

GENERAL TERMS & CONDITIONS OF SALE AND DELIVERY BUSINESS TO BUSINESS OF SOMNOX B.V.

(as filed with the Chamber of Commerce of the Netherlands)

Article 1 Definitions

- 1.1 In these general terms and conditions, the following definitions and rules of interpretation shall apply: "Supplier" means Somnox B.V. and its affiliated companies.
- 1.2 "Client" means: The Client, the buyer and/or the contracting party who wishes to enter into or who enters into an agreement with the Supplier or who makes the Supplier an offer.
- 1.3 "Goods" means: the items to be delivered and/or the services to be provided by the Supplier, including advice and creative expressions.
- 1.4 Definitions of trade terms as used in these general terms and conditions of sale and delivery are defined by the most recent set of Incoterms, such as published by the Dutch Chamber of Commerce.

Article 2 Applicability

- 2.1 These general terms and conditions will apply to agreements between the Supplier and professional parties only. Agreements between the Supplier and consumers are ruled by a separate set of general terms and conditions.
- 2.2 These general terms and conditions will apply to all offers made by the Supplier and to all agreements entered into between the Supplier and the Client.
- 2.3 No variation of these terms and conditions will bind the Supplier unless they have been agreed by the Supplier in writing.
- 2.4 Any reference made by the Client to its own terms and conditions will not be accepted by the Supplier unless such is explicitly agreed in writing for each individual case.
- 2.5 All clauses relating to the exclusion from or limitation of liability on the part of the Supplier and to the indemnification of the Supplier against claims from third parties shall operate for the benefit of the persons in the employment of the Supplier as well as any third party for whose acts or omissions the Supplier may be liable.
- 2.6 If any provision of these terms and conditions are invalid or invalidated, the other provisions of these general terms and conditions will remain in full force and the Supplier and its Client will enter into consultation for the purpose of agreeing on new provisions to replace the invalid or invalidated provisions, where the objective and meaning of the invalid or invalidated provision are considered as much as possible.
- 2.7 These terms and conditions are applicable in The Netherlands as well as beyond the borders of The Netherlands, regardless the place of residence or business of the parties involved and regardless of the location where the agreement has come into force. Dutch law applies to these terms and conditions.
- 2.8 The Supplier has the right to adjust these General Terms and Conditions from time to time.

Article 3 Offers

- 3.1 Any offer of the Supplier is without obligation.
- 3.2 Within two days after receiving the acknowledgement of acceptance the Supplier may revoke an offer that is accepted by the Client.
- 3.3 Pictures, catalogues, prospectuses, drawings and other information provided to or by the Supplier are subject to change without prior notification and will not be binding on the Supplier.

Article 4. Prices and confirmation

- 4.1 Unless otherwise agreed by the Supplier in writing, the price for the Goods shall be exclusive of VAT, shipping cost, delivery cost, insurance cost, handling cost, import duties, fuel charge, bank cost, and any other government charges, and shall be in the currency as stated in the offer. All prices shall be based on the cost-determining factors applicable at the time the offer was made.
- 4.2 The agreed prices are based on the Incoterm which is explicitly stated in the agreement. If not otherwise explicitly agreed in writing, the delivery is ex factory, ex warehouse or ex any other storage facility of the Supplier.
- 4.3 The supplier has the right to increase its prices mutatis mutandis, even when a fixed price is agreed if there is an increase, after the date of the offer or the agreement and before the time when the agreement has been entirely fulfilled, in the prices of her products.
- 4.4 The Supplier will at all times have the right to determine that certain items will only be delivered in specific minimum quantities.
- 4.5 No order placed by the Client shall be deemed to be accepted by the Supplier until a written acknowledgement of order is issued by the Supplier.
- 4.6 A written order confirmation of the Supplier counts as full and true establishment of the content of the agreement entered into, unless the Client objects to the Supplier in writing within two calendar days of the date of dispatch of this confirmation.
- 4.7 The Supplier has the right to allow third parties to totally or partially carry out the agreement, unless explicitly agreed otherwise in writing.

Article 5 Cancellations

- 5.1 In the event that an order, which has been accepted by the Supplier, is cancelled by the Client, the Client shall indemnify the Supplier in full against all loss (including loss of profit) costs (including the costs of all labor and materials used, preparation, orders placed with third parties, storage and commission), damages, charges and expenses incurred by the Supplier as a result of the cancellation.

Article 6 Supply of printed products

- 6.1 In the event that the Supplier receives instruction from the Client to deliver products specifically processed and/or compiled for the Client to the Client's specification, the Client will ensure that reproducible material of good quality shall be supplied directly to the Supplier for this purpose.
- 6.2 In the event that such specifically processed products as set out in article 6.1 above are required, the Supplier will send the Client a proof of the product specification for approval in advance if requested by the Client in writing prior to placing the order. In such case, the Supplier will undertake to submit a proof to the Client not later than five weeks after receipt of the relevant instruction and after receipt of the materials to be reproduced.
- 6.3 In the event that the Client does not reject a proof of printing in writing, clearly stating the reason(s) therefore, within 5 working days after receipt thereof, the Supplier shall be entitled to treat the Client's order as irrevocably approved.
- 6.4 All costs relating to the printing of specifically processed products will be charged separately and such costs shall not be included in the prices agreed, unless expressly agreed otherwise in writing.

Article 7 Consultancy work and product development

- 7.1 The Supplier shall endeavor to look after the Client's interests as far as possible and will, if requested, act in an advisory capacity.
- 7.2 Each party undertakes that it shall not at any time, even after the business relation between the parties has ended, disclose to any person any confidential information concerning the business, affairs, customers, clients or suppliers of the other party or of any member of the group of companies to which the other party belongs.
- 7.3 In the event that the Client requires the Supplier to provide product development, advice regarding products to be used, advice regarding creative concepts, quotations for large scale projects with printed or unprinted products, the Client will, – in all cases which do not result in an actual delivery of Goods, – be obliged to pay for the work performed by the Supplier in accordance with the hourly rate agreed between the parties or in the absence thereof the usual rate applied by the Supplier.

Article 8 Inspection

- 8.1 If agreed between the Client and the Supplier that the Client shall be entitled to inspect the Goods, such inspection shall occur in accordance with the inspection method, inspection procedures and inspection periods agreed or to be agreed between the parties in good time or, in the absence thereof, in accordance with the customary inspection method, procedures and periods of the Supplier. Inspections shall not become the cause of any delays in taking delivery.
- 8.2 In the event that the Supplier has informed the Client in writing within the period agreed, of the date of the inspection and the Client fails to take action on this invitation within a reasonable period of time the Goods will be deemed to have been approved.
- 8.3 The Supplier shall have the right to act on the results of the inspection and objections of the Client and shall be able to test the Goods before such Goods can be rejected or refused by the Client.

Article 9 Deliveries and delivery dates

- 9.1 Specified delivery dates are never to be considered firm dates, unless explicitly agreed otherwise. If delivery does not take place in time, the Supplier must therefore be given written notice of default.
- 9.2 Exceeding the term of delivery – for whatever reason – does not give the Client any rights relating to non-fulfillment of any obligation entered into with respect to the Supplier.
- 9.3 The delivery period commences on the last of the following dates:
 - a. the date on which the Agreement was concluded,
 - b. the date of receipt by the Supplier of the documents, information, permits and the like, necessary for the execution of the Agreement,
 - c. the date of receipt by the Supplier of that which must, if necessary, be paid in advance by the Client in accordance with the Agreement,
 - d. the date following the date of approval of the proof of printing.
- 9.4 If, in the case of specifically processed products, the Supplier delivers to the Client a quantity of Goods of up to ten percent more or less than the quantity accepted by the Supplier, the Client shall not be entitled to object to or reject the Goods or any of them by reason of the surplus or shortfall and shall pay for such goods at the price agreed.
- 9.5 The Supplier shall be able to deliver Goods in several consignments after prior consultation with the Client, in which respect each consignment will be payable separately.
- 9.6 Unless otherwise agreed in writing, delivery of Goods will take place ex warehouse. The Goods will be deemed to have been delivered by the Supplier and accepted by the Client as soon as the Goods have been offered to the Client
- 9.7 If for any reason the Client fails to accept delivery of any of the Goods risk in the Goods shall pass to the Client and the Supplier may demand immediate payment. The Supplier may store the Goods until delivery, whereupon the Client shall be liable for all related costs and expenses (including, without limitation, storage and insurance).
- 9.8 Unless otherwise agreed in writing, transport will be provided at the risk and expense of the Client, even if the carrier has explicitly determined that all

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transport documents must state that all damage and/or loss as a result of transport will be at the risk and expense of the sender.

- 9.9 Unless otherwise agreed in writing, the Supplier will choose the manner and means of transport to the best of the Supplier's knowledge and shall not be liable for such choice. The transport costs will be borne by the Client.
- 9.10 In the event that the Supplier makes samples available to the Client, the Client may return the samples to the Supplier within fourteen days of receipt thereof, undamaged and in the original packaging, after which the invoice for such samples will be credited to the Client.
- 9.11 In the event that the Supplier shows or provides a model, sample or example, this will be for indication purposes only: the quality of the items to be delivered may differ from the sample, model or example. [The provisions of Article 8 (Inspection) will apply mutatis mutandis].
- 9.12 In the event that the Client fails to take delivery, the Supplier shall use reasonable endeavors to deliver the Goods to the Client. After making reasonable endeavors to deliver the Goods, the Supplier shall be entitled to dispose of the Goods or to put the Goods to another use. Any proceeds thereof will be credited to the Client after deduction of all costs incurred in connection therewith without prejudice to the right, of the Supplier to full payment of the price agreed on.

Article 10 Complaints

- 10.1 After the delivery of the goods, the Supplier is no longer responsible for defects in the goods, unless the Client makes a claim on the basis of the guarantee conditions below.
- 10.2 Subject to the hereinafter stipulated limitations and other limitations and exclusions flowing from these terms and conditions, the Supplier guarantees the soundness of the goods delivered and the extra work performed by it during a period of twelve months, calculated from the day that the goods are delivered. The Supplier does not guarantee the results to be obtained with the goods or the effectiveness of the goods. The Supplier provides warranty services up to five percent of the delivered goods, solely after those poor products have been sent to the Supplier for the purpose of inspection.
- 10.3 Concerning services provided by the Supplier based on the signed agreement, the Supplier is only obliged to use its best efforts and is not in any way responsible for the results of these services.
- 10.4 All defects, which the Client proves occurred within the aforementioned guarantee period, which are only and predominantly a direct result of an error in the construction designed by the Supplier, or which are a result of a defective finishing or use of poor material, will be rectified by the Supplier without charge. The Client must at all times give the Supplier the opportunity to rectify any defect.
- 10.5 For the materials and/or objects obtained by the Supplier from third parties, the Supplier provides, without prejudicing that determined in the first paragraph of this article, no more guarantee than is given to the Supplier by the supplier or manufacturer concerned.
- 10.6 The obligations, which by virtue of these guarantee provisions come to rest with the Supplier, will at all times be limited to replacement or repair of the product concerned or to the payment of the costs incurred with respect to repair. The choice between the various options will be made by the Supplier. The Client is obliged to ensure that the Supplier is given the opportunity to fulfill these obligations.
- 10.7 The guarantee of the Supplier does not apply to defects that are (partly) the result of normal wear, injudicious or incorrect handling or use, injudicious or incorrect maintenance or if the product is employed for purposes other than normal purposes or used incorrectly or if the Client or the customer of the Client, or successive customers, or the end user do not strictly observe the operating instructions provided by the Supplier. The Client therefore bears the responsibility of ensuring that successive links in the delivery chain observe the operating instructions.
- 10.8 If the Supplier is for whatever reason unable to replace or repair the delivered goods by virtue of the guarantee, the Supplier will reimburse the cash value of the delivered goods.
- 10.9 Moreover, every claim under the guarantee lapses if the Client does not fulfill, improperly fulfils or fulfils late any obligation that flows from the agreement entered into with the Supplier or from other agreements entered into with the Supplier
- 10.10 Within three days from the date of delivery, the Client shall notify the Supplier in writing of any complaints relating to the Goods including any visible defaults or non-conformity of the Goods with the Agreement. If the Client fails to notify the Supplier of any complaint within three days from the date of delivery, the Client shall be deemed to have accepted the Goods and the Supplier shall have no liability for any such defaults or non-conformity.
- 10.11 Complaints concerning defects not visible on the outside must be made in writing within eight days of discovery thereof, but not more than three months from the date of delivery of the Goods.
- 10.12 Complaints regarding the purchase price set out on the invoices sent by the Supplier to the Client must be made in writing within eight days of the date of invoice.
- 10.13 In respect of services, Goods and/or raw materials provided and/or delivered by the Supplier yet procured by the Supplier from third parties, the provisions of the preceding articles will only apply in so far as and to the extent to which the third party supplier of such services, Goods and/or raw materials has offered guarantees to the Supplier.

- 10.14 Goods acknowledged as faulty by the Supplier will either be replaced by the Supplier or credited to the Client, to the exclusion of any other obligation of whatever kind to pay additional damages.
- 10.15 Goods may only be returned after written approval of the Supplier, at the risk and expense of the Client. Acceptance of returned Goods will not amount to acknowledgement of liability by the Supplier.

Article 11 Retention of title

- 11.1 Ownership of the Goods shall not pass to the Client until the Client has fulfilled all of its obligations towards the Supplier. The Client is considered to hold the Goods for the Supplier until the moment it has fulfilled all of its obligations.
- 11.2 Until such time as the ownership of the Goods passes to the Client, the Client will not have the right to alienate, rent out or encumber the Goods in any manner whatsoever, except and in so far as this concerns the ordinary course of business and after the Supplier has agreed in writing, in which case the Client assigns its claim on third parties to the Supplier and will provide the deed of assignment to the Supplier on the latter's first demand. At the Supplier's option, the Supplier may also, in advance, demand the establishment of an undisclosed pledge.
- 11.3 Should the Client fail to discharge its obligations to pay the Supplier, the Client will be obliged, without further notice of default, to make the Goods owned by the Supplier available to the Supplier on demand. The Client grants the Supplier, its agents and employees an irrevocable license at any time to enter any premises where the Goods are or may be stored in order to inspect them, or, where the Client's right to possession has terminated, to recover them.
- 11.4 The Client undertakes to secure the interests of the Supplier in connection with the retention of title. The Client undertakes to compensate the Supplier for such interest in the event of a calamity and to assign its claim on its insurers to the Supplier on first demand.

Article 12 Payment

- 12.1 Unless otherwise agreed in writing and without prejudice to the provisions of the following paragraph, payment of the invoices for the Goods shall be paid to the Supplier in full by the Client:
- a. prior to delivery in case of orders placed by the Client in the Business Gift Portal,
 - b. within 7 days of the date of invoice.
- The Client will be obliged to pay Goods even if the Client has failed to take delivery of Goods.
- 12.2 Unless explicitly agreed otherwise, all payments of the Client, in whatever manner effected, will in the first place be used to reduce the costs. Subsequently to reduce the interest due and finally to reduce the principal sum of the invoices left unpaid.
- 12.3 The Client shall make all payments due in full without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the Client has a valid court order requiring an amount equal to such deduction to be paid by the Supplier to the Client.
- 12.4 The Supplier will at all times, before delivering or continuing to deliver, have the right to require advance payment or security, to an extent considered sufficient by the Supplier, for the fulfillment of the Client's obligations to pay. The Supplier will have the right to suspend further deliveries should the Client fail to satisfy this request, which will apply in the event that a fixed delivery date has been agreed without prejudice to the right of the Supplier to demand compensation for loss due to late and/or non performance of the Agreement.
- 12.5 In the event that the Client fails to pay within the period of time agreed, the Supplier shall be entitled to charge interest on the amount unpaid from the due date for payment, at the legal rate as laid down by Dutch law in art. 6:119a BW.
- 12.6 The Supplier shall be entitled to recover from the Client on demand any costs and expenses (including legal fees and disbursements and expenses of any debt recovery agent) that the Supplier may incur in seeking to recover any overdue amount.
- 12.7 Should the Client fail to comply with its obligations under this article 12, all outstanding debts owed by the Client to the Supplier will, from the moment of such failure, become immediately due and payable.

Article 13 Liability

- 13.1 In the case of an unlawful act by the Supplier or by staff of the Supplier or by subordinates for whom the Supplier can be held liable by law, the Supplier is only liable for compensation for damages caused by death or physical injury and for other damage that was caused intentionally or by gross negligence.
- 13.2 In so far as the Supplier may be liable to pay an amount by virtue of liability, this amount will always be limited to the amount that is paid out in the case concerned pursuant to the business liability insurance.
- 13.3 Liability of the Supplier owing to an unlawful act other than that referred to in the previous articles is explicitly excluded.
- 13.4 In the event that the Client resells, delivers, pledges or in any other manner, under whatever title, whether or not for consideration or otherwise and whether in use or otherwise, transfers or makes available to a third party Goods, in respect of which the Supplier has informed the Client, stating the reasons, that the Supplier has doubts with regard to their quality, the Client will be obliged to indemnify the Supplier against all claims from third parties

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relating to damage and/or loss that may occur due to or in connection with items delivered by the Supplier to the other party.

- 13.5 The Client will be obliged to indemnify the Supplier against all costs and damage and/or loss the Supplier may incur or sustain on account of an action being brought against the Supplier by a third party, relating to a fact in respect of which liability vis-à-vis the Client has been excluded in these general terms and conditions.

Article 14 Force Majeure

- 14.1 The Supplier reserves the right to defer the date of delivery or to cancel the Agreement or reduce the volume of the Goods ordered by the Client (without liability to the Client) if it is prevented from or delayed in the carrying on of its business due to circumstances beyond the reasonable control of the Supplier including, without limitation
- acts of God,
 - (threat of) war, armed conflicts, including terrorism or the threat thereof in the Netherlands and/or other countries, leading to a limited supply of materials or Goods,
 - Protests, strikes or other labor disputes, riot, civil commotion, whether or not relating to either party's workforce, leading to a limited supply of materials or Goods,
 - Loss or damage of materials or Goods during transport, or delays affecting carriers,
 - Epidemic, or illness of personnel,
 - Governmental actions leading to limited supplies of materials or Goods, including import- and export-restraints,
 - Prohibition or restraint of delivery to the Supplier,
 - Lack or obstruction of means of transportation, production means, or energy supplies,
 - Fire or accidents in the Supplier's company,
 - Non-delivery or delayed delivery to the Supplier by its suppliers,
 - Shortages in the supply of materials or Goods, provided that, if the event in question continues, or is beyond any reasonable doubt to continue for a continuous period in excess of three months, either party shall be entitled to give notice in writing to the other party to terminate the Agreement. In such event, parties shall not be held to compensate damages to the other party, not limiting the Client's obligation to pay all Goods that were delivered up to the moment of termination.

Article 15 Termination

- 15.1 If the Client does not fulfill, improperly fulfills or fulfills late any obligation to the Supplier, arranges a debt settlement with its creditors, applies for suspension of payment, is declared bankrupt, its business is wound up or disposed of or (in the case that is a company) dissolved, dies, is placed under guardianship or administration, its movable or immovable property are seized or the Client actually and legally moves its domicile abroad, or if other circumstances come to light after entering into the agreement with the Supplier that give it good reason to fear that the Client will not fulfill its obligations, the Client is considered to be in default by operation of the law and the Supplier is authorized to suspend the further implementation of the agreement and/or totally or partially dissolve the agreement without requiring any notice of default or judicial intervention, all this without prejudice to the right of the Supplier to claim damages.

Article 16 Intellectual property

- 16.1 All intellectual property rights, including but not limited to copyrights, design patents, utility patents, et cetera, relating to the Goods supplied by the Supplier lie exclusively with the Supplier.
- 16.2 All drawings, sketches, diagrams, samples, models, tools and the like used by the Supplier will, remain the intellectual and/or physical property of the Supplier and may not be used by the Client for any other purpose without the prior written consent of the Supplier.
- 16.3 The Client shall indemnify the Supplier against all liabilities, costs, expenses, damages and losses (including any direct or indirect consequential losses, loss of profit, loss of reputation and all interest, penalties and legal and other reasonable professional costs and expenses) suffered or incurred by the Supplier arising out of or in connection with any claim made against the Supplier for actual or alleged infringement of a third party's intellectual property rights arising out of or in connection with the use of a drawing, design, image, logo specification or any other material in whatsoever form supplied by the Client for the purpose of the Agreement.

Article 17 Disputes / applicable law

- 17.1 Dutch law applies to all offers and agreements that are completely or partially subject to these terms and conditions, including further agreements between the parties.
- 17.2 All disputes, of whatever nature – including those that are only considered by one of the parties as such – which occur with reference to the offer or agreement and further agreements between the parties, shall be governed by a competent court in the district of The Hague, the Netherlands.
- 17.3 Unless specifically agreed by both parties in writing, all appeals by the Client based on these terms and conditions become void one year after the date of delivery.

17.4 The United Nations Convention on Contracts for the International Sale of Goods (CISG) of April 11, 1980 does not apply to these terms and conditions.

17.5 The Dutch version of these general terms and conditions prevails at all time in case of disputes with regard to the interpretation and purpose of these terms and conditions.

Article 18 Miscellaneous

- 18.1. Somnox B.V. resides at Molengraaffsingel 12, 2629 JD Delft, The Netherlands, and is registered at the Chamber of Commerce in The Hague under number 67150179. Please send all correspondence regarding these General Terms and Conditions to Somnox B.V. at the address mentioned above or the e-mail address mentioned on the website.
- 18.2. The Somnox B.V. helpdesk is available for information on working days at the e-mail address mentioned on the website.
- 18.3. Somnox B.V. aims to answer received e-mails within one working day.