

TERMS & CONDITIONS

OTFLOW B.V.

2018



Article 1 – Applicability of OtfLOW's terms and conditions

1.1 OtfLOW B.V. is a private company, established (having its registered seat) in Barendrecht, the Netherlands, hereinafter referred to as: 'OtfLOW'. These general terms and conditions are applicable to all OtfLOW's offers, proposals, agreements and all resulting commitments and obligations.

1.2 Amendments or additions deviating from these general terms and conditions or form any agreement with OtfLOW shall only be valid insofar as they have been confirmed in writing by OtfLOW.

1.3 The applicability of any general terms and conditions used by the Customer are not valid / applicable, and are hereby explicitly excluded.

1.4 The term 'Customer' as referred to in these general terms and conditions refers to all of those who place (an) order(s) with OtfLOW, buy OtfLOW's products (hereinafter: the 'Product(s)') or conclude agreements with OtfLOW, however called (such as, but not limited to, clients, distributors, agents etc.).

Article 2 – Offers / Agreements

2.1 All OtfLOW's offers/proposals shall be valid during eight days or so much longer or shorter as indicated therein, but are however made free of engagement; offers/proposals can at all time be revoked by OtfLOW within five (5) working days after receipt of the acceptance.

2.2 All orders are subject to acceptance by OtfLOW and can be accepted subject to the availability of the Products. OtfLOW shall acknowledge all orders within one week after confirmed receipt of the orders and shall send to Customer a confirmation in writing (or per e-mail) for orders accepted by OtfLOW.

Article 3 – Prices, payment and shipment

3.1 All prices are (i) exclusive of VAT and/or other taxes, levies, duties and costs arising from the execution of the order, (ii) inclusive of packaging, (iii) in Euro's, and (iv) in accordance with the trade term of the ICC Incoterms 2010 as determined in the order confirmation, unless agreed otherwise in writing. Prices shall remain valid until a new price list is forwarded by Supplier to Distributor. Supplier reserves the right to change the prices mentioned above upon 30 days' notice in writing.

3.2 OtfLOW shall be authorized to increase the agreed prices on the basis of cost increases, irrespective of their nature and reason (such as increased prices of raw materials, general wage increases or inflation adjustments).

3.3 Payment will be made by the Customer to OtfLOW without any discount, set-off or suspension in Euro within 10 Working Days of the invoice date by means of a transfer to account number NL89ABNA0490324355 at ABN AMRO Bank in the name of OtfLOW. If Customer has not paid (in full) within this term, OtfLOW shall be entitled to charge an interest of 1% per month as from the due date of the invoice, without prejudice to the further rights of OtfLOW in this respect.

3.4 Notwithstanding the above mentioned provision, orders are only shipped when the invoice is 100% paid on the bank account of the OtfLOW. Shipment will take place as soon as possible, at the latest 10 work days after payment confirmation.

3.5 All extrajudicial and judicial collection costs incurred by OtfLOW in order to receive Customer's payment, shall be for account of Customer. Extrajudicial collection costs are fixed at 15% of the amount due, with a minimum of € 500,-.

3.6 Customer shall be obliged, at OtfLOW's first request, to provide a guarantee or security for the payment of any outstanding invoices.

3.7 Any Set-off, withholding, discount or suspension of payment by Customer is not allowed, unless Otflow has recognized unconditionally (and in writing) any counter claim that Customer may have.

Article 4 – Delivery and risk

4.1. Delivery dates will be specified in the quotation, order confirmation or in any specified delivery scheme. The specified delivery dates will explicitly not be considered as absolute but as target dates, unless agreed otherwise in writing. Supplier shall use its best efforts to execute any order within the term agreed upon and shall forthwith notify Customer in case of an expected delay.

4.2. Delivery of the Products shall take place in accordance with the trade term of the ICC Incoterms 2016 as determined in the order confirmation. All the orders will be delivered EXW.

4.3. Otflow shall have the right to deliver an order in instalments, upon a prior notification thereof.

Article 5 – Purchase obligations

5.1. Customer shall be obliged to give immediate and full cooperation necessary for Otflow for the performance of Otflow's services, more in particular to receive the purchased Products.

5.2. Purchase shall be deemed to have been refused if Products ordered have been offered to Customer for delivery but delivery appeared to be impossible for Otflow or Customer refuses to accept the Products. Customer is then immediately in default, without any notice of default being required, and any risk of loss or damage of the Products shall then have been transferred to Customer.

5.3. All Otflow's costs resulting from the refusal to accept the goods by the Customer, shall be for account and risk of Customer, the foregoing without prejudice to our other rights with respect to this non-performance of Customer. Said costs explicitly include a reasonable compensation for storage, related to the rates used locally, as well as, if this is deemed expedient by Otflow, costs of insurance.

5.4. Unless otherwise specifically agreed upon (in writing) with Otflow, Customer is not allowed to resell the Product (whether new or used).

Article 6 – Guaranty and claims

6.1. Customer shall at all times immediately, but ultimately within 5 days upon receipt of the Products, check the quantities, quality and packaging of the Products and shall notify Otflow forthwith of any faults and defects of the Products.

6.2. No rights can be derived from the way in which samples, models or designs have been executed. This also applies to catalogues, photos, illustrations and such.

6.3. If the Products have fully or partly been processed by Customer, this means that they have been approved and our liability for the Products shall then completely be cancelled, unless the defect could first be established because of or during the processing.

6.4. Claims about an invoice shall have to be submitted by Customer in writing within eight days after the date the concerning invoice was sent.

6.5. Otflow guarantees that the Products are of the agreed quantity, quality and specifications and are free from defects in materials and workmanship for a period of 2 months after the date of delivery of the Products by Otflow to Customer.

6.6. Otflow's guarantee obligations as mentioned in this are only applicable before and during the first time use of the Products. Otflow explicitly does not provide any guarantee on re-used Products.

6.7. In the event Customer submits a warranty claim, Customer shall forthwith notify Otflow (in writing), specifying the claim. Otflow shall subsequently assess and – if necessary – deal with the claim in accordance with the regarding agreement and these general terms and conditions. Customer shall assist Otflow if requested, taking into account the guidelines and instructions of Otflow.

6.8. In case of a justified warranty claim, Otflow shall either directly or through Customer, deliver a new Product or new components or repair the defects under guarantee free of charge within a reasonable period upon receipt of the complaint. Otflow will in that case deliver Delivered Duty Paid (DDP) ICC Incoterms 2010 warehouse of Customer, including repaired Products. Troubleshooting on the spot and transport within the Territory will be for the account and risk of Customer.

6.9. Otflow will always be entitled to check and settle any warranty claim. Otflow must be permitted upon

first request to examine the Product. No Product will be returned by Customer to Otflow without a product return authorization from Supplier.

6.10. Customer undertakes to procure, and guarantees, that the terms of warranty under any agreement and the General Conditions will be applicable to each and every sale and delivery of the Products to customers in the Territory. Customer agrees not to make any (additional or other) warranties, express or implied, with respect to the Products without the prior written authorization of Supplier.

Article 7 – Default

7.1. If Customer does not, not properly or not timely perform any obligation resulting from an agreement with Otflow, as well as in case of a (petition for) bankruptcy, a (petition for) moratorium, receivership of Customer or closing-down, winding-up, dissolution or liquidation of his business or a similar measure under foreign law, Customer shall be deemed to be in default by operation of law (automatically) and with immediate effect, and Otflow shall be entitled, to Otflow's own discretion, without any obligation to compensate any damages and without prejudice to any further rights, without notice of default or settlement in Court being required, to cancel any agreement fully or partly or to suspend our (further) execution of any agreement. Otflow shall in those cases furthermore be entitled to claim immediate fulfilment of whatever is due to Otflow.

Article 8 – Retention of title

8.1. All Products delivered by Otflow shall remain in Otflow's ownership, and the legal title of the Products are retained until the moment of full payment by Customer. Until the moment of full payment by Customer, Customer shall not be authorized to give third parties in any way the use of or to transfer to any party the concerning Products.

8.2. As long as Customer is in default, or if Otflow has reasonable grounds to assume that Customer will come in default, Otflow can, without giving prior notice of default, immediately claim the (title to the) Products delivered respectively redeem these Products. Customer therefor hereby grants Otflow its irrevocable and unconditional consent to enter his premises for this purpose.

8.3. Customer shall furthermore be obliged to properly insure the Products against risks of theft, damage and loss. Customer shall not be allowed to pledge or give

as security to third parties, any insurance claims with regard to the Products. Payments for damage and/or loss of Products referred to in this article replace the Products concerned (and therefor are subject to retention). Customer shall give full cooperation, at Otflow's first request, in order to realize that all concerning payments are made directly to Otflow or that a proper security is vested with regards to these payment(s).

Article 9 – Liability

9.1. In case Products are not, not timely, not completely or not properly delivered, Otflow's duty to compensate any resulting damage will have fully been met by again delivering, replacing or repairing the concerning Products, unless non- or overdue performance by Otflow was due to force majeure.

9.2. Otflow's liability for delivery is explicitly restricted to the provision of paragraph 1 of this article or, if no delivery, replacement or repair is possible (or can, within reason, not be required from Otflow), is restricted to the amount of the applicable purchase price of the Products; Otflow can therefor never be held liable for any (further) damage (unless by intent (wilful misconduct) or gross negligence by Otflow.

9.3. Otflow's liability is furthermore - in all events - limited to the amount that is in the applicable case payable under Otflow's liability insurance. A copy of Otflow's current insurance policy is, on written request by Customer, accessible for Customer. In no event shall Otflow however be liable to Customer for any special, consequential, indirect or incidental damages, however caused, arising in any way out of this Agreement, unless caused by intent (wilful misconduct) or gross negligence by Supplier.

9.4. Otflow furthermore shall never be liable towards third parties for any damages in excess of Otflow's liability towards Customer. Customer shall hold Otflow harmless for any further liability and shall accordingly require exoneration for Otflow in Customer's agreements with third parties.

9.5. Customer agrees to obtain, at its own expense, and keep in force during the term of this Agreement, and one year after the termination thereof, product liability insurance providing comprehensive general liability coverage with broad form endorsement. The insurance shall be placed with a financially responsible insurer (a General Policyholders Rating of at least A as set forth in the most current issue of Best's Insurance Guide).

Article 10 – Force majeure

10.1. Otflow shall not be liable if any non-performance is due to force majeure. Force majeure shall include i.a. any non-compliance as a result of fire, floods, (civil) war, terrorism, embargos, blockades, statutory restrictions, riots, (government) measures pertaining to the production and distribution of the Products, failure in Otflow's production process, failure of suppliers and/or sub-contractors of Otflow to comply with their obligations on time, or lack of raw materials, components and Products, on the condition that these events could not be anticipated or the effects of these events could not be prevented, when an offer or proposal by or agreement with Otflow was concluded.

10.2. In the event of temporary force majeure, the mutual obligations for delivering and payment of Parties are suspended until the impediment has been removed.

Article 11 – Intellectual property

11.1. Copyrights, patent rights, brand and model rights and all other industrial and intellectual property rights, including also know-how, on, in and to all of Otflow's Products and on, in and to the forms, models, moulds and tools manufactured and/or designed by Otflow, are vested in Otflow. In case of any infraction by Customer of Otflow's rights in this respect, Customer shall be immediately (and without any prior notification) liable for a penalty of € 250,000 for each infraction and a penalty of € 10,000 for each day the infraction shall continue, without prejudice to Otflow's right to full compensation and notwithstanding any other legal rights and/or actions by Otflow.

11.2. Customer holds Otflow harmless for and fully indemnifies Otflow with respect to any claim from third parties on the basis of an (alleged) violation of rights of industrial or intellectual property resulting from our use of forms, models, moulds, designs or other data or products made available by him to us, or resulting from the storage or delivery by Otflow of the products (partly) manufactured according to that data, forms, models, moulds or designs.

Article 12 – Joint and several liability

12.1. If Otflow concludes a joined agreement with two or more parties, each of these (legal) parties is jointly and severally liable for the complete fulfilment and performance of the obligations that result from that joined agreement.

Article 13 – Disputes and applicable law

13.1. All disputes arising from any offer or proposal from and / or agreements with Otflow and all resulting commitments and obligations shall exclusively be submitted to the competent Court in the Netherlands, unless Otflow decides to submit such dispute to another competent court.

13.2. All our offers, proposals, agreements and all resulting commitments and obligations, shall exclusively be governed by Dutch law.