

# GENERAL CONDITIONS OF SALE

## General conditions of sale of Progress Europe Automotive Innovations B.V.

### 1. Definitions

In these conditions the following words and/or expressions shall have the meaning which is hereinafter assigned to them:

- a) the "agreement" means the agreement of sale to which these conditions are applicable;
- b) the "goods" means the goods which are sold and shall be supplied under the agreement;
- c) "Progress Europe" means the private limited liability company, incorporated in The Netherlands, Progress Europe Automotive Innovations B.V., established at Spinfondsweg 14, 8171 NV Vaassen, The Netherlands which has sold and shall supply the goods under the agreement;
- d) the "buyer" means the person to which the goods have been sold and shall be supplied under the agreement;
- e) the "offer" means the offer or quotation in respect of the sale of the goods issued by Progress Europe to the buyer in which the goods are as far as possible mentioned and specified;
- f) the "warranty period" means the period of three years from the date of delivery of the goods, during which Progress Europe shall warrant that the goods comply with the requirements agreed upon.

### 2. General

2.1 Words and/or expressions importing the singular shall include the plural as well and vice-versa where the context of these conditions requires so.

2.2 All references to (sub)clauses in these conditions are deemed to be references to (sub)clauses in these conditions.

### 3. Applicability

3.1 These conditions shall apply to all agreements of sale concluded by Progress Europe.

3.2 Deviations from these conditions shall apply only to the agreement if agreed upon in writing. In the event of a deviation from one or more provisions of these conditions, the other provisions shall remain fully operative, unless otherwise agreed upon in writing.

3.3 General conditions of sale and/or purchase of the buyer shall not apply to the agreement, unless otherwise agreed upon in writing.

### 4. Offers

All offers are free of any obligation.

### 5. Conclusion of the agreement

The agreement shall be deemed to be concluded between Progress Europe and the buyer and become binding for them, after the written acceptance of the offer and these conditions by the buyer has been returned to and been received by Progress Europe.

### 6. Delivery

6.1 Delivery periods and/or dates of delivery stated in the offer and/or the agreement shall be deemed to be approximate periods and/or dates.

6.2 Late-delivery by Progress Europe shall not entitle the buyer to any compensation for losses and/or expenses incurred as a consequence of the late-delivery.

6.3 Progress Europe shall deliver the goods to the premises of the buyer, unless otherwise agreed upon.

### 7. Retention of title and ownership

7.1 Until the buyer shall have paid the agreed price for the goods in full to Progress Europe and shall have fully met every payment-obligation he might have towards Progress Europe due to a breach of the agreement, the goods shall remain the sole property of Progress Europe.

7.2 Until the buyer has become the legal owner of the goods, the buyer shall return the goods immediately to Progress Europe if so requested by Progress Europe, without prejudice to the right of Progress Europe to claim full compensation of all costs, expenses and damages incurred as a result of the non-payment by the buyer.

7.3 Until the buyer has become the legal owner of the goods, the buyer shall not sell the goods to a third party, nor shall the buyer until such time pledge or assign the goods as a security for the benefit of a third party.

7.4 Until the buyer has become the legal owner of the goods, the buyer shall not process the goods, shall store the goods separated from his own goods and shall further identify the goods as the property of Progress Europe.

7.5 In the event that goods which still are the property of Progress Europe due to non-payment by the buyer, have become part of or have been mingled with other goods, then, without prejudice to the other provisions of this clause, Progress Europe shall be deemed to be the owner of such other goods to the extent of the agreed price for the goods which still were Progress Europe's property, increased with costs, interest and any damage incurred by Progress Europe as a result of the non-payment by the buyer.

### 8. Transportation and risk

8.1 The goods shall be transported at the costs of Progress Europe to their place of delivery, unless otherwise agreed upon.

8.2 Upon delivery all risks of loss, damage and other incidents with respect to the goods shall pass immediately to the buyer.

### 9. Inspection, reclamation, warranty and liability

9.1 The buyer shall inspect the goods at his own costs upon delivery. If the buyer finds (any of) the goods to be defective or otherwise failing to comply with the agreed requirements, the buyer shall give written notice of such reclamation to Progress Europe by registered mail not later than eight days from the date of delivery.

9.2 Provided no reclamation has been put to Progress Europe under sub-clause 9.1, the goods shall be deemed to have been in full compliance with the agreement, unless the buyer immediately upon its discovery has given written notice by registered mail to Progress Europe within the warranty period of a defect or other non-compliance which reasonably could not have been discovered through the required inspection under sub-clause 9.1.

9.3 Any notice which has been sent by the buyer under the provisions of sub-clauses 9.1 and 9.2, shall be evaluated by Progress Europe within 30 days after its receipt. If the stated defect or other non-compliance is accepted by Progress Europe, Progress Europe shall at its choice either reimburse the agreed price for the goods to the buyer or rectify the non-compliance by repairing or replacing the goods. If Progress Europe chooses to reimburse the agreed price or replace the goods, the buyer shall return the goods which do not comply with the agreement immediately to Progress Europe.

9.4 The fact that the buyer has sent a notice to Progress Europe under sub-clause 9.1 or 9.2, shall not relieve the buyer of its obligation to pay the agreed price for the goods to Progress Europe, nor shall it relieve the buyer of any other obligation it might have under the agreement. In the event that the buyer does not comply with any of its obligations under the agreement, Progress Europe shall be entitled to postpone the evaluation of the contents of such notice.

9.5 Progress Europe shall never be liable towards the buyer for damages, caused by or in connection with the goods, to a greater extent than the agreed price for the goods, except in the event of willful misconduct or gross negligence on the part of Progress Europe.

### 10. Payment and security

10.1 Unless explicitly agreed otherwise, the buyer shall pay the agreed price for the goods within the term of payment as indicated on the invoice sent by Progress Europe to the buyer with respect thereto.

10.2 If the goods are delivered in instalments, Progress Europe shall be entitled to invoice the agreed price for the goods likewise. In such event, each instalment shall be paid within the term of payment indicated on the respective invoice.

10.3 If any amount payable is overdue, the buyer shall be deemed to be in default automatically and shall pay an interest on the overdue amount to Progress Europe of 1.5% per month or part of a month from the date such amount became due until the date of payment.

10.4 If any overdue payment caused Progress Europe to take extrajudicial debt collection measures, the buyer shall pay a compensation of 15% on the overdue amount to Progress Europe regarding the costs of such measures, without prejudice to the right of Progress Europe to claim full compensation of damages incurred as a result of such overdue payment.

10.5 If any overdue payment caused Progress Europe to issue legal proceedings, in contravention of the usual settling-rate regarding such proceedings, the buyer shall refund to Progress Europe any and all cost resulting therefrom.

10.6 All payments of the buyer to Progress Europe shall be deemed to have been paid first on account of the costs, then on the interests and then on the eldest principal amount due to Progress Europe.

10.7 Progress Europe shall at all times be entitled to request payment in advance and/or an adequate irrevocable bank guarantee or other documentary credit instrument from the buyer. Progress Europe shall be entitled to postpone the delivery of the goods and any other obligation it might have under the agreement, until the buyer has met such request.

10.8 To secure the payment of any amount the buyer may owe to Progress Europe:

- a) the buyer shall be deemed to have endowed Progress Europe hereunder with a non-possessory pledge in advance on other goods whereof resp. wherewith the goods delivered to the buyer have become part or have been mingled;
- b) Progress Europe shall be deemed to have reserved hereunder a non-possessory pledge on any and all of the goods delivered to the buyer.

10.9 Progress Europe shall be entitled to register the security rights under sub-clause 10.8 in the public files if and when it deems fit.

### 11. Intellectual property rights

11.1 All intellectual property rights on drawings, sketches, models and other designs made by Progress Europe and/or its employees, shall remain the sole property of Progress Europe even if the costs of manufacturing such drawings, sketches, models and designs have been paid by the buyer.

11.2 The buyer shall not be allowed to use the intellectual property rights of Progress Europe in any way whatsoever without the prior written approval of Progress Europe. Such approval can be conditional in the sense that Progress Europe shall be allowed to claim a fair compensation for the use of any of its intellectual property rights.

11.3 The buyer shall not be allowed to alter any drawings, sketches, models and other designs without the prior written approval of Progress Europe. Such approval however cannot be withheld without a justified cause.

### 12. Force majeure

12.1 All circumstances beyond Progress Europe's reasonable control, including any failure to perform by a third party, shall be deemed to create force majeure on the part of Progress Europe.

12.2 In the event of force-majeure, Progress Europe shall be entitled to postpone its obligation to deliver the goods and/or any other obligation it might have under the agreement, without being obliged to pay any compensation to the buyer for damages incurred as a result of such postponement.

### 13. Entire agreement

The agreement constitutes the entire agreement between the buyer and Progress Europe and supersedes all previous agreements, proposals, discussions and correspondence in respect of the goods.

### 14. Governing law and disputes

14.1 The agreement shall be governed by the law of The Netherlands.

14.2 Any dispute between the buyer and Progress Europe emanating from the agreement or directly or indirectly being connected therewith, shall be submitted only to the competent Court at Zutphen, The Netherlands.