obliged to pay and perform its obligations. If a complaint is found to be unfounded, all costs incurred by PQS in connection with the complaint, including the investigation costs, will be payable by the Client.
- 8.7 The work referred to in Article 4.1 is considered to be completed when:
- a. the Client has approved the work; and/or if
 - b. the Client has started using all or part of the work; and/or if
 - c. the Client has failed to inspect the work within a period of fourteen (14) days after PQS has announced that the work has been completed;

- 8.8 If the Client does not approve the work, it shall report this in writing in the manner described in Article 8.4. The Client must give PQS the opportunity to complete the work as yet.

Article 9: Warranties and other claims

- 9.1 If PQS purchases the products from a supplier, only the supplier's warranty provisions apply and any warranty obligation on the part of PQS shall in any event be limited to the warranties offered therein. PQS will inform the client of the applicable warranty provisions upon request.
- 9.2 Subject to the restrictions mentioned in the following paragraphs of this Article, PQS warrants the soundness of the materials it supplies and the work it performs for a maximum period of two (2) years after delivery, unless otherwise agreed in writing.
- 9.3 In the event of a defect for which PQS is liable, PQS will, at its own discretion:
- remedy the defect;
 - replace the defective product or parts thereof;
 - refund a proportionate part of the purchase price;
 - discuss a different arrangement with the Client.
- 9.4 No warranty is provided for defects that result from normal wear and tear or from incorrect, careless or inexperienced use; installation, alteration or repair by the Client or third parties; defects or unsuitability of goods prescribed by the Client; external causes, such as fire or water damage.
- 9.5 The products or parts replaced by PQS under the warranty will become its property.
- 9.6 PQS is only obliged to offer the warranty if the Client has fulfilled all of its obligations.
- 9.7 The provisions of this Article apply *mutatis mutandis* to any claims submitted by the Client based on breach of contract, non-conformity, or any other grounds.
- 9.8 The Client's right of action towards PQS for repair and/or compensation lapses one (1) year after the Client has submitted a complaint.

Article 10: Liability

- 10.1 Without prejudice to Article 9, PQS is obliged to perform its contractual obligations in the event of an attributable failure.
- 10.2 PQS is not liable for any damage incurred by the Client that is not directly and exclusively the result of intent or gross negligence on the part of PQS.
- 10.3 If for any reason PQS is not entitled to invoke Article 10.2, the obligation to compensate damage will be limited to the amount paid out by PQS's liability insurer.
- 10.4 If for any reason PQS is not entitled to invoke Articles 10.2 and 10.3, the obligation to compensate damage will be limited to an amount equal to 50% of the amounts invoiced by PQS to the Client under the agreement during the three-months' period [prior] to the damage-causing event.

- 10.5 PQS shall in no event be liable for any consequential damage, including loss of profits, loss of production, business interruptions loss, fines, travel and accommodation expenses.
- 10.6 The Client agrees to indemnify PQS for all third-party claims related to products supplied and/or work performed by PQS.

Article 11: Retention of title

- 11.1 PQS retains the title to all goods delivered and/or held by it for the Client (such as materials and parts) for as long as the Client has not complied with its payment obligations towards PQS, in the broadest sense of the word, including any amounts the Client may owe PQS in connection with its failure to fulfil its obligations under any agreement.

Article 12: Intellectual Property Rights

- 12.1 All copyright as well as all other intellectual or industrial property rights to, *inter alia*, the products, materials, designs, analyses, documentation, offers, reports and preparatory materials thereof, rests exclusively with PQS and its suppliers.
- 12.2 PQS does not transfer any copyright and/or other intellectual and/or industrial property rights to the Client.

Article 13: Applicable law; Competent court

- 13.1 Dutch law will apply. The Vienna Sales Convention does not apply.
- 13.2 Any disputes that cannot be settled amicably must be submitted to the exclusive jurisdiction of the District Court of Zeeland-West-Brabant, Breda location.