

TERMS AND CONDITIONS OF SALE
of CKD CORPORATION

1. General provisions

- 1.1 These terms and conditions will apply to all offers of and agreements of sale concluded or to be concluded by CKD CORPORATION, hereinafter referred to as "CKD", and another party as the "Buyer".
- 1.2 Any oral offers or commitments will bind CKD only after and to the extent that CKD has confirmed them in writing. CKD is not obliged to accept an order. All offers of CKD, however they are made, will be free of obligation unless provisions to the contrary have been laid down in writing.
- 1.3 An agreement will be deemed to have been concluded after CKD has confirmed a written order placed by the Buyer, or has commenced the execution of the order.
- 1.4 In the event that an agreement is concluded by e-mail by either CKD or the Buyer, or in the event that an agreement is concluded through another means of electronic communication, such e-mail message or statement made through another means of electronic communication must be deemed to be equal to a written statement and the principle will apply, without prejudice to the provisions laid down in Article 1.3, that an agreement may be concluded without CKD having to fulfill any conditions provided by law pertaining to electronic communication.
- 1.5 Without prejudice to Section 4.01 of the Agreement, CKD is entitled to adjust prices agreed upon before delivery upon 30 days written notice to Buyer in the event of increases in cost-determining factors such as fluctuations in exchange rates, raw materials, labor costs or in the event of government measures, provided that such increases or measures occurred after the conclusion of the agreement but before delivery and provided that such modifications are justified in writing.
- 1.6 Any and all images and specifications of any products sold by CKD ("PRODUCTS") in catalogues, price lists, advertisements, etc. must be deemed to be representations by approximation only, unless CKD has explicitly indicated the contrary in writing with regard to a specific delivery.
- 1.7 CKD is at all times entitled to effect adjustments in the PRODUCTS to be delivered, in order to improve them or comply with government regulations.

- 1.8 The Buyer will be entitled to cancel an order only after receiving written consent from CKD, which consent may be made subject to conditions as deemed appropriate by CKD.
- 1.9 CKD will be entitled to charge the costs of any packaging separately. The packaging will not be taken back. Should CKD, however, be obliged by law or any regulations to take packaging back, any costs related to taking back or processing packaging will be borne by the Buyer.

2. Delivery

- 2.1 Unless otherwise agreed in writing, delivery will be effected FCA Port Amsterdam for ocean transport, air transport, or multimodal transport, at CKD's discretion (INCOTERMS 2020 or, if any, a more recent version of the INCOTERMS). The Buyer will be obliged to take delivery of the PRODUCTS upon CKD's first request.
- 2.2 CKD will strive to meet the agreed upon delivery times. However, any delivery times quoted by CKD may not be considered to be firm deadlines, unless provisions to the contrary have been explicitly agreed upon in writing for a specific delivery. In the event of late deliveries by CKD, CKD must be declared to be in default, in which connection CKD will be granted a reasonable term of at least fourteen (14) working days as of the date of the receipt of notification to fulfill its obligations.
- 2.3 CKD is entitled to deliver the PRODUCTS sold piecemeal.

3. Payment

- 3.1 Unless otherwise agreed in writing, all prices are quoted exclusive of VAT, transport and insurance costs and all other costs, to be determined in accordance with these terms and conditions. All payments must be made in Euro (EUR).
- 3.2 Unless otherwise agreed in writing, the Buyer will pay the entire purchase price within thirty (30) days after a bill of lading (B/L) date or an Air Waybill date or a CKD's invoice date whichever is later, at the discretion of CKD, by transfer to or deposit into an account indicated by CKD, without any deduction, discount or set-off. Submission of a complaint will not suspend the Buyer's obligation to pay.
- 3.3 If the Buyer fails to pay within thirty (30) days after a bill of lading (B/L) date or an Air Waybill date or a CKD's invoice date whichever is later, it will be in default and all claims of CKD will become fully due and payable immediately. In that event, CKD will also be entitled to compensation of the statutory interest (as it applies to trade

agreements) with respect to the outstanding amount until the date of payment in full. The amount subject to this contractual interest will be calculated after the end of each year, and increased by the interest owed over that year.

- 3.4 In the event of untimely payment, CKD will be entitled to compensation of all extra-judicial costs, including but not limited to costs involved in sending reminders, one or more notices of default or demand notices, which extra-judicial costs will amount to at least fifteen percent (15%) of the total amount payable, subject to a minimum of EUR 500.
- 3.5 CKD will be entitled to require the Buyer to effect advance payment of an amount to be determined at CKD's discretion before it commences the execution of an order or commission.
- 3.6 In the event that CKD is fully or largely successful in legal proceedings, the Buyer will be obliged to compensate all costs incurred by CKD in connection with such proceedings, even to the extent that such costs exceed the cost award made by the court. CKD may invoke this clause irrespective of whether the Buyer has appealed against the relevant judgment at the relevant judicial authority.

4. Retention of title

- 4.1 CKD will retain title to the PRODUCTS delivered and to be delivered to the Buyer until full payment of all purchase amounts has been received, as well as any amounts owed by the Buyer pertaining to work performed by CKD in connection with such purchase agreements and any claims pursuant to any attributable failure in the performance of such agreements on the part of the Buyer.
- 4.2 The Buyer will be obliged to store the PRODUCTS delivered under retention of title with due care, ensuring that they are recognizable as the property of CKD. In addition, it will be obliged to insure such PRODUCTS against, inter alia, fire and water damage and theft. The Buyer will pledge to CKD any claims it has pursuant to such insurance policies upon CKD's first request, as additional security with respect to CKD's claims against the Buyer.
- 4.3 In the event that the Buyer fails in the performance of any obligation vis-à-vis CKD, or in the event that CKD has good reason to fear that the Buyer will fail in the performance of its obligations, CKD will be entitled to recover the PRODUCTS delivered under retention of title or to have such recovered. The Buyer will cooperate accordingly. The Buyer will bear the costs of recovery, without prejudice to CKD's right to further damages.

5. Force majeure

- 5.1 If any of the parties fails in the performance of its obligations due to an event of force majeure, it will not be liable. To the extent that the circumstance making performance impossible is not of a permanent nature, the parties' obligations will be suspended. In the event that the period during which performance is not possible due to force majeure exceeds three (3) months or is expected exceed three (3) months, both parties will be entitled to cancel the agreement, without any obligation to pay the damages that may arise as a result.
- 5.2 In the event that CKD has already partially fulfilled its obligations upon the occurrence of the situation of force majeure, or is only able to fulfill its obligations in part, it will be entitled to separately invoice the part already supplied or the part that can still be supplied and the Buyer will be obliged to pay that invoice as if it pertained to a separate agreement.
- 5.3 Force majeure exists, among other circumstances, in the event of, inter alia, pandemic or epidemic diseases, strikes, a shortage of raw materials, delay, transport problems, war or threat of war, full or partial mobilization, riots, sabotage, floods, fire or other forms of destruction within any of the two companies, lockouts and industrial actions, breakdowns of machines or tools or other breakdowns within CKD's company. A situation of force majeure must also be deemed to have occurred in the event that one or more of the above-mentioned circumstances occurs within the companies of CKD's suppliers and CKD cannot or could not perform its obligations, or cannot or could not perform such in good time, as a consequence.

6. Complaints and inspection

- 6.1 CKD warrants that any PRODUCTS supplied by CKD will be free from defects due to inferior workmanship, defects in parts or materials and that the PRODUCTS will perform in accordance with CKD's functional specifications for a period of twelve (12) months from the date shipped by the Buyer to its first customer. This warranty does not apply:
- (1) Any PRODUCTS exceeding twenty four (24) months from its date of manufacture labeled on the PRODUCTS at the time of shipment from the Buyer to its customer.
 - (2) Damage resulting from neglect, abuse, accident or alteration; or damage caused by fire, flood, Acts of God, or other casualty;
 - (3) Damage resulting from:

- (a) Failure to follow installation instructions provided by CKD;
 - (b) Failure by the purchaser and/or any user of the PRODUCTS to follow normal operation and/or usage procedures set by CKD or in any other instructions provided by CKD.
- 6.2 The warranty for repaired or replaced PRODUCTS will apply only for the remainder of the original warranty period of said PRODUCTS.
- 6.3 The PRODUCTS delivered must be checked by or for the Buyer upon delivery in accordance with Article 2 with respect to numbers and visible defects and any shortages or visible defects must be reported to CKD immediately after such delivery. The Buyer must report defects not visible upon delivery within three (3) working days of their discovery by Buyer or the customer of Buyer, though in any event within three (3) working days after the time that the Buyer or the customer of Buyer should reasonably have discovered them, whichever moment occurs earlier. The possibility of submitting a complaint will lapse in the event that the relevant defect can be attributed to the Buyer or a third party.
- 6.4 The Buyer will be obliged to perform the inspection with due care or to have the inspection performed with due care, be it by the hauler engaged or another party. The Buyer will bear the risk for inspecting the PRODUCTS by means of random checks and may not rely on the fact that it did not observe a defect that was visible and could have been discovered upon delivery because it or a third party engaged by it did not inspect the entire shipment.
- 6.5 In the event of a complaint on good grounds - irrespective of the legal basis of such complaint - CKD will be liable, at its own discretion, only to repair the defect, to replace the relevant good or to credit or refund the amount charged in connection with the defective good in whole or in part, according to its own reasonable judgment. Notwithstanding any other provision of these terms and conditions, CKD shall never be liable for the costs in relation to and the damages resulting from the (de)installation of PRODUCTS.
- 6.6 Any and all claims for payment of an amount of money and/or repair of the relevant good and/or replacement of the good and/or supply of any missing part, on whatever basis, as well as any right to dissolve the agreement will lapse at the earliest of the following times: a) upon late reporting pursuant to Article 6.3 or b) the warranty period specified by Article 6.1 and/or 6.2 above.

6.7 Notwithstanding the foregoing of this Article 6, CKD will in any event not be liable for any defects that are wholly or partially the result of:

- (a) processing of the PRODUCTS by third parties (including but not limited to the Buyer);
- (b) normal wear and tear;
- (c) assembly, installation or maintenance by third parties (including but not limited to the Buyer);
- (d) combining the PRODUCTS with components and/or products that are not manufactured by CKD;
- (e) use outside stated pressure, media and operating limitations indicated by CKD;
- (f) abuse, misuse or modification of the PRODUCTS.

7. Liability

7.1 Any liability on the part of CKD on the basis of an attributable failure with respect to the offers and agreements as referred to in Article 1.1 will be restricted to the provisions laid down in Article 6.5.

7.2 CKD will assume no liability with respect to damage as a consequence of or related to any errors or omissions in advice rendered by it, nor will it assume any liability with respect to damage as a consequence of or related to errors or omissions in the processing instructions recommended by it.

7.3 CKD will not—irrespective of the legal basis of the Buyer's claim—be liable with respect to damage such as, inter alia, losses due to delays, business interruptions, lost profits and penalties forfeited by the Buyer.

7.4 The above-mentioned restrictions with respect to liability will not apply in the event that the damage is the consequence of gross negligence or willful misconduct on the part of CKD's executive management.

7.5 The Buyer will indemnify CKD against any claims by third parties in connection with the PRODUCTS.

8. Suspension and dissolution

8.1 Without prejudice to 'CKD's rights under these terms and conditions or under the law, CKD shall be entitled to suspend (further) performance or to dissolve any agreement concluded with the Buyer, in whole or in

part, with immediate effect if (i) any PRODUCTS made available by CKD to the Buyer become subject to attachment, (ii) CKD has sound reasons to believe that the Buyer is or will be unable to fulfill its obligations under any agreement, (iii) any permits or licenses required for the performance of the agreement are withdrawn or (iv) the Buyer ceases its business or if a change occurs in the control of that business.

- 8.2 Without prejudice to both parties' rights under these terms and conditions or under the law, a party shall be entitled to suspend (further) performance or to dissolve any agreement concluded, in whole or in part, with immediate effect if (ii) the other party is granted a suspension of payments or is declared bankrupt, (iii), the other party fails to fulfill one or more of its obligations ensuing from any agreement with the first party.

9. Applicable law and dispute resolution

- 9.1 All offers and agreements as referred to in Article 1.1 will be governed by laws of The Netherlands. The UN Convention on Contracts for the International Sale of Goods ("CISG") does not apply.
- 9.2 Any dispute between CKD and the Buyer arising out of or in relation to this Agreement shall, in the first place, be attempted to be settled by amicable negotiations between the respective parties. If the dispute cannot be settled through negotiations, it shall be submitted to court of competence in Amsterdam. The competent court shall be the Commercial Court in which English shall be the controlling language.