

MIRMEX MOTOR – STANDARD TERMS AND CONDITIONS OF SALE AND DELIVERY– v. 3.1

1. Definitions. In these Standard Terms and Conditions of Sale and Delivery (“Terms”), “Company” means FBDL sprl d/b/a [doing business as] Mirmex Motor, a Belgium private limited liability company with a registered address of Place du Levant, 2 Box L5.04.02, 1348 Louvain-la-Neuve, Belgium; “Buyer” means the person or legal entity by whom the order is given; “PO” means Purchase Order from Buyer, “Goods” means the goods, products, equipment, parts, software, services, consulting, fees, or documentation that have been authorized by Company to be purchased by the Buyer.

2. General. Any written or oral order received from Buyer by Company is governed by the Terms outlined herein. Company’s acceptance of Buyer’s order is expressly conditioned on Buyer’s acceptance of these Terms. No agreement, oral or written, in any way claiming to modify these Terms will be binding on Company unless agreed to in a separate contract and in writing by an authorized representative of Company.

3. Prices, Taxes and Payments. Purchase prices shall be as stated on the face of the Purchase Order. Prices quoted by the Company shall include all extra charges, including charges for packing, containers, insurance, payment processing fees, and transportation but shall not include any present or future value added, national, regional, continental, sales, use, excise, ecological or recycling, gross receipts or other like taxes or assessments applicable to this order (“Taxes”). All Taxes will be itemized separately, and to the extent applicable, Buyer will be responsible for the payment of any Taxes to Company unless Buyer provides a valid exemption certificate. If the exemption certificate is not recognized by the governmental taxing authority, Buyer will reimburse Company for any Taxes, including any interest or penalty assessed against Company. Buyer shall pay for the Goods to the Company within the time and by the mode agreed between Buyer and Company.

4. Title and Risk of Loss. All shipments of Goods shall be “Ex-Works” as defined by the latest edition of INCOTERMS®, currently INCOTERMS 2010, published by the International Chamber of Commerce, Paris, France. For the avoidance of doubt, this means that title and risk of loss or damage to Goods will pass to Buyer when Company makes the Goods available to Buyer at Company’s premises, except that Buyer grants Company a lien on and a purchase money security interest in and to all of the right, title, and interest of Buyer in the Goods purchased hereunder until full payment has been made.

5. Orders

a. Quotation. Company's quotation is open for acceptance by Buyer within the period stated on the quotation document or, when no period is so stated, within thirty (30) calendar days after its date. If quotation includes volume discounts, discounts never apply retroactively on Goods already previously invoiced. Volume discounts should always be interpreted as the minimum forward-looking PO quantity that defines the threshold level from which the discount will apply. In some circumstances, quotation may include a mandatory minimum order quantity or a minimum order value.

b. Order Processing. When a buyer wishes to place an order, it will deliver to Company a PO for the same. All such POs must (i) be in writing in a legible format acceptable to Company, (ii) include at a minimum, the PO number, Buyer’s account number obtained from Company, invoice and shipping addresses, mode of delivery with shipper’s letter of instruction for international shipments, a valid part number obtained from Company, pricing, designated contact information, and (iii) reference to any applicable pricing discount based on a quotation control number from Company.

c. Acceptance of Purchase Orders. Company will endeavor to (i) acknowledge receipt of each PO issued in accordance with this Agreement, and (ii) notify Buyer whether Company accepts or rejects the PO. If Company fails to accept or reject a PO within fifteen (15) days of the PO request, such failure to respond will be deemed a rejection of the entire order.

d. Changes to Order. Buyer acknowledges that (i) requesting a change order may cause a delay in the scheduled shipment date, a revision of pricing or discount, or result in a new scheduled shipment date; (ii) POs may not be changed within the first twenty-four (24) hours of Company’s PO acknowledgment; (iii) after twenty-four (24) hours of Company’s PO acknowledgment, all changes to an accepted PO will be subject to a change order charge of ten percent (10%) of the net value of the Goods to be delivered, plus the cost of labor and fabrication or raw material that Company incurred prior to the receipt of the change order from Buyer, or that may be required due to the change order. Notwithstanding the foregoing, Buyer cannot change credential orders, or orders associated with Non Recurring Expense (NRE), Custom-built or nonstandard items (especially custom-built windings, stators, rotors, and custom-built motors) once they have been placed. Verbal change orders will not be accepted.

e. Order Cancellation. If Buyer cancels an order, Buyer will pay a cancellation fee to Company in an amount equal to Company’s direct out-of-pocket costs incurred plus a percentage of the order value to cover sales and administrative expenses. This percentage is equal to the percent of time elapsed from the PO acceptance date to the scheduled ship date, with a percentage minimum of twenty percent (20%). This percentage will be equal to one hundred percent (100%) for any cancellation made within thirty (30) days prior to the scheduled shipping date. Notwithstanding the foregoing, Buyer cannot cancel credential POs, or POs associated with Non Recurring Expense (NRE), Custom-built or nonstandard items (especially custom-built windings, stators, rotors, and custom-built motors) once they have been accepted by Company, and such orders will be subject to a cancellation fee of one hundred percent (100%) of the PO invoice.

6. Credit Terms

a. Payment. Buyer shall pay the amounts due and owing to Company identified on each invoice in full and in accordance with the terms specified on each invoice. If no terms are specified on the invoice, default payment terms are net30 calendar days from date of Company’s invoice. Freight charges may include shipping, insurance, packing, and handling charges, and Buyer shall pay all such charges. As custom-built goods and non-standard items are expensive to manufacture and impossible to sell to another entity than Buyer, a prepayment of forty-five percent (45%) of the total PO of such goods will be immediately invoiced to Buyer within twenty-four (24) hours after the PO acceptance. Buyer shall pay all prepayments immediately upon receipt of the invoice. Production of custom-built goods and non-standard items will only commence after the associated prepayment amount has been received, in full, by Company.

b. Invoice Disputes. Buyer shall notify Company in writing of any dispute with any invoice (along with substantiating documentation) prior to the invoice due date. Invoices for which no such timely notification is received shall be deemed accepted by Buyer as true and correct. The parties shall seek to resolve all such disputes expeditiously and in good faith. Should any dispute arise with respect to any Goods delivered by Company to Buyer, Buyer shall nevertheless pay all invoices covering Goods not in dispute, without setoff, defense, or counter-claim.

c. Late Payments. In respect of any invoice which is not paid by the due date, Buyer shall pay a late charge from the due date to the date of actual payment at the rate of eight percent (8%) per annum simple interest, calculated monthly, or the highest rate permissible under applicable law, whichever is greater. Buyer shall reimburse Company for all costs incurred in collecting any late payment, including, without limitation, attorneys’ fees and court costs. In addition to all other remedies available under these Terms or at law (which Company does not waive by the exercise of any rights hereunder), Company shall be entitled to suspend the delivery of any Goods for any and all POs if Buyer fails to pay any amounts when due.

d. Acceleration. Should Buyer fail to make any payment required hereunder, Company may, without notice, declare all obligations of Buyer to Company (“Obligations”) immediately due and payable, whether or not such late charges are included in any statement of account rendered by Company to Buyer.

e. No Partial Payments. Buyer irrevocably agrees that it will not, without Company’s prior written consent in each instance, tender any payments for less than the full amount of the invoices to which said payment applies (“Partial Payments”). Any Partial Payments tendered by or for the account of Buyer shall

not extinguish or otherwise affect any unpaid portion of the subject invoices, despite any notation on or accompanying said payment such as "in full payment," "in full satisfaction," or words of similar effect.

f. Sufficient Funds. Buyer represents that it has sufficient funds to timely honor all its payment commitments to Company. Buyer acknowledges that this representation will be materially relied upon by Company in extending credit to Buyer.

g. Bank account. If Buyer selects electronic transfer as the payment method (wiring, Paypal,...), Buyer remains solely responsible for transferring the funds by using the correct Company electronic account identifier that can be found on the invoice. Company will not be held responsible for payments transferred using an incorrect account identifier, including in case of fraud or negligence.

h. Right to Set Off. Any payment received by Company from Buyer may be applied by Company against any obligation owed by Buyer to Company, regardless of any statement appearing on or referring to such payment, without discharging Buyer's liability for any additional amounts owed by Buyer to Company. The acceptance by Company of such payment shall not constitute a waiver of Company's right to pursue any remaining balance. With respect to any monetary obligations of Company to Buyer, including without limitation, volume rebates and advertising rebates, Company may, at any time, setoff and appropriate and apply such amounts against any sums that are, or will become, due or payable to Company by Buyer under these Terms or any other agreement.

i. Raw Material and Currency Exchange Rate. The cost of specialty raw materials and currency exchange rates being a key element in the cost of the electrotechnics Goods from Company, particularly with materials such as, but not limited to, metals or any "rare-earth" materials, some quotations may be subject to a revision formula if the market spot price of a raw material or a reference currency fluctuates ten percent (10%) or more compared to the spot market price of the same raw material or reference currency on the date of the PO acceptance. The revision formula may create a price increase or a price decrease on the ordered Goods. However, this price change will not be applicable to Goods with a shipment date within the next thirty (30) calendar days.

7. Financial Condition of Buyer

a. Receipt of Goods While Insolvent. In the event that Buyer receives any Goods from Company while Buyer is insolvent, Company reserves the right to recall and repossess such Goods. This writing and the invoices received from Company relating to such Goods shall constitute Company's demand for reclamation of such Goods.

b. Withdraw of Credit Approval. Company reserves the right to demand partial or full payment before shipment of any Goods ordered by Buyer.

c. Material Adverse Change in Financial Condition. Notwithstanding the stated due date of any obligations, all obligations shall become immediately due and payable, without notice, in the event that Company determines that there is a material adverse change in the financial condition or business affairs of Buyer which, in Company's reasonable judgment, will impair Buyer's ability to meet the payment obligations.

d. Verification of Credit References. Company is authorized to contact any credit references provided by Buyer, and to disclose any information reasonably necessary to determine Buyer's credit worthiness. Company is also authorized to obtain personal credit reports on any partner, principal, officer, or potential guarantor in determining Buyer's creditworthiness. Company may also disclose any information concerning its relationship with Buyer which is requested by anyone identifying themselves as an existing or potential creditor of Buyer.

e. Disclosure of Buyer's Right to a Statement of Reasons for Action. If Buyer's credit application is not approved in full or if any other adverse action is taken with respect to Buyer's credit, Buyer has the right to request within sixty (60) calendar days of Company's notification of such adverse action, a statement of specific reasons for such action, which statement will be provided within thirty (30) calendar days of said request.

8. Trademarks. Except as agreed to by Company in writing, Buyer agrees not to (i) use Company's name in any form of public communication; (ii) use, create, register or market, directly or indirectly, Company's names, logos, brands, or any other trademarks, or names that are now or may hereafter be owned by Company, as part of Buyer's corporate or business name, as part of an internet domain name, as part of Buyer's marketing and advertising efforts, or in any way connected with Buyer's business, trade address or other designations. Upon termination of these Terms, any use of Company's trademarks or names by Buyer shall be discontinued.

9. Confidentiality. Any item marked as confidential or proprietary may not be reproduced or used for any purpose other than the purpose for which it was provided and may not be disclosed to third parties without the prior written permission of Company.

10. Product changes. Unless agreed otherwise in writing, Company reserves the right to change, without notice, the design, the packaging, the process or the place of manufacturing the Goods, as long as the Goods remain in conformity with the specification agreed by Company and Buyer at the time of ordering.

11. Usage limitation. Buyer agrees (i) not to sell or use Goods in any manner or operating conditions contrary to the manner or operating conditions in which the Goods are intended to be used, (ii) not directly or indirectly reverse engineer, disassemble, unroll, defeat, bypass, copy, or otherwise circumvent any software or hardware mechanisms in, or used in conjunction with, the Goods including without limitation any such mechanism used to restrict, configure, or control the functionality or performances of the Goods, or to derive the source code of an underlying algorithm. Furthermore, Buyer agrees the Goods from Company are not intended to be used in medical applications involving implementation in the human body and Company has neither sought, nor received, approval from any official administration for the use of these products in such applications.

12. No right to resell. Except as agreed to by Company in a separate distribution agreement, Buyer agrees that Goods are solely provided to Buyer or its affiliates for integration into the Buyer's own products. Buyer is restricted (i) to resell the Goods "as is" or with only minor modifications, (ii) present or market the Goods as its own goods, (iii) remove from the Goods any indication that the original inventor or manufacturer of the Goods is the Company.

13. Software and Firmware. Company shall retain all rights of ownership and title, including all copyrights and patent rights, in its respective Goods, firmware, design patterns, descriptions, and software. By issuing a PO to Company, Buyer recognizes the ownership and validity of all patent rights of Company in Company's software, firmware, design patterns, and Goods. Buyer is hereby granted a nonexclusive, royalty free license to use firmware, design patterns, and software, incorporated into the Goods only in conjunction with such Goods and only at the Buyer's plant site where the Goods are first used.

14. Buyer-Supplied Data. To the extent that Company has relied upon any data or information supplied by Buyer to Company ("Data") in the selection or design of the Goods and the preparation of Buyer's quotation, and the Data is inadequate or inaccurate, any warranties or other provisions contained herein which are affected by such conditions shall be null and void. The Buyer expressly agrees that personal data which has been and/or will be made available by the Buyer may be processed and used by Company for marketing purposes or other purposes. The data may also be stored by Company in a customer data base for future use. This consent may be revoked by the Buyer at any time with effect for the future.

15. Delivery. Company will deliver Goods within a reasonable time after receipt of Buyer's order and in no event will delivery dates be construed as falling within the meaning of "time is of the essence." Delivery schedules for the Goods are based upon current production capacities, material or component

availability, and inventory, and may be changed by Company as conditions require. Partial delivery shall be accepted by Buyer and paid for at the price and on the terms stated herein. Any partial delivery shall constitute a separate sale, and payment shall be separately made when due. If any part of a delivery hereunder is not delivered by Company in accordance with Buyer's PO, this Agreement shall not be affected thereby.

16. Inspection. Buyer shall inspect all delivered Goods immediately after receiving them. Buyer will be deemed to have accepted the Goods unless Buyer notifies Company in writing (i) within seven (7) calendar days of delivery of any non conformance or (ii) within twenty-four (24) hours of delivery for shipment damages.

17. International Shipments. For all international orders, a shipper's letter of instruction must be submitted in writing with the PO. Company will not be held liable for any charges resulting from delays due to lack of complete required information being supplied.

18. Force Majeure. Company will not be liable for any loss or damage due to delays arising from causes beyond the reasonable control of Company, including but not limited to any acts of God, work stoppages, embargoes, fire, accidents, explosion, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes, acts of governments, and interruptions or malfunctions of utilities, communications or computer services.

19. Storage Fee. If Buyer is not able to accept delivery on the date agreed to by the parties, Buyer will pay Company a storage fee equivalent to one-and-one-half percent (1.5%) of the total order value per calendar month or fraction thereof (calculated and charged on a per calendar day basis, with a minimum of two (2) weeks) until the date of delivery ("Storage Fee").

20. Warranty. Company warrants that the Goods manufactured by it will be free from defects in material and workmanship, for the duration of the specified "Warranty Period." For new Goods, the Warranty Period is twelve (12) months from the invoice date. Goods or parts manufactured by others are warranted only to the extent of the original manufacturer's warranty to Company. Buyer acknowledges that this warranty is exclusively valid for Goods purchased directly or through an authorized intermediary; and for a given location. No warranty is given for Goods purchased through unauthorized import for a given location.

If Goods are nonconforming to the order, Buyer must provide prompt written notice to Company within the Warranty Period, and Company will, at its option, correct such nonconformity by suitable repair or replacement to Goods or correction to defective workmanship. If repair or replacement is not feasible, Company will, at its option, refund the full purchase price for such Goods or part, excluding shipping, handling, and insurance fees.

Company will have no responsibility to repair or replace defective Goods or parts resulting from Buyer's failure to store, install, integrate, maintain, or operate the Goods according to Company's specific recommendations or in accordance with good industry practices. Company will not be liable for any repairs, replacements or adjustments or any costs of labor performed by Buyer or any third-party without Company's prior written approval. This warranty will not apply to any non-standard component which Buyer directs Company to use or add to the Goods. The effects of corrosion, deterioration occasioned by chemical or electromagnetic action, excessive heat, and normal wear and tear are specifically excluded from the warranty.

The representations and warranties given in this document are the only representations and warranties. Company makes no other warranty or representation of any kind, express or implied, except that of title, and all implied warranties of merchantability and fitness for a particular purpose are hereby disclaimed. Correction of defects whether patent or latent, in the manner and for the duration of the Warranty Period, will constitute fulfillment of all Company's liabilities for such defects with respect to or arising out of Goods or parts, or services provided hereunder. Warranty work does not assure uninterrupted operation of Goods.

Buyer and Company represent and warrant that each has the full legal authority to enter into and exercise the obligations stated herein.

21. Relationship of the parties. Nothing in this Agreement creates an employment, partnership, joint venture, distributor, importer, representative, or agency relationship between Company and Buyer, including that of franchisee/franchisor. No party will have any power of authority to enter into commitment on behalf of the other party on any matter.

22. Compliance with Laws. Company will comply with all applicable laws and regulations in effect in the location of manufacture on the date a PO is accepted. Compliance with any local governmental laws or regulations relating to location, use, or operation of the Goods, or its use in conjunction with other goods, will be the sole responsibility of Buyer.

23. Setoff. Buyer does not have the right to setoff or to back charge against any amounts which become payable to Company under this Agreement.

24. Export Control. Buyer agrees not to disclose or export, either directly or indirectly, any Company technology, Goods, or information, or the direct product thereof, to any destination or person if such disclosure or export is prohibited by laws and regulations. In particular, Buyer will not use and will not permit any third party to use Company technology, Goods, or information, in connection with the design, production or use of chemical, biological or nuclear weapons. This paragraph will survive the termination of these Terms.

25. Limitation of Liability. The remedies of Buyer set forth herein are exclusive, and the total liability of Company with respect to these Terms and the Goods, whether based on contract, warranty, negligence, indemnity strict liability or otherwise, will not exceed the purchase price for the Goods that is the basis for the claim. In no event will the Company be liable to Buyer, any successors in interest, or any beneficiary or assignee of this contract for any consequential, incidental, indirect, special, or punitive damages, or loss in profits or revenue arising out of or related to these Terms or any breach therefor, or any defect in, or failure of, or malfunction of the Goods, part, or service hereunder, whether or not such loss or damage is based on contract, warranty, negligence, indemnity, strict liability, or otherwise.

26. Indemnification. Buyer shall indemnify and hold Company its trustees, officers, directors, employees, and agents harmless from any loss, lawsuit, liability, damage, cost and expense (including reasonable attorneys' fees) which may arise out of or result from (i) claims by third persons against Company that the Goods have caused damage to property or bodily injury (including death); or (ii) the acts or omissions of the Buyer, its agents or employees in connection with these Terms; or (iii) any breach or default in the performance of the obligations of Buyer hereunder. Buyer's indemnification obligations hereunder shall not apply to the extent that any claim is caused by the sole negligence of Company.

27. Assignment. Buyer will not assign or transfer any right under these Terms without the prior written consent of Company, and such consent will not be unreasonably withheld. In the event that Buyer does not provide such notice to Company and the business previously conducted by Buyer is or may be continued by the successor, Buyer shall be liable for and shall pay on demand the amount of all accounts receivable due by the successor to Company arising from the date of such sale of assets to the date Company learns of such asset sale.

28. No Waiver. No waiver by Company of any of the provisions of these Terms shall be effective unless explicitly set forth in writing and signed by Company. No failure to exercise, partial exercise, or delay in exercising, any right, remedy, power or privilege arising from these Terms operates, or may be construed to operate, as a waiver thereof.

29. Governing Law. The rights and obligations of the parties will be governed by the laws of Belgium. All disputes arising in connection with these Terms that can not be settled amicably shall be exclusively submitted to the French or, if available and upon request of Buyer, English-speaking courts of Brussels, Belgium. Buyer and Company agree to submit to the personal jurisdiction of such courts.

30. No Reference Required. Buyer and Company agree that each PO shall constitute a separate contract, the performance of which will be governed exclusively by these Terms. These Terms shall govern an order regardless of whether or not this document is attached to or referenced in the PO. In the event of a conflict between these Terms and any terms and conditions of an PO, these Terms shall prevail and govern the order.

31. Severability. If any of the terms herein is considered void for any reason, it shall be severed without affecting the validity of the remaining terms.

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