TERMS AND CONDITIONS FHT GROUP BV, PNEUPARTS.COM RELEASED OCTOBER 2021

Article 1: General

- 1.1 These conditions apply to any offer, quotation and agreement between PNEUPARTS.COM, after referred to as "User", and a Client to which these stated conditions apply, insofar these conditions are not deviated from by parties unless explicitly stated in writing
- 1.2 These conditions also apply to agreements with the User, if the execution in which third parties Contracted by the User should be involved.
- 1.3 These general conditions are also written for the employees of User and its management.
- 1.4 The applicability of potential purchase or other conditions of the Client are expressly rejected.
- 1.5 If one or more of the conditions in these general Terms and Conditions, in whole or in part, at any point in time are void or voided, then the remaining terms and conditions stated here remain applicable in full. User and the Client will enter into consultation in order to create new provisions to replace the void or voided provisions, in which as much as possible the purpose and intent of the original provisions are observed.
- 1.6 If uncertainty exists regarding the interpretation of one or more provisions in these Terms and Conditions, then these provisions need to be explained to 'reflect the spirit' of these provisions.
- 1.7 If a situation arises, between the parties, which is not covered by these Terms and Conditions, this situation needs to be assessed in the spirit of these Terms and Conditions.
- 1.8 If User does not require strict adherence to these Term and Conditions, it does not mean that the provisions do not apply, or that User loses its right to require strict adherence to these Terms and Conditions.

Article 2 Quotations and Offers

- 2.1 All quotations and offers provided by the User are without obligation unless the quotation specifies a time limit for acceptance. If no acceptance period is stated in the quotation or offer, there can be no rights derived to the products or services related to said quotation or offers, if these products or services are not available anymore.
- 2.2 the User cannot be held to his quotations and offers if a part of these hold a manifest error or a clerical error.
- 2.3 The quotations and offer prices are exclusive of VAT and all other governmental taxes, contract costs including travel and subsistence costs, shipping, handling and administration costs, except as otherwise indicated.
- 2.4 In the event of acceptance (whether on subordinate points) deviates from what is stated in the quotation or offer, User will not be bound by it. The agreement will not be agreed upon in said deviated manner, unless explicitly stated otherwise by User.

2.5 A composited price quotation does not oblige User to carry out any part of the engagement with corresponding portion of the price. Discounts or offers do not automatically apply to future orders.

Article 3: Terms of Delivery

- 3.1 The products are delivered, in principle, from the warehouse of User.
- 3.2 Deliveries may be made possible depending on payment in advance or cash on delivery.
- 3.3 In the Netherlands, products will be delivered postpaid above the order values as stated below.
 - * Small goods (such as fittings, valves, and filters, reels, etc.) worth over € 200.-
 - * Bulky goods (such as air compressors, pressure vessels, etc.) ex works price
 - * For length transport (PVC, copper, brass, aluminum or steel tube, etc.) ex works price
- 3.4 For any of the above-mentioned carriage paid order amounts, we will calculate the actual shipping costs depending on receipt address. For length transport in Belgium and Luxembourg being ex work price, except as otherwise agreed.
- 3.5 With expedited shipments the additional shipping costs will be charged to the customer.

Article 4: The duration of contract, completion time, transfer of risk, implementation and modification of agreement; price increase

- 4.1. The contract between the User and the client shall be valid for an indefinite period of time, unless from the nature of the contract something else arises, or if the parties have not expressly agreed otherwise in writing
- 4.2 If implementation of specific activities or for the supply of certain goods a term has been agreed or specified, this shall never be considered a deadline. At the expiry of a period the Client shall send User a notice of default. The User should still be offered a reasonable period for the execution of the contract.
- 4.3 The User shall execute the agreement to the best of its knowledge and ability, and in terms with the demands of good craftmanship. All this based on the current state of science.
- 4.4 User reserves the right to let certain activities to be performed by third parties. The applicability of Article 7:404, 7:407 paragraph 2 and 7:409 Dutch Civil Code is expressly excluded.
- 4.5 If User or User third parties (under contract by User) are to carry out work on the location of the Client or by the Client designated location, the Client will supply, in all reasonability, free of cost, for those employees, the required facilities.
- 4.6 Delivery is ex-factory/warehouse of User. The client is obliged to receive the articles/services at the time they are made available to him. If the Client refuses or fails to provide information or instructions necessary for delivery, the User is entitled to store goods at the expense and risk of the client. The risk of loss, damage or loss of value is transferred to the

- Client at the moment the articles/services are at the Client's disposal.
- 4.7 User reserves the right to carry out the agreement in phases and thus invoice executed parts separately.
- 4.8 If the agreement is implemented in phases by User, the execution of the parts which belong to a subsequent stage can be suspended by User until the Client approves, in writing, the result of executed phase.
- 4.9 The Client shall ensure that all data and information which User has thought to be necessary or which the Client has to reasonably understand that these are necessary for the execution of the agreement, are to be provided to User in a timely fashion. If the required data/information has not been supplied to User in time, User reserves the right to suspend the implementation of the agreement and/or charge to the Client additional costs resulting from the delay, by following the then applicable rates. The term of execution does not start until after the Client has made the data/information available to the User. User is not liable for damages of any kind, in the case User assumed inaccurate and/or incomplete provided data/information which was provided by the Client, to be correct.
- 4.10 If during the execution of the agreement it arises that for a proper implementation of the agreement it is necessary to make a change or supplement the agreement, then parties will by mutual agreement amend the agreement in a timely fashion. If the nature, scope or content of the agreement, whether by request or appointment of the competent authorities et cetera is amended and the agreement would be qualitatively and/or quantitatively changed, this may have consequences for what was originally agreed. This may also increase or decrease the initially agreed amount. The User may provide quotation beforehand as much is possible. By amending the agreement it may also change the initially given deadline. The Client accepts the possibility of amending the agreement, including the change in price and time of execution.
- 4.11 If the agreement is amended, including a supplement, then User is entitled to first implement this supplement after approval was given by the User appointed competent person and Client has agreed to the implementation of the price and other conditions, including it to be understood the determined date of implementation. Failure to or not immediately implement the amended agreement does not breach User to default and is no ground for the Client to annul or to cancel the agreement.
- 4.12 Without being in default User can refuse a request to amend the contract, if qualitatively and/or quantitative consequences exist in the context of the to be performed work or to be delivered goods.
- 4.13 If the Client is in default towards the proper performance towards User, Client is liable for any damages, directly or indirectly, which may arise, to the side of User.
- 4.14 If User agrees with Client a fixed fee or fixed price, then User is nevertheless always entitled to

- this fee or price without the Client being entitled to dissolve the agreement if his maybe the reason to dissolve the agreement. If the price is increased resulting from power or duty under the law or regulation or is caused by an increase in the price of raw materials, wages, etc., or other reasons that affect the agreement that were not reasonably foreseeable, the agreement may be dissolved.
- 4.15 If the price other than as a result of an amendment to the agreement amounts to more than 10% and within three months after the conclusion of the contract, then only the Client that appeals to Title 5 article 3 of Book 6 BW (Civil Law) the agreement can be dissolved by a written statement unless User:
 is still willing to execute the contract based on the
 - then original agreements
 If the price increase results from a authority or an
 - incumbent obligation under the law;
 if it is stipulated that the delivery is longer than
 - if it is stipulated that the delivery is longer than three months after the conclusion of the agreement;
 - or, in the delivery of an item, if it is stipulated the delivery is longer than three months after purchase.

<u>Article 5: Suspension, dissolution, and termination of the contract</u>

- 5.1 User is empowered to suspend the to be fulfilled obligations or to dissolve the agreement if the Client does not, fully or timely, complies with the agreement, or it becomes known that after the closing of the agreement there are circumstances that give good reason to fear that the Client will not fulfill its obligations, if the client was requested that after closing the agreement to provide security for the fulfillment of its obligations under the forthcoming agreement and these securities prove to be inadequate or if by a delay on part of the Client, User can no longer trust that the agreement will be fulfilled by the agreed conditions.
- 5.2 Furthermore, the User is authorized to dissolve the agreement if circumstances arise of such nature that fulfillment of the contract becomes impossible or if there are other circumstances arising of such nature that the unaltered upholding of the agreement, cannot be reasonably expected by User.
- 5.3 If the agreement is dissolved, the User's claims against the Customer are due immediately. If User suspends the fulfillment of the obligations, User retains his rights under the law and agreement.
- 5.4 If User moves to suspension or dissolution of the agreement, he is in no way liable to damages or costs in any way.
- 5.5 If the dissolution is initiated by Client, then User is entitled to compensation for damages, including the costs, either caused directly and/or indirectly.
- 5.6 If the Client under the agreement fails his obligations and this failure justifies dissolution, then User is entitled to terminate the agreement immediately and terminate it with immediate effect without any obligation to pay any damages or compensation, while the client, being under default, IS liable for damages or compensation.

- 5.7 If the agreement is terminated prematurely by User, the User will, in consultation with the Client, ensure an even transfer to third parties to undertake to be completed activities. This applies unless the Client is accountable for the termination. If in the transfer of work to third parties' costs are incurred, these costs are charged to the client. The Client shall pay these costs within the period mentioned unless the User indicates otherwise.
- 5.8 In the case of insolvency, (application for) suspension of payment or bankruptcy, or seizure- if and to the extent that the seizure has not been released within three months of the Client, or in debt restructuring that the Client is no longer freely able to access his assets/capital, the User is free to terminate the contract immediately and with immediate effect or to cancel the order or agreement without any obligation to pay any damages or compensation. The User's claims against the Client, in that case, is immediately due and payable.
- 5.9 If the Client placed an order and entirely cancels or cancels in part, then the work performed and the appropriate material ordered or ready-made things, plus the potential value of delivery costs thereof, and for the implementation of the agreed time frame, the Client will be charged these costs integrally.

Article 6: Force majeure

- 6.1 User is not obliged to fulfill any obligation to the Client if he is being hampered due to a circumstance that is not due to debt, and neither under law, a legal act or being led by misconceptions.
- 6.2 Force majeure in these general terms and conditions are understood to mean, in addition to that which is understood by law and jurisprudence, all external causes, foreseen or unforeseen, which User can not influence, but which prevents User to be able to fulfill his obligations. Labor strikes in the underlying company of User or third-party companies are also understood as Force Majeure. The User also has the right to invoke force majeure if the circumstance rendering (further) fulfillment of the agreement is prevented, occurs after User's commitment should have
 - been fulfilled.
- 6.3 User can, during the period of the force majeure, suspend the obligations as stipulated in the agreement. If this period lasts longer than two months, then each party is entitled to terminate the agreement, without any obligation to pay damages to the other side.
- 6.4 Insofar the User has, at the time of the occurrence of the force majeure, its obligations under the Agreement partially fulfilled or will be fulfilled, or the met parts has independently accrued value, the User is entitled to invoice the already performed or to be performed parts as a separate invoice. The Client is obliged to pay this invoice as if it were a separate agreement.

Article 7: Payment and collection costs

- 7.1 Payments must be made within 30 days after the invoice date in the currency of the invoice, unless otherwise specified by User. The User is entitled to invoice periodically.
- 7.2 If the Client defaults in the timely payment of an invoice, then the client is legally in default. The Client shall owe interest in 1% per month unless the statutory interest is higher, the statutory interest is valid and due. The interest will be calculated on the amount due from the moment the client is in default until the moment of payment of the full amount owed.
- 7.3 User has the right to stretch payments made by Client to reduce the costs, then deducting the interest and finally to reduce the principal cost and accrued interest. User can, without being in default, refuse payment if the client has a different order for the designated allocation of the payment. Users can refuse the full payment of the principal costs, if not also the current interest and collection costs are not paid.
- 7.4 The Client is never entitled to set off the amount due to what is owed to User. Objections to the amount of an invoice does not suspend the obligation of payment. The Client which has no right to appeal to law 6.5.3 (articles 231 till 247 Dutch Civil Law) is also not entitled to suspend the obligation of payment for any other reason.
- 7.5 If the client is in default or has omitted the (timely) fulfillment of its obligations, all reasonable costs incurred in obtaining payment out of court, are on behalf of the Client. The extrajudicial costs are calculated based on what the usual methods employed by Dutch cost collectors subscribe to, currently the calculation method is according to "Rapport Voorwerk II". If, however, higher costs are incurred in the collection that were or are reasonably necessary, the actual costs are recoverable. Any judicial and execution costs also are recovered from the Client. The accrued interest on the collection cost of the principal cost is also due.

Article 8: Retention of Title

- 8.1 The delivered goods, as stipulated in the agreement, remains the property of the User until the Client has properly implemented all the obligations which has been agreed with User as stipulated in the agreement (s).
- 8.2 The User-supplied goods, according to paragraph 1. that fall under the retention of title, may not be resold and must never be considered as a use of payment. The client is not authorized to pawn the goods or services or appeal to its value in any other way.
- 8.3 The Client must always do everything that reasonably could be expected of him to ensure the retention of title of User. If third parties seize goods and services delivered as stipulated under the retention rights to title or apply to establish or exercise rights on to it, then the Client is required to immediately inform User thereof. Furthermore, it is required that the Client that the delivered goods as stipulated under the

- retention of title are insured to keep against fire, explosion and water damage and theft and the policy of this insurance is made available on first request to User for inspection. Any payment of insurance the User is entitled to these tokens. Insofar as necessary, the Client applies itself towards User in advance to cooperate with all that (appears) necessary or desirable within in this framework.
- 8.4 In case User wants to exercise his designated property rights, as indicated in this article, the Client grants, in advance, unconditional and irrevocable consent to User, and third parties designated by the User, to enter places where the property of User is located and allow repossession.

Article 9: Guarantees, research and advertising, the limitation period

- 9.1 The goods and/or services delivered by User meet or exceed the requirements and standards that, at the time of delivery, can reasonably be held to and in which those standards and requirements are normally used as intended in the Netherlands. The warranty mentioned in this article applies to goods that are intended for use within the Netherlands. When used outside the Netherlands, the Client itself is to verify whether the use is suitable for the use therein and meet the conditions in which they are made. The User may then set other guarantees and other conditions in respect of the goods to be delivered or to be carried out work.
- 9.2 The guarantee mentioned under paragraph 1 of this article is valid for 1 year after delivery, unless the nature of the provided proves otherwise or the parties have agreed otherwise. If a guarantee provided by User concerns a case that was produced by a third party, then the guarantee is limited to those of the supplying producer of the case, unless stated otherwise.
- 9.3 Any kind of guarantee will lapse if a defect is caused by or resulting from improper or inappropriate use or usage after the expiration date, improper storage or maintenance by the Client and/or third parties when, without the written consent of User, the Client or third parties have made changes or have tried applying for, or if they have been processed or treated in other than the prescribed manner. The Client is not entitled to warranty if the defect is caused by or arising from circumstances that were outside User's control, including weather conditions (For example, though not exclusively, extreme rainfall or temperatures) et cetera.
- 9.4 The Client is obliged to investigate the delivered goods immediately the moment that things are made available to the relevant activities or as the relevant activities have been executed. Also, the client should examine the quality and/or quantity of the product that corresponds with what was agreed and meets the requirements of the parties thereto have agreed. Any visible defects are to be reported within seven days in writing to User. IF any defects are not visible at once or immediately it must be reported to User in writing within fourteen days in any case. The report is a

- detailed description of the contained defect so that the user can respond adequately. The Client must allow User the opportunity to research the complaint.
- 9.5 If the Client makes a complaint in time, it shall not suspend his payment obligation. The client is in that case also required to accept and pay for the otherwise ordered and what he commissioned the User to do.
- 9.6 If a notification of defect is made outside specified time frame, then the Client is no longer entitled to repair, replacement or compensation.
- 9.7 If it is established that a case/product is faulty and in this respect it is delivered back to User in good time, or return is not reasonably possible, by written notification of the defect by the Client, the choice of User is to replace or repair thereof or replacement fee to meet the Client. In case of replacement, the Client is obliged to return the matter to the User and the ownership of it to User, unless the user indicates otherwise.
- 9.8 If it is established that a complaint is unfounded, then the costs incurred, including research costs, to thereby in support of user cases, are integrally on behalf of the Client.
- 9.9 After the warranty period, all costs for repair or replacement, including administration, and shipping and/or call costs are charged to the Client.
- 9.10 Notwithstanding the statutory limitation periods, the limitation of all claims and defenses against User and by User implemented third parties (as stipulated by agreement), are one year.

Article 10 Liability

- 10.1 If the User is liable, this liability is limited to what is stipulated in these provisions.
- 10.2 User is not liable for damages of whatever nature, created by User, is based on assumptions of User if the Client or on behalf on the Client has supplied inaccurate and/or incomplete data. 10.3 If the User is liable for any damage, liability is limited to a maximum of the invoice value of the order, at least for that part of the order in which the liability relates.
- 10.4 The liability is in any case always limited to the amount paid by its insurer, as appropriated.
- 10.5 User is only liable for direct damage.
- 10.6 Direct damage is only the reasonable costs of determining the cause and extent of the damage, where the establishment of said damage relates to the damage under these conditions, any reasonable expenses incurred for the poor performance of the User has to answer to in the agreement, insofar as this can be attributed to User and reasonable costs are incurred to prevent or limit damage, insofar as the Client demonstrates that these costs have led to a limitation of direct damage under these terms and conditions. The User is never liable for indirect damages, including consequential damages, lost profits, lost savings and loss due to business interruption.
- 10.7 User is never liable for indirect damages, including consequential damages, lost profits, lost savings and loss due to business interruption.

10.8 In this article limitation of liability does not apply if the damage is due to intent or gross negligence of the User or his senior subordinates.

Article 11: Transfer of Risk

11.1 The risk of loss, damage or loss is transferred to the Client at the moment products and/or services are in the power of the Client.

Article 12: Indemnification

- 12.1 The Client indemnifies User for any claims made by third parties in connection with the execution of the agreement that has caused damage and other causes other than to be attributed to User. If User should be addressed by others accordingly, then the Client shall assist User in or outside law and do all that Client can be reasonably expected to do. Should the Client fail to take adequate measures, then User, without being in default, is entitled to initiate adequate measures itself. All costs and damages on the part of User and third parties that are created, are for the account and risk of the Client respectively.
- 12.2. If User, should be addressed by others accordingly, then the Counterparty shall assist User in or outside law and do all that Counterparty can be reasonably expected to do. Should the Counterparty fail to take adequate measures, then User, without being in default, is entitled to initiate adequate measures itself. All costs and damages on the part of User and third parties that are created, are for the account and risk of the Counterparty respectively.

Article 13: Applicable law and disputes

- 13.1 All legal relationships where User is a part of, only Dutch law applies even if a contract wholly or partly is to be given abroad or if the legal relationship party is there domiciled. The applicability of the CISG (United Nations Convention on Contracts for the International Sale of Goods; Weens Koopverdrag) is excluded.
- 13.2 The judge in the domicile of User has the exclusive jurisdiction to take knowledge of disputes, unless the law requires otherwise. Nevertheless, User has the right to submit the dispute to the competent court according to law. The parties will first appeal to the courts after they have exhausted their efforts to settle the dispute by mutual agreement.

Article 14: Location and change of conditions

- 14.1 These conditions are registered with the Chamber of Commerce under number 17126382 at the Chamber of Commerce in Eindhoven
- 14.2 Applicable is the last registered version of this document or the version valid at the time of the initiation of the legal relationship with User.
- 14.3 <u>The Dutch text of the general conditions and terms</u> are ultimately decisive for the interpretation thereof.