

# General Purchasing Conditions

These General Purchasing Conditions are part of all Agreements between VDL TBP Electronics and the Seller and will apply to all of VDL TBP Electronics' acts, including but not limited to any Purchase Orders and Agreement.

## Article 1. Definitions

The terms in these Purchasing Conditions stated below will have the following meaning:

<b>Acceptance</b>	Shall merely signify that according to VDL TBP Electronics provisional judgment, the quantity is in accordance with the Order and that the delivered Products/results of the delivered Services are free from visible external transport damages.
<b>Affiliate</b>	Any legal entity of which VDL TBP Electronics, directly or indirectly holds 50% or more of the nominal value of the issued share capital or 50% or more of the voting power at general meetings or has the power to appoint a majority of directors or otherwise to direct the activities of such company, firm or legal entity.
<b>Agreement</b>	All Agreements which VDL TBP Electronics and Seller enter into and any amendments or supplements thereto.
<b>Materials</b>	Documents, samples, drawings, models and other information carriers and the rights as described in Article 10.
<b>VDL TBP Electronics Order</b>	VDL TBP Electronics and its Affiliates. Any order to deliver Products and/or to provide Services, in any form issued by VDL TBP Electronics to Seller.
<b>Products</b>	Any products/materials the Seller makes available or has to make available to perform under an Agreement.
<b>Seller</b>	Any legal entity or person which enters into an agreement with VDL TBP Electronics.
<b>Services</b>	Any work the Seller performs or has to perform for on or behalf of VDL TBP Electronics for the delivery of the Products or other purposes.

## Article 2. Agreement

Every Order placed by VDL TBP Electronics shall only be valid when in writing or digital form. All VDL TBP Electronics' Orders are without obligation. In the event that Seller accepts the Order, Seller will confirm their acceptance of the Order in writing. In the event that the confirmation by Seller deviates - even when the deviation is of small significance - from the Order, VDL TBP Electronics will be solely bound if VDL TBP Electronics has explicitly accepted the deviation in writing, otherwise the deviation shall not constitute part of the Agreement and the Agreement shall be concluded in accordance with VDL TBP Electronics' Order. VDL TBP Electronics is entitled to cancel the Order within 5 working days after receipt of the acceptance of the Order by the Seller, without being obliged to indemnify the Seller. Furthermore, under any Circumstances VDL TBP Electronics explicitly rejects Seller's general terms and conditions. Any costs connected to the preparation of the acceptance of the Order will at all times be borne by the Seller. Proposals and prices quoted by the Seller to VDL TBP Electronics are irrevocable and binding and cannot be modified, unless they pertain to (any interim) additional discount, which the Seller is willing to grant.

## Article 3. Pricing and Payments

All prices will be fixed and firm (exclude VAT) in Euro or Dollar and will include packaging and delivery of the Products based on DDP (Delivery Duty Paid) (warehouse VDL TBP Electronics in Dirksland, the Netherlands) according to the Incoterms 2020 and the unloading of the Products at

Seller's risk and account. In the event that the order provides a place of delivery, the place of delivery in the order will prevail. Seller warrants that VDL TBP Electronics will receive a price that does not exceed the prices given by Seller to VDL TBP Electronics' competitors for similar quantities of Products with an equal quality level. After Acceptance described in Article 4, however ultimately within six [6] months after the Acceptance, Seller shall issue an invoice. The payment term for the invoice shall be sixty [60] days after receipt of the invoice which contains the required information, unless mutually agreed otherwise in writing. The invoice will at least contain the following required information: The Order number, the product type, the quantity of Products and price and, if applicable, any statement which entitles Seller to a tax deduction. If Seller fails to comply with the obligations set in the Agreement and therefore creates a shortcoming, VDL TBP Electronics will be entitled, upon notice, to suspend any payments, until the shortcoming is remedied. The Seller is not entitled to set off any receivables owed by the Seller and/or any of its affiliates to VDL TBP Electronics against receivables owed by VDL TBP Electronics to the Seller (irrespective of source and obligation to pay). VDL TBP Electronics is entitled to set off receivables owed by VDL TBP Electronics and/or Affiliates to the Seller against receivables owed by the Seller to VDL TBP Electronics (and/or Affiliates). If an advance payment has been made or payment is made in instalments, VDL TBP Electronics has the right to require the Seller to provide what in the VDL TBP Electronics opinion is sufficient security for the fulfilment of the obligations. If the Seller does not comply with this provision within the set time limit, it will immediately be in default. In that case, VDL TBP Electronics has the right to terminate the agreement and to recover its damages from the Seller.

## Article 4. Delivery

The ordered Products shall be delivered DDP (Delivery Duty Paid) (warehouse VDL TBP Electronics in Dirksland, the Netherlands) according to the Incoterms 2020 and the Services shall be provided at VDL TBP Electronics offices, unless agreed otherwise in writing. The delivery will not exceed or fall below the agreed quantity. Any partial deliveries of ordered Products and/or Services are only permitted with the prior written consent of VDL TBP Electronics. The delivery will contain at least the following information; the Order number, the product type (MPN), the quantity of Products and the date of shipment. The Seller shall deliver any drawings and other documents to VDL TBP Electronics as agreed upon in the Agreement. Approval of these documents by VDL TBP Electronics shall not release the Seller from its responsibility for the correctness and/or accuracy thereof. The Seller shall remain fully liable for the proper execution of the Order. After delivery has taken place the risk and title of the Products and/or Services shall pass onto VDL TBP Electronics. VDL TBP Electronics acquires the title of the Products and/or Services earlier when payment for such Products and/or Services is made by VDL TBP Electronics. VDL TBP Electronics will inspect the Products on quantity and visible transport damages. VDL TBP Electronics' obligation to inspection of the Products and/or Services will not reach further than the foregoing. After the inspection the Products shall be considered Accepted. The Acceptance will not constitute a waiver of VDL TBP Electronics' right to warranty and/or it does not prejudice VDL TBP Electronics' right to claim later that the Seller has failed to perform its obligations under the Agreement. Furthermore, if required, VDL TBP Electronics or designated third parties shall be entitled to pre-delivery inspection or testing of the ordered Products during the processing, manufacturing and storage. The Seller shall assist VDL TBP Electronics or designated third parties without imposing limits, and offer the necessary facilities and assistance for this purpose without costs.

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Irrespective of whether VDL TBP Electronics exercises its right pursuant to the previous sentence, and irrespective of the findings of the inspections and test intended therein, and irrespective of VDL TBP Electronics comments to the Seller, the Seller shall remain fully liable for the proper execution of the Order. The Seller is liable for all damages suffered by VDL TBP Electronics as a result of exceeding the delivery time and/or execution period as referred to in paragraph 1 of this article Seller acknowledges that the delivery time is binding and that time is of the essence. By accepting VDL TBP Electronics' Order Seller confirms that the agreed delivery time and quantity will not deviate. In the event that Seller anticipates any difficulty to meet the delivery date, Seller will immediately notify VDL TBP Electronics in writing if it comes to knowledge of Seller. Seller's note will include the cause of the (possible) late delivery and which measures are taken to prevent and/or limit the effect. The Seller shall be in default, if the delivery of the Products and/or Services is not performed on the date agreed with VDL TBP Electronics. If VDL TBP Electronics requires to adjust the quantity or delivery date, Seller shall within two [2] working days after such request state what the consequences are of the requested changes. If the consequences are unreasonable in the opinion of VDL TBP Electronics, VDL TBP Electronics will be entitled to cancel the Agreement without being obliged to indemnify the Seller, provided that the cancellation has taken place four [4] weeks prior to the confirmed delivery date at the latest.

## Article 5. Packaging

The Seller is responsible for adequate packaging of the Products and will ensure that the packaging is labeled and shipped with due care and in accordance with applicable statutory regulations and the Agreement. Unless otherwise agreed in writing the costs for packaging shall be included in the pricing. Any non-environmental friendly packaging must be avoided. If any recyclable packaging is used, the packaging will not be charged to VDL TBP Electronics and shall be collected by Seller for its own risk and expense upon notification by Seller. In the event any inadequate packaging is used, VDL TBP Electronics shall be entitled to return the Products at Seller's risk and expense.

## Article 6. Warranty

In addition to any warranty given by applicable law, Seller warrants that the Products and/or Services delivered are 1) of merchantable quality 2) free from defects with regards to design, construction, material and workmanship 3) complying with the specifications and other requirements under the Agreement 4) suitable for the intended purpose 5) according to business standards 6) the manufacturing and packaging of the Products and/or the performance of the Services comply with national and international regulations 7) include all required royalty free licenses with regards to the Products and/or Services and that such license to use the rights shall properly cover the intended use, distribute and sell of the Products and/or Services including the right to sublicense. The warranty term of the Products and/or Services will be thirty-six [36] months from delivery. The Acceptance or payments, including in the event of partial payments, shall not be deemed as a waiver of VDL TBP Electronics' rights under this Agreement including, but not limited under the warranty. If VDL TBP Electronics considers that the Products and/or Services do not comply with the requirements stated in this Article or are otherwise not in accordance with the Agreement, VDL TBP Electronics shall be entitled to reject any quantities of Products delivered to it at the expense and risk of Seller. The aforementioned warranty means, without prejudice to VDL TBP Electronics' other rights to compensation of costs, loss, or interest, VDL TBP Electronics shall have the right – which choice will be at its sole discretion - to 1) demand the delivery of new Products free of charge within a reasonable period or 2) demand repayment of the price for the Products

or Services in question or a credit invoice or 3) demand repair of the Products (on location) by Seller at Seller's costs and expense or 4) repair the Products by a third party at Seller's costs and expense. If any repairs are performed by Seller, Seller shall ensure that the repairs are executed by qualified personnel using adequate materials. The warranty term on the repaired parts of Seller shall be thirty-six [36] months from performance of such repair.

## Article 7. Indemnification

To the fullest extent permitted by law, Seller agrees that it shall indemnify and hold harmless VDL TBP Electronics against all claims, including but not limited to indirect damages, consequential damages and/or any costs and expenses, such as reasonable attorney fees and/or penalties that arise from or relate to or evolve from Seller's non-compliance with applicable law, regardless if the foregoing results from an act or omission.

## Article 8. Force Majeure

Force Majeure shall suspend a party's obligation to perform, provided that a written notice has been given to the other party stating the cause, the expected delay or non-performance and providing proof of the force majeure. Force majeure will in no event include shortage of personnel, strikes, shortage of materials and/or allocation, imputable failure or unlawful acts of suppliers or third parties engaged by the Seller and/or liquidity or solvency problems on the part of the Seller. In the event that the Force Majeure will exceed a 30 [thirty] day period VDL TBP Electronics will, without prejudice to its other rights, be entitled to immediately terminate the Agreement in part or in full, without any further (compensation or payment) obligations towards Seller.

## Article 9. Liability

VDL TBP Electronics shall not be liable towards damages. In any case, the liability of VDL TBP Electronics shall be limited to the amount the Seller would be entitled to invoice to VDL TBP Electronics when the performance had taken place. The Seller executes the Order for its own risk. All damage, both direct and indirect and including any loss of profit and costs arising from or in connection with the execution of the Order incurred by VDL TBP Electronics or third parties shall be compensated by the Seller, irrespective of whether the damage is caused by the Seller itself, its employees or any other persons the Seller engages for the execution of the Order. The Seller shall hold VDL TBP Electronics harmless in the event of any third party claims on VDL TBP Electronics arising from or relating to the acts or omissions of the Seller in performance of the Agreement with VDL TBP Electronics, including but not limited to damage incurred by third parties having been supplied with a faulty Product. The Seller shall obtain and will maintain a sufficient insurance with a first class insurer with adequate cover for common risks. The Seller shall make a copy of the insurance policy available to VDL TBP Electronics at VDL TBP Electronics' first request. For any subcontractor which has been assigned by Seller, Seller will bear responsibility, subsequently Seller shall be liable for any acts and omissions by its subcontractor as if it performed the services itself.

## Article 10. Intellectual Property

All Materials provided by VDL TBP Electronics to Seller, as well as the rights related to them, or which are used and produced by the Seller for the implementation of the Order, shall remain the property of VDL TBP Electronics. Insofar as necessary, the Order confirmation of the Seller shall constitute a transfer (in advance) of all relevant rights of intellectual and industrial property related to drawings, specifications, models et cetera to the extent that this is further required by law. Insofar as the

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rights in question have not become the property of VDL TBP Electronics pursuant to the above, the Seller shall be obliged on demand to cooperate with the transfer of those rights to VDL TBP Electronics in the manner prescribed by law. All intellectual property rights relating to the Products and (the results from) Services are vested in VDL TBP Electronics. If under any relevant jurisdiction, any further (juridical) act should be required for the vesting and/or taking effect thereof, the Seller shall inform VDL TBP Electronics thereof, and provide VDL TBP Electronics with any assistance it may need. In the event that the ownership lies with VDL TBP Electronics' customer, Seller shall treat the provided Material in the same way as if VDL TBP Electronics was the owner itself. No copies will be made of the materials without VDL TBP Electronics prior written consent and no reverse-engineering will take place. The Materials may also not be issued to third parties. Upon completion of the Order the Materials shall be returned by the Seller on the first request of VDL TBP Electronics. Seller warrants that the Products and/or Services delivered do not infringe the rights of VDL TBP Electronics or any third party rights, including but not limited to intellectual property rights, and will indemnify VDL TBP Electronics and/or VDL TBP Electronics' customer against any claims, costs, expenses, penalties and losses including reasonably attorney fees, in the event that such claims arising out or relating to such infringement, or similar claims relating to know how, unlawful competition included are set upon them. If legal proceedings are instituted for infringement of such rights or such a possibility exists, the Seller will for its account and risk and without prejudice to the rights of VDL TBP Electronics, including the right of termination of the Agreement 1) acquire the right retrospectively to be able to continue using the (respective part of) the Products and the results of the Services 2) or replace and/or adjust the (respective part of) the Products and the results of the Services 3) or take back the (respective part of) the Products and the results of the Services against reimbursement of costs, loss and interest. The Seller shall for its account and in consultation with VDL TBP Electronics defend VDL TBP Electronics if legal proceedings should be instituted against it on the grounds of an infringement on any third-party's intellectual or industrial property right, and shall bear any costs, including legal fees and compensations that might be imposed on VDL TBP Electronics.

## Article 11. Changes

Prior to any changes to the process, material or design, Seller will obtain written explicit approval from VDL TBP Electronics if the change will affect the form, fit and function or which can reasonably be expected to have an effect on form, fit and function. Under no circumstances these changes will have any effect on the agreed specifications and the warranties as mentioned in these General Purchasing Conditions. These changes will not have any negative effect on the price or the agreed delivery date. In the event that the manufacturing of any Products relevant to (possible future Orders of) VDL TBP Electronics will discontinue, Seller will notify VDL TBP Electronics as soon as possible, but at least twelve months prior to the opportunity of last opportunity to order these Products.

## Article 12. Suspension and Termination

Regardless to any right by law, VDL TBP Electronics shall be entitled to suspend its performance obligations under the Agreement and/or terminate the Agreement, without compensation to be paid by VDL TBP Electronics being required, in the event that 1) Seller files for bankruptcy, becomes insolvent or a petition for its bankruptcy has been filled, if the Seller's enterprise is attached or liquidated, if the Seller enters any proceeding related to assignment for the benefit of creditors; or 2) VDL TBP Electronics presumes or comes to knowledge that Seller will not be able to perform; or 3) Seller fails to comply with an obligation under the Agreement;

or 4) Seller ceases or threatens to cease its business. If VDL TBP Electronics, to its own discretion, invokes suspension or termination a written notice will be provided to Seller. VDL TBP Electronics shall not be obligated to compensate Seller. All expenses incurred or claims to be accrued by VDL TBP Electronics towards the Seller in the events mentioned in this Article shall immediately become due and payable. VDL TBP Electronics is entitled at all times to terminate or cancel the agreement with immediate effect on payment of a fee equal to the actual costs incurred by the Seller and a reasonable profit margin. The burden of proof with regard to the costs incurred and a reasonable profit margin lies with the Seller.

## Article 13. Confidentiality

Any information, including but not limited to know-how, documentations, drawings and other written or oral information or information carriers, provided by VDL TBP Electronics or generated on behalf of VDL TBP Electronics by the Supplier, including all information about VDL TBP Electronics enterprise that has come to the knowledge of the Seller, its employees and any third parties its engages on account of the Order and/or the Agreement and the performance thereof, shall be considered as Confidential Information, provided that the information is not known to the general public. Seller shall not handle the Confidential Information with less degree of care as the Seller applies to its own Confidential Information and shall observe secrecy. Unless prior written approval is given by VDL TBP Electronics, Seller shall not disclose or reproduce the Confidential Information.

## Article 14. General Provisions

Any Orders and any Agreement and these General Purchasing Conditions shall be solely governed by Dutch law. In case of any disputes which cannot be solved in an amicable matter shall be exclusively settled by the competent court in the district of Zuid-Holland, the Netherlands. The United Nations Convention on International Sale of Goods (the Vienna Sales Convention) shall not apply to the Agreement. Any general terms & conditions referenced to on a pricelist, offer, invoice, e-mail or other document provided by Seller are hereby rejected by VDL TBP Electronics and will not come into effect. Without prejudice to any provisions by law, in the event that VDL TBP Electronics omits to invoke any provision of the Agreement this shall not constitute a waiver. Seller warrants that the Products delivered to VDL TBP Electronics are in accordance with the rules of RoHS (Directive 2011/65/EU), REACH (regulation (ec) 1907/2006) and will aim for compliancy to the subject of Conflict materials (Sec. 1502 Dodd-Frank act). With regards to export the Seller shall ensure that it shall comply with all applicable laws and regulations. Any changes to the Agreement will be mutually agreed by the parties and will only be effective if done in writing. Should any provisions of the General Purchasing Conditions become invalid or unenforceable by court the remaining articles will not be affected and remain in full force. The invalid or unenforceable provision will be substituted by a provision which has the similar or closest to similar intent as the original provision. Rights or obligations of the Seller under the Agreement cannot be assigned to any third without the prior written consent of VDL TBP Electronics.