

## GENERAL TERMS AND CONDITIONS OF SALE

### Article 1 - Scope of application

1.1. As of the date of publication, these general terms and conditions of sale (hereinafter “**General Terms and Conditions**”) apply to all sales and deliveries of goods by Aquinos Industry and/or its affiliated undertakings (hereinafter “**Aquinos Industry**”), as well as to all offers and/or order confirmations issued by Aquinos Industry for the sale of goods.

1.2. All Sales Agreements concluded between the parties (as defined hereafter), shall automatically be governed by these General Terms and Conditions. The application of any other additional or deviating terms and conditions of the purchaser, mentioned in any other document, are explicitly rejected.

1.3. These General Terms and Conditions and, where applicable, the specific terms and conditions mentioned by Aquinos Industry in the offer or in the order confirmation issued by Aquinos Industry or otherwise agreed between the parties in writing, constitute the entire sales agreement between the parties (hereinafter “**Sales Agreement**”) and replace and supersede all prior written or oral declarations, agreements or arrangements between the parties relating to the matter. Notwithstanding Article 2.5 below, each amendment to the Sales Agreement shall be in writing, duly signed by both parties.

1.4. In case of discrepancies between the provisions of these General Terms and Conditions and the specific terms and conditions mentioned by Aquinos Industry in the offer or in the order confirmation issued by Aquinos Industry or otherwise agreed between the parties in writing, the specific terms and conditions shall take precedence over the provisions of these General Terms and Conditions. In case of discrepancies between the different language versions of these General Terms and Conditions, the English text shall always take precedence.

### Article 2 - Offer and order

2.1. Aquinos Industry shall only be bound by the issuance of a written offer, at the exclusion of any other verbal or written exchange between the parties. The offers issued by Aquinos Industry are valid for a period of thirty (30) days following the date of the offer. Unless explicitly mentioned otherwise in the offer, the issuance of an offer by Aquinos Industry does not constitute the acceptance of an order submitted by the purchaser.

2.2. A Sales Agreement shall be considered to be concluded between the parties as soon as one of the following situations occurs:

- (i) The written acceptance of an offer by the purchaser is received within its period of validity;
- (ii) The submission of an order by the purchaser, confirmed by Aquinos Industry in writing.

In any case, no order submitted by the purchaser shall be deemed to have been accepted by Aquinos Industry until it is confirmed in writing by Aquinos Industry.

2.3. The purchaser is solely responsible for the correctness, accuracy and completeness of all specifications provided to Aquinos Industry in preparation for the offer, or stated in the order submitted by the purchaser, including but not limited to the type, the design, the quality and the quantity of the ordered goods. In addition, the purchaser is solely responsible for providing Aquinos Industry in due time with all other information that may be necessary for Aquinos Industry to be able to perform the Sales Agreement.

2.4. Once a Sales Agreement has been concluded, the purchaser shall not be entitled to make any amendments to the type, the design, the quality, the quantity, packing methods, forms of dispatch and delivery, or any other specification relating to the goods covered by the Sales Agreement without the prior written consent of Aquinos Industry.

2.5. Notwithstanding Article 1.3 above, at any time and provided it has good reason to do so, Aquinos Industry has the right to make changes to the following aspects relating to the goods covered by the Sales Agreement, which the purchaser shall accept:

- (i) The type, the design, the quality, the packing methods, forms of dispatch and delivery or any other specification;
- (ii) The production method or any other process used in the production of the goods.

As far as possible, Aquinos Industry shall inform the purchaser of such changes at the latest thirty (30) days before such changes come into effect. Upon receipt of such information, the purchaser shall be entitled to terminate the Sales Agreement and/or any pending order under the Sales Agreement if it has reasonable grounds not to accept such changes, by providing written notice to Aquinos Industry at least fifteen (15) days before the envisaged changes come into effect. No costs shall be linked to such termination provided, however, that Article 13.5 of the General Terms and Conditions is applicable.

### **Article 3 - Prices**

3.1. The prices mentioned in the offer or order confirmation shall be applicable. All prices are in Euro and exclude tax. If no prices are mentioned in the offer or the order confirmation, the effective prices applied by Aquinos Industry at the time of the offer or the order confirmation shall be applicable.

3.2. Notwithstanding the aforementioned, Aquinos Industry is entitled to adjust the price discounts applied at any time if necessary to compensate for an increase in its own costs, including but not limited to increases in costs due to:

- (i) An increase in the prices of raw materials, goods or services used to produce the goods, including, but not limited to, increases in labour costs;
- (ii) Changes in the type, the design, the quality, the packing methods, forms of dispatch and delivery or any other specification relating to the goods covered by the offer or the order;
- (iii) Overtime requests;
- (iv) Volume shortfalls;
- (v) Changes in laws and regulations that affect Aquinos Industry's processes or products;
- (vi) Unpredicted events beyond Aquinos Industry's reasonable control, which render Aquinos Industry's performance of the Sales Agreement more onerous.

Aquinos Industry shall inform the purchaser of such price adjustments, including the date they will come into effect. Upon receipt of such information, the purchaser shall be entitled to terminate the Sales Agreement and/or any pending order under the sales Agreement, by providing written notice to Aquinos Industry at least fifteen (15) days before the envisaged changes will come into effect. It is, however, understood that orders scheduled for delivery within the aforementioned period of fifteen (15) days will be executed at the non-adjusted prices.

3.3. Unless explicitly stated otherwise in the offer or the order confirmation, the applicable prices are net prices. They do not include value added tax or any other duties, nor do they include any other costs or expenses, including, but not limited to costs of storage, transport, import and insurance. All such fees, duties, costs and expenses shall be borne by the purchaser separately.

#### **Article 4 - Delivery**

4.1. Unless explicitly agreed otherwise, all deliveries of goods shall take place on an EXW basis (Ex Works, Incoterms® 2020), at Aquinos Industry's facility where the goods covered by the offer or the order are produced.

4.2. Unless explicitly agreed otherwise, the time or schedule of delivery specified in the offer or order confirmation merely constitutes an estimate and is not binding upon Aquinos Industry. The purchaser acknowledges that compliance with such estimated time or schedule of delivery is dependent on the timely receipt of supplies of raw materials, goods and services from Aquinos Industry's suppliers and on the necessary information from the purchaser.

4.3. Aquinos Industry shall be entitled to perform partial or early deliveries, provided that such partial or early deliveries do not unreasonably affect the purchaser's business.

4.4. The risk of damage to or loss of the goods shall pass from Aquinos Industry to the purchaser at the moment the goods are placed at the disposal of the purchaser at Aquinos Industry's facility where the goods covered by the offer or the order are produced, even prior to being loaded onto any collecting vehicle. If, however, the Sales Agreement also includes the transportation of the goods, the risk of damage to or loss of the goods shall pass from Aquinos Industry to the purchaser when the goods are handed over to the first carrier, even prior to being loaded onto any collecting vehicle.

4.5. The ownership of the goods shall only pass from Aquinos Industry to the purchaser upon fulfilment by the purchaser of all its liabilities towards Aquinos Industry under the Sales Agreement, including full payment of all invoices relating to the goods. Until such time, the purchaser shall properly insure the delivered goods and duly store them, separately from those of the purchaser or any other third party and clearly marked as still being Aquinos Industry's property. The purchaser shall be entitled to sell or use the goods in the ordinary course of their business, but shall immediately pay Aquinos Industry from the proceeds of the sale of the goods.

4.6. Upon delivery, the purchaser shall be required to sign the necessary delivery documents. Signing of the delivery documents shall constitute acceptance of the delivery.

4.7. If the purchaser fails to take delivery of the goods or fails to give Aquinos Industry the necessary information to perform the delivery of the goods at the time or in accordance with the agreed schedule of delivery, Aquinos Industry shall be entitled to deliver the goods and sign the delivery documents at its own discretion or store the goods until their actual delivery, both at the purchaser's risk and cost, without any further liability of Aquinos Industry whatsoever. In any case, risk of damage to or loss of the goods shall pass from Aquinos Industry to the purchaser at the moment delivery should have taken place. If delivery is delayed for reasons due to the purchaser for more than thirty (30) days, Aquinos Industry shall, at its own discretion and without prejudice to any other solution it may have, be entitled to sell the goods at the best price readily obtainable and to charge the purchaser for any difference in the price obtained and the price agreed under the Sales Agreement, or to destroy or otherwise dispose of the goods, at purchaser's cost.

4.8. Upon delivery of the goods on the premises of Aquinos Industry, the purchaser and its personnel and subcontractors are obliged to strictly respect the rules and guidelines applicable within Aquinos Industry regarding health and safety. The purchaser shall ensure that its personnel and subcontractors are aware of these rules and guidelines and do regular training regarding health and safety. Aquinos Industry reserves the right to refuse access or to ask the purchaser, its personnel or subcontractors to leave its premises immediately if the health and safety rules and guidelines are not respected. All additional costs that may be incurred as a result thereof shall be borne by the purchaser.

4.9. Unless explicitly agreed otherwise, the purchaser shall be solely responsible for fulfilling all formalities of export, customs and import. Any duties, taxes and other levies shall be fully borne by the purchaser.

4.10. The export and domestic or international transfer of goods falls under the responsibility and cost of the purchaser. In this respect, the purchaser shall specifically comply with all national and international export control regulations.

4.11. All deliveries from Aquinos Industry to the purchaser are subject to the condition that performance is not prevented by any impediments due to national or international export control regulations, such as embargos or other sanctions. The purchaser is responsible for ensuring all information and documents needed for export or transfer are available on time. Delays due to export inspections, approval procedures or resulting from delays in obtaining all necessary documents in this regard, shall override and/or interrupt agreed delivery times. If the necessary export approvals are not granted, Aquinos Industry shall be entitled to terminate the Sales Agreement, and any pending orders under the Sales Agreement, as stated in Article 13.3 of these General Terms and Conditions.

#### **Article 5 - Acceptance**

5.1. The purchaser is obliged to inspect the goods as soon as possible after delivery. If the purchaser suspects the wrong quantity or type of goods were delivered or if there is visible damage to the goods upon delivery, the purchaser shall notify Aquinos Industry thereof promptly, no later than five (5) days after delivery. After this period, the goods shall be irrevocably deemed to have been accepted by the purchaser as being in good condition and in compliance with the quantity and type mentioned in the Sales Agreement.

5.2. Any operational use of the delivered goods by the purchaser shall be deemed to constitute final acceptance of the goods.

#### **Article 6 - Payment**

6.1. The purchaser shall pay the invoices before delivery of the products or in accordance with the deadline specifically agreed with the Purchaser. Payment shall be made in EUR by bank transfer via the IBAN provided in the respective invoice, and shall not be subject to discounts without the prior knowledge and authorization of Aquinos Industry.

6.2. Upon non-payment of any invoice on its due date, Aquinos Industry shall automatically, without prior notice, be entitled to the payment by the purchaser of late payment interest at a rate of 1% per month starting from the due date, as well as to the compensation of all recovery costs incurred by Aquinos Industry as a result of the non-payment, with a minimum of 10% of the unpaid invoice, including but not limited to reasonable attorney's fees. In addition, upon non-payment of any invoice on its due date, Aquinos Industry may, at its own discretion and without prejudice to any other solutions:

- (i) Require the immediate payment of all outstanding invoices under any agreement with the purchaser, irrespective of whether these invoices are already due or not;
- (ii) Suspend any further delivery of goods to the purchaser under any agreement until advance payment has been received for such goods;
- (iii) Terminate the Sales Agreement and all pending orders under the Sales Agreement with immediate effect, without prior judicial intervention and without owing any compensation to the purchaser, by sending a notification hereof to the purchaser in writing. In this case, all outstanding invoices under any agreement with the purchaser shall become immediately due. In addition, and where applicable, the purchaser shall fully reimburse Aquinos Industry for all costs incurred in relation to the goods covered by the Sales Agreement which have already been produced or are in the process of being produced, but which have not yet been delivered.

6.3. If Aquinos Industry has reason to suspect that the purchaser is not be able to pay the invoice on its due date due to insolvency or lack of financial means or for any other reason, Aquinos Industry may, in the first instance, ask the purchaser to provide proof of its financial fitness or to provide Aquinos Industry with an adequate guarantee of its performance. If the purchaser fails to comply with this request, Aquinos Industry shall be entitled to terminate the Sales Agreement as provided for in Article 6.1, point (iii) of these General Terms and Conditions.

6.4. Aquinos Industry is entitled to offset the amount owed by the purchaser to Aquinos Industry, under any agreement made and irrespective of whether this amount is contested or not, with an amount owed by Aquinos Industry to the purchaser, without any prior notice.

## **Article 7 - Warranties**

7.1. Aquinos Industry guarantees that upon delivery the delivered goods:

- (i) Conform to the specifications of the Sales Agreement and to any other specifications, drawings, samples or descriptions of Aquinos Industry, on the understanding that specifications mentioned in public statements, claims or advertisements can never be construed as a warranty;
- (ii) Are free of any defect due to workmanship or materials.

7.2. The warranties mentioned in Article 7.1 of these General Terms and Conditions are valid for a minimum period of two (2) years following delivery. If an alleged defect in the goods is identified during this warranty period, the purchaser must immediately notify Aquinos Industry in writing, forwarding all the necessary information for the claim analysis. The complaint shall be analyzed and the decision shall be communicated to the Purchaser within 5 (five) days after receiving all the information. When prior evaluation is required (tests, investigations and necessary analyses), the product must be returned or collected and the communication period with the Purchaser may be extended, depending on the situation. Aquinos Industry shall also be entitled to examine other goods that were delivered to the purchaser that are not claimed to be defective. The purchaser shall be required, as a condition for the remediation of any warranty claim, to provide reasonable cooperation and assistance to Aquinos Industry in the framework of the examination of the returned goods, including, but not limited to, providing Aquinos Industry with all relevant information in its possession.

7.3. In case, after examination, Aquinos Industry accepts liability for the purchaser's warranty claim, the sole and exclusive outcome shall be the repair or replacement of the goods that are found to be non-conforming with the warranties mentioned in Article 7.1 of these General Terms and Conditions, at Aquinos Industry's cost. Transportation and processing costs relating to the return of the non-conforming goods at issue to Aquinos Industry and to the delivery of repaired or replacement goods to the purchaser shall be borne by Aquinos Industry as deemed necessary for the resolution. If the solution offered is not accepted, the purchaser is entitled to reduce the purchase price or, in case of a significant defect, to withdraw from the Sales Agreement.

7.4. Notwithstanding the sole and exclusive solution set out in Article 7.3 of these General Terms and Conditions, Aquinos Industry reserves the right to credit or reimburse the purchaser for an amount equal to the price paid by the purchaser to Aquinos Industry in relation to the non-conforming goods in lieu of providing repaired or replacement goods. In any event, this shall be the case when repair or replacement of the non-conforming goods is impossible, impractical or will, according to Aquinos Industry, not permit the purchaser to receive the benefits of the warranties contained in Article 7.1 of these General Terms and Conditions.

7.5. When the purchaser's warranty claim appears to be unfounded, the purchaser shall reimburse Aquinos Industry for all reasonable costs and expenses incurred by Aquinos Industry in relation to the examination of the returned goods, including, but not limited to, all costs related to transportation, processing, repair, replacement, crediting or reimbursement of goods that are found not to be non-conforming.

7.6. Apart from the warranties mentioned in Article 7.1 of these General Terms and Conditions, Aquinos Industry makes no other express or implied warranties, written or oral, including, but not limited to any warranty of merchantability or suitability for any particular purpose. Technical advice provided by Aquinos Industry, whether written or oral, shall only be given in good faith, but with no warranty, and shall not release the purchaser from its obligation to test the suitability of the goods for their intended purpose.

7.7. The warranties mentioned in Article 7.1 of these General Terms and Conditions shall not apply to:

- (i) Goods which, following delivery, have been altered or repaired by the purchaser without the prior written consent of Aquinos Industry;
- (ii) Defects due, totally or partially, to improper installation or maintenance, accidents, misapplication or misuse, neglect, excessive operating conditions or failure to follow Aquinos Industry's guidelines, manuals or instructions;
- (iii) Defects resulting from purchaser's specifications, graphics, drawings, samples or descriptions, including, but not limited to any specifications concerning the type, the design, the quality and the quantity of the goods;
- (iv) Defects due to materials, parts and components manufactured or supplied by third parties, in respect of which the purchaser shall only be entitled to benefit from such warranty as is given by the manufacturer or supplier to Aquinos Industry;
- (v) Defects resulting from the application, processing and use of the goods within the purchaser's own products;
- (vi) Normal wear and tear.

7.8. It is explicitly agreed and understood that the purchaser shall be the sole party responsible for the application, processing and use of the goods in its own products and for determining the suitability of the goods for their intended purpose. Within this framework, the purchaser shall ensure the goods are applied, processed and used in accordance with all applicable local, national and international legislation, regulations, standards, guidelines and requirements, as well as with the newest prevailing industry standards. The purchaser shall not remove any warnings signs or labels from the goods, nor amend any guidelines, manuals or instructions issued by Aquinos Industry in relation to the goods.

## **Article 8 - Limitation of liability**

8.1. Except for the warranties and indemnities expressly set forth in these General Terms and Conditions or the Sales Agreement, Aquinos Industry shall not have any other liability towards the purchaser.

8.2. In no event shall Aquinos Industry be liable towards the purchaser for any special, exemplary, indirect, incidental, punitive or consequential damages, losses, costs or expenses whatsoever, including, but not limited to loss of profits, savings or revenue, loss of business, loss of contracts, loss of opportunity, loss of reputation, even if foreseeable or if Aquinos Industry has been advised of the possibility of the incurrence of such damages, losses, costs or expenses.



8.3. To the maximum extent permitted by applicable law and save in cases of serious or intentional fault or gross negligence, injury to body, life or health, breach of contractual obligations and claims resulting from product liability, the total liability of Aquinos Industry towards the purchaser shall be limited to the price of the goods that have given rise to the purchaser's claim, as invoiced to the purchaser by Aquinos Industry. This limitation of liability shall remain valid irrespective of whether the act, omission or negligence is due to Aquinos Industry itself or to its personnel or subcontractors, and irrespective of the applicable liability regime, including, but not limited to contractual liability, tort liability and faultless liability.

8.4. Aquinos Industry cannot be held liable for any damages, losses, costs or expenses directly, indirectly or partially resulting from an act, omission or negligence, even if only minor, of the purchaser, its personnel and its subcontractors or of a third party or resulting from incorrect, inaccurate or incomplete information provided by the purchaser to Aquinos Industry under the Sales Agreement.

8.5. Aquinos Industry cannot be held liable for any damages to or loss of any materials provided by the purchaser to Aquinos Industry in the framework of the performance of the Sales Agreement, including, but not limited to tools and packaging, that occur due to an event beyond its reasonable control or that fall within the scope of reasonable wear and tear. These materials shall remain the exclusive property of the purchaser.

## **Article 9 - Force majeure**

9.1. Neither party cannot be held liable for any delay or non-execution of its obligations under these General Terms and Conditions or the Sales Agreement if the delay or non-execution is the result of circumstances over which they have no reasonable control, including, but not limited to natural disasters, strike, lockout or other labour disputes, sabotage, fire, explosion, flood, pandemic, acts of government, war or unforeseen shortages or unavailability of fuel, power, raw materials, supplies or transportation means or inability or delay in obtaining the necessary governmental approvals, permits and licenses (hereinafter "**Situation of Force Majeure**"). The impossibility of the purchaser to perform as a result of insolvency or lack of financial means shall not be considered as a Situation of Force Majeure.

9.2. The party invoking a Situation of Force Majeure shall immediately inform the other party in writing about the nature and the expected impact of the Situation of Force Majeure. The obligations of the Party concerned shall be suspended for the duration of the delay caused by the Situation of Force Majeure and the period of performance shall be automatically extended for an equal period without penalty. As soon as the Situation of Force Majeure has been remedied, the party invoking the Situation of Force Majeure shall resume its obligations. Should a Situation of Force Majeure last for more than three (3) months and parties have not been able to find an equitable solution to remedy the consequences of the Situation of Force Majeure, each party shall have the right to terminate the Agreement upon written notice to the other party.

9.3. In as far as any delay or non-execution by Aquinos Industry is due to the failure of a third party whose intervention is necessary in order for Aquinos Industry to be able to perform the Sales Agreement, including subcontractors engaged by Aquinos Industry, Aquinos Industry cannot be held liable for delays or non-execution if the third party has rightfully invoked a Situation of Force Majeure as described in Article 9.1 of these General Terms and Conditions. In such cases, Aquinos Industry shall not be obliged to engage another third party.

#### **Article 10 - Intellectual property**

10.1. Any idea, invention, concept, discovery, work of authorship, patent, design, copyright, trademark, trade secret, know how or other intellectual property, irrespective of whether it is registered or not, which is owned by Aquinos Industry or which is developed by Aquinos Industry within the framework of the Sales Agreement shall remain the sole property of Aquinos Industry, even when the Sales Agreement is concluded for the ad hoc creation of works that could be considered as works made for hire.

10.2. Neither the Purchaser, nor any of its subcontractors, customers or third parties, shall have the right to copy, alter, repair, rebuild or reconstruct, or to have copied, altered, repaired, rebuilt or reconstructed, any of the goods delivered under the Sales Agreement, without the prior written consent of Aquinos Industry.

10.3. In all cases where goods are made according to the specifications of the purchaser, the purchaser shall fully indemnify, defend and hold harmless Aquinos Industry from and against any and all claims and damages, losses, costs or expenses incurred by Aquinos Industry as a result of the infringement of any patent, trademark, design, trade secret or proprietary process in the design, application, processing or use by third parties of such goods.

#### **Article 11 - Confidentiality**

11.1. The purchaser shall endeavor to treat all information, documents, samples, drawings, trade secrets, prices and personal data received from Aquinos Industry under the Sales Agreement by any means, as strictly confidential, irrespective of whether this information, documents, samples, drawings, trade secrets, prices or personal data have been explicitly marked as confidential or are covered by any intellectual property right, except if the purchaser can show that the information:

- (i) Is publicly available at the moment of disclosure, without any confidentiality obligation being breached by the purchaser;
- (ii) Was already rightfully in the possession of or received by the purchaser at the moment Aquinos Industry disclosed it, without any confidentiality obligation being breached by the purchaser;
- (iii) Was developed in an independent manner by the purchaser.

11.2. The purchaser shall use the confidential information only for the purpose of execution of the Sales Agreement and shall not communicate it to third parties, unless it is with Aquinos Industry's prior written consent. The purchaser will only disclose the confidential information to persons on a need to know basis, and ensure that all these persons are bound by confidentiality obligations no less stringent than those contained in this Article.

11.3. The confidentiality obligations mentioned in Articles 11.1 and 11.2 are valid during the entire duration of the Sales Agreement and for a period of five (5) years following the end thereof.

11.4. If the purchaser is obliged by law or by the order of a court or regulatory authority to disclose confidential information, the purchaser will inform Aquinos Industry thereof immediately, will restrict disclosure to the necessary minimum and will clearly communicate that the disclosed information is of a confidential nature.

11.5. Confidential information shall at all times remain the exclusive property of Aquinos Industry.

## **Article 12 - Privacy**

12.1. In the framework of performance of the Sales Agreement and/or further relationship management, Aquinos Industry may process certain personal data belonging to the purchaser and/or its employees, such as, but not limited to, name, surname, function and contact details of employees responsible for purchasing. The Aquinos Industry entity that functions as the seller under the Sales Agreement shall be considered the data controller in relation to such personal data processing and may be contacted using the contact details mentioned in the Sales Agreement. Aquinos Industry shall take all reasonable measures to ensure the data processing shall at all times happen in accordance with all relevant national and international data protection laws and regulations.

12.2. Further information on how Aquinos Industry processes abovementioned personal data can be found in the Aquinos Industry Privacy Notice, available on [www.aquinosgroup.com](http://www.aquinosgroup.com).

## **Article 13 - Termination**

13.1. Unless explicitly agreed otherwise, the Sales Agreement shall automatically end when the parties have fulfilled all their obligations under the Sales Agreement and all orders under the Sales Agreement have been completed.

13.2. At all times Aquinos Industry has the right to terminate the Sales Agreement, or one or more pending orders under the Sales Agreement by giving written notice of thirty (30) days.

13.3. At all times Aquinos Industry has the right to terminate the Sales Agreement, and any pending orders under the Sales Agreement, without prior judicial intervention and without owing any compensation to the purchaser, by sending a notification hereof to the purchaser in writing (which may be by email, registered letter, or any other means foreseen in these Conditions or in the Sales Agreement), if:

- (i) The purchaser is in breach of one of the provisions of these General Terms and Conditions or the Sales Agreement, and has not duly remedied this breach within fifteen (15) days following a written notice from Aquinos Industry;
- (ii) The purchaser has declared that it will not, or will no longer, fulfil its obligations under the General Terms and Conditions or the Sales Agreement;
- (iii) The purchaser is declared bankrupt or files for bankruptcy, is placed under guardianship, ceases or risks having to cease its activities, or otherwise has shown signs of insolvency or insufficient financial means.

13.4. The purchaser shall not be entitled to terminate the Sales Agreement if Aquinos Industry enters into a transaction that includes the sale of a substantial proportion of the assets used for the production of goods covered by the Sales Agreement, or into a merger, sale or exchange of stock or other equity interests that would result in a change of control of Aquinos Industry.

13.5. In case of early termination of the Sales Agreement, for whatever reason, the purchaser shall immediately pay all outstanding invoices. In addition, where applicable, the purchaser shall fully reimburse Aquinos Industry for all costs incurred in relation to the goods covered by the Sales Agreement which have already been produced or are in the process of being produced, but which have not yet been delivered at the moment of termination.

13.6. Upon termination, the purchaser shall, at the request of Aquinos Industry, either promptly return all information, documents, samples, drawings and personal data that it has received from Aquinos Industry to Aquinos Industry, or destroy such information, documents, samples, drawings and personal data and confirm such destruction in writing to Aquinos Industry.

13.7. Notwithstanding the termination of the Sales Agreement, for whatever reason, the provisions of the Sales Agreement intended to survive its termination shall remain in full force and effect after the termination. The provisions surviving termination shall include, but are not limited to Article 7 (Warranties), Article 8 (Limitation of liability) and Article 11 (Confidentiality) of these General Terms and Conditions.

#### **Article 14 - Inspection and audit**

14.1. During the term of the Sales Agreement, Aquinos Industry or a third party appointed by Aquinos Industry, has the right to enter the premises of the purchaser or the subcontractors of the purchaser, with the purpose of establishing whether the purchaser respects its obligations under these General Terms and Conditions or the Sales Agreement. Furthermore, Aquinos Industry shall be allowed to carry out an inspection or audit in the following situations:

- (i) Prior to ownership of the delivered goods having passed from Aquinos Industry to the purchaser, Aquinos Industry has the right to perform an inspection or audit to verify whether the purchaser complies with its obligations according to Article 4.5 of these General Terms and Conditions. If the purchaser will not respect its obligations, Aquinos Industry shall be entitled to take immediate repossession of the goods which are still Aquinos Industry's property, without prejudice to any other solutions Aquinos Industry may have;
- (ii) Upon delivery of the goods, Aquinos Industry may, at its own discretion, assist the purchaser in performing the inspection that the purchaser is obliged to undertake under Article 5.1 of these General Terms and Conditions;
- (iii) Following a warranty claim made by the purchaser under Article (ii) of these General Terms and Conditions, Aquinos Industry shall have the right to carry out an inspection or audit to examine goods that were delivered to the purchaser that are not claimed to be defective.

Such an inspection or audit can only be performed during normal office hours and on the condition that three (3) days written notice is given to the purchaser.

14.2. The purchaser shall fully cooperate with the inspection or audit and provide Aquinos Industry or a third party appointed by Aquinos Industry access to all locations, installations, documents or information that may be useful in the framework of the inspection or audit or that is reasonably requested by Aquinos Industry or the third party appointed by Aquinos Industry.

14.3. During the inspection or audit, Aquinos Industry or the third party appointed by Aquinos Industry, shall be entitled to take samples of the delivered goods. However, such sampling does not relieve the purchaser from its obligation to inspect the goods upon delivery to confirm they conform with the specifications and to test the suitability of the goods for their intended purpose.

14.4. Should irregularities be found during the inspection or audit, the purchaser shall promptly take all necessary action to remedy such irregularities, if in accordance with the guidelines of Aquinos Industry or the third party appointed by Aquinos Industry. In such cases, the costs of the inspection or audit shall be fully borne by the purchaser.

#### **Article 15 - Assignment or subcontracting**

15.1. The purchaser shall not assign, delegate or subcontract any of its rights or obligations under the Sales Agreement to a third party without the prior written consent of Aquinos Industry. Notwithstanding any assignment, delegation or subcontracting, the purchaser shall remain fully responsible for the performance of its obligations under the Sales Agreement vis-à-vis Aquinos Industry.

15.2. Aquinos Industry, at its own discretion, retains the right to assign, delegate or subcontract any of its rights or obligations under the Sales Agreement, including, but not limited to, any of the companies forming part of the Aquinos Industry. The purchaser must be informed of these situations whenever the technical specifications of the goods may be affected and/or the purchaser's business may be compromised. If purchaser does not respond to the information regarding these situations within 30 (thirty) days, they will be considered to have been accepted.

#### **Article 16 - Relationship between the parties**

16.1. Aquinos Industry and the purchaser are independent contracting parties and no provision of these General Terms and Conditions or the Sales Agreement can be interpreted as an agreement to constitute an undertaking, a joint venture or an association, or to make one party the agent or legal representative of the other party. These General Terms and Conditions do not grant either party authorization to engage in any obligation in the name of or on behalf of the other party.

16.2. The purchaser is solely responsible for bearing the costs and risks of its activities, including, but not limited to social security expenses, taxes and insurance premiums. Aquinos Industry shall have no responsibility for the personnel or subcontractors of the purchaser.

#### **Article 17 - General provisions**

17.1. No default or negligence by a party to enforce its rights under these General Terms and Conditions or the Sales Agreement can be interpreted as a waiver by that party of its rights under these General Terms and Conditions or the Sales Agreement. Each waiver of rights must be explicit and in writing.

17.2. In case any provision of these General Terms and Conditions or the Sales Agreement, in whole or in part, is found to be invalid or unenforceable, this shall have no effect on the validity or enforceability of the other provisions of these General Terms and Conditions or the Sales Agreement. Both parties shall in such cases replace the invalid or unenforceable provision(s) or the parts thereof, with (a) new provision(s) that correspond(s) as closely as possible to the original intention of the parties.

#### **Article 18 - Applicable law and jurisdiction**

18.1. The Sales Agreement between the parties, as well as these General Terms and Conditions, shall be exclusively governed by and interpreted in accordance with Portuguese law. If the registered office of Aquinos Industry and the purchaser is situated in the same country, the Sales Agreement, as well as these General Terms and Conditions, will be governed by and interpreted in accordance with the laws of the country in which both parties' registered office is situated.

18.2. Only the courts of the district in which the registered office of Aquinos Industry is situated, shall have jurisdiction to rule on any dispute concerning the validity, the interpretation, the execution or the termination of these General Terms and Conditions or the Sales Agreement.

18.3. The Rules of the United Nations Vienna Convention on Contracts for the International Sale of Goods, of April 11<sup>th</sup>, 1980, are not applicable.