

## TERMS AND CONDITIONS OF THE PRODUCTION FACTORY B.V.

### TERMS AND CONDITIONS

of THE PRODUCTION FACTORY B.V.,

located in Arnhem at Delta 46 (6825), hereinafter referred to as The Production Factory.

#### CHAPTER I: GENERAL

1.1. These General Terms and Conditions apply to all offers (quotations) and agreements in which the counterparty ("the client") instructs The Production Factory B.V. ("The Production Factory") to perform work and/or deliver or make available goods and/or services, unless expressly agreed otherwise in writing between the parties.

1.2. Any (general) terms and conditions of the client are not accepted by The Production Factory, except after separate written acceptance by The Production Factory.

1.3. If any provision of these terms and conditions should conflict in whole or in part with any provision of mandatory law, these terms and conditions will remain in full force and effect for the remainder, and for the null or voided provisions, The Production Factory will, in consultation with the client, establish new provisions as much as possible in line with the purpose and intent of the null or voided provisions.

1.4. These General Terms and Conditions are drafted in accordance with Dutch law. Only Dutch law applies to all offers and agreements with The Production Factory. Unless expressly agreed otherwise, the client cannot rely on customary law or industry practice to challenge any provision of the agreement and these General Terms and Conditions.

#### 1.5 Definitions and Descriptions

a. The term "offer" in these terms and conditions means an offer or quotation, in any form or under any name.

b. The term "design" in these terms and conditions means the designs, models, objects, (work) drawings, and/or other tangible items to be delivered.

c. The term "products" in these terms and conditions also means components, ingredients, materials, and additives, regardless of the form or designation given to them, whether or not made according to a design.

d. The term "method" in these terms and conditions means a method, construction method, or procedure, regardless of the form or designation given to it.

e. The term "order" in these terms and conditions means an order, purchase order, or request, in any form or under any name.

f. The term "client" in these terms and conditions also means the buyer, lessee, or client, as well as the prospective buyer, prospective lessee, or prospective client.

g. When these terms and conditions refer to the performance of work, it also includes the manufacture and delivery of goods, the transport of goods, the provision of services, as well as the conclusion of agreements.

#### CHAPTER II: OFFER

2.1. A prospective client may at any time request The Production Factory to make a written proposal based on the wishes regarding work to be performed and/or products and/or services to be delivered or provided by The Production Factory, as specified in the request.

2.2. The Production Factory will either submit a quotation or inform the prospective client that it is unable to submit a quotation. All quotations and price offers made by The Production Factory are non-binding. The Production Factory reserves the right to change prices and offers until an agreement is reached. Within the period specified in the proposal or, if no period is specified, within fourteen days from the date of the proposal, the prospective client must notify The Production Factory in writing whether they accept the proposal or wish to negotiate. If the prospective client does not respond within the specified period, The Production Factory may withdraw or modify the proposal.

2.3. All information provided by or on behalf of The Production Factory in the context of a quotation or agreement, such as data, designs, and instructions for use, remain the material and intellectual property of The Production Factory and may not be reproduced and/or disclosed without the prior written consent of The Production Factory, unless otherwise agreed in writing.

2.4. The client who accepts an offer and gives an order is irrevocably bound by it.

2.5. The Production Factory is only bound after an order is confirmed in writing by The Production Factory. An order is considered confirmed by The Production Factory upon execution of the order by The Production Factory.

2.6. Weight, size, and price quotations, images, drawings, and similar information provided by The Production Factory in catalogs, circulars, brochures, and similar publications, as well as in advertisements placed by The Production Factory in any other way, are never binding and are intended to provide the client with a general idea of what The Production Factory offers.

2.7. Unless expressly stated otherwise, all price quotations are exclusive of value-added tax and other cost-increasing levies and taxes.

2.8. In the case of composite offers, there is never an obligation to supply a portion at a corresponding and/or further specified portion of the price stated for the whole.

2.9. In the event of demonstrable errors or uncertainties in the description or statements in quotations, catalogues, price lists, and/or order confirmations, no agreement is reached, even after the acceptance of any offer or the placement of any order by the client, even if the error is not known or cannot be known to the client. If such a circumstance arises, The Production Factory will inform the client of this within 14 days of the acceptance of the quotation by the client, stating that no agreement has been concluded.

2.10. By merely accepting a quotation from The Production Factory, the client agrees to the payment terms and other conditions specified in the quotation and in these terms and conditions.

### **Chapter III: WORK TO BE PERFORMED BY THE PRODUCTION FACTORY**

#### **3.1. Contract Sum and Rates**

- a. For the work to be performed by The Production Factory, a fixed contract sum or hourly rates based on execution on a time-and-materials basis or settlement based on other measurable and agreed-upon units may be agreed upon between the client and The Production Factory.
- b. The agreement for the performance of work is based on normal conditions. The Production Factory is entitled to charge the client additional surcharges for exceptional circumstances.
- c. If the proper execution of The Production Factory's work or the delivery/provision of products and/or services is hindered, for example due to a change in safety regulations or other circumstances, The Production Factory will be entitled to amend or supplement the contents of the agreement accordingly after prior consultation with the other party. If a fixed price has been agreed upon, The Production Factory will inform the client in advance if the amendment or addition to the order results in exceeding the agreed-upon price. The other party will then be obligated to compensate The Production Factory for such excess.
- d. If no agreement resulting in an order is reached based on a proposal, The Production Factory may demand payment for the costs already incurred on behalf of the prospective client.

#### **3.2. Obligations of The Production Factory**

- a. The Production Factory is obligated to observe all government regulations, especially safety regulations, during its work.
- b. The Production Factory carries out the agreed-upon work in accordance with the standards of good craftsmanship.
- c. The Production Factory adheres to any drawings, specifications, and instructions provided by the client in connection with the work, to the extent that they comply with the applicable government regulations.

d. The Production Factory will execute the work in such a way that the assembled material is suitable for the purpose agreed upon or communicated at the acceptance of the order by The Production Factory, to the extent that it complies with the applicable government regulations.

### 3.3. Client's Obligations

The client is responsible for, and at their own expense and risk shall ensure that:

- a. Any drawings, specifications, and instructions on which The Production Factory's work is based have been verified, and the specified dimensions and other data have been checked.
- b. The work related to, but not included in, The Production Factory's scope of work is carried out correctly and in a timely manner.
- c. Their own regulations and instructions are provided to The Production Factory in a timely manner before the start of the work; failure to do so relieves The Production Factory from complying with such regulations and/or instructions.
- d. All obstacles at the location of the work have been removed before the commencement of the work.
- e. The work site is accessible for The Production Factory's transport vehicles.
- f. They possess all the necessary permits for the work.
- g. All applicable government regulations, especially safety regulations, are complied with.
- h. Reasonable working conditions are present in the work area.
- i. The work can proceed without interruptions, and in particular, no other work is being performed that would interfere with the uninterrupted assembly and/or disassembly.

### 3.4. Times and Deadlines

- a. Unless the nature of the agreement unequivocally implies that an agreed-upon date and time is a firm deadline, the specified dates and times are approximate, and exceeding them does not entitle the client to compensation and/or contract termination.
- b. If, at the request of the client, the execution of the work occurs within a shorter period than agreed upon, any additional costs associated with this will be borne by the client. If, at the request of the client, the execution of the work takes longer than agreed upon, any additional costs associated with this will be borne by the client.

### 3.5. Subcontracting

- a. The Production Factory is at all times, without requiring the client's consent, authorized to subcontract the assigned work in whole or in part to third parties.
- b. The Production Factory is at all times, without requiring the client's consent, authorized to transfer all rights and obligations arising from the agreements it has entered into to third parties.
- c. In the case of subcontracting or transfer, as mentioned above in 3.5.a. and 3.5.b., The Production Factory will remain jointly and severally liable for the performance of its obligations under the agreement between the parties.

### 3.6. Delivery and Risk

- a. From the moment The Production Factory transports designs and/or products or materials to the location until the materials are returned to their place of origin, the client is liable for theft, damage, and loss. This includes damage to materials due to fire, storm, theft, and minor disturbances.
- b. If the client does not raise objections at the delivery of the work performed by The Production Factory, the client is deemed to have approved the material and/or work, and the delivery is considered complete.
- c. The client is also liable for damage, theft, and loss of items and tools belonging to The Production Factory and used in the assembly, unless The Production Factory is grossly negligent or intentionally at fault.
- d. When carrying out its work, The Production Factory is not liable for any damage to persons, buildings, installations, or other items, as well as for any other damage that may directly or indirectly result from the work performed by or on behalf of The Production Factory or its personnel, unless there is gross negligence or intent.
- e. Unless otherwise agreed upon, the client is not allowed to use the work performed/the assembled materials for purposes other than those specified in the agreement with The Production Factory.
- f. The client is not allowed to make changes to the work performed/the assembled materials without the permission of The Production Factory.
- g. Agreements or understandings with, or statements made by employees of The Production Factory, subcontractors, or other persons engaged in connection with work performed or to be performed by The Production Factory, are only

binding on The Production Factory if these persons are authorized to do so or if the management of The Production Factory has confirmed the respective agreement or understanding in writing.

### 3.7. Technical Service, Advice, and Designs

- a. If The Production Factory provides services to the client, such as developing designs, assembly calculations, execution drawings, as well as site visits, inspections, and meetings, The Production Factory is entitled to charge separate fees to the client unless otherwise agreed upon.
- b. The client must, at all reasonable times, allow The Production Factory, its representatives, or insurers to inspect The Production Factory's property located at the client's premises. The Production Factory will minimize disruption when carrying out these activities.
- c. All drawings, designs, descriptions, calculations, models, and tools produced by The Production Factory at the request of the client remain the property of The Production Factory, who also holds the copyright. The client shall not copy, disclose, or use any data regarding the method of work/construction method proposed, designed, or suggested by The Production Factory without The Production Factory's express written consent.
- d. The client shall not copy, show to third parties, disclose, or use any data regarding the methods or construction methods employed, designed, or proposed by The Production Factory without the explicit written consent of The Production Factory.

### 3.8. Limitation of Liability

- a. The Production Factory shall not be liable for any damage resulting from any failure of The Production Factory in relation to its work, delivery, or provision of products and/or services or any other failure to fulfill its obligations to the client, unless such failure is due to intent or gross negligence on the part of The Production Factory. The client shall indemnify The Production Factory from all claims by third parties in this regard.
- b. In the event that, notwithstanding the provisions above, The Production Factory is liable to the client on any grounds whatsoever, such liability shall in all cases be limited to a maximum of the invoice value of the service provided by The Production Factory that gave rise to the damage.
- c. Even if the agreement to which these General Terms and Conditions apply is terminated or declared null and void, Article 3.8 concerning liability and indemnification shall remain in full force.

### 3.9. Force Majeure

Force majeure in these General Terms and Conditions refers to all facts and circumstances beyond the control of The Production Factory, which reasonably prevent The Production Factory from performing the agreement. This includes, but is not limited to, the following circumstances: non-delivery or delayed delivery by suppliers, illness of The Production Factory's personnel, defects in auxiliary and transport equipment, loss or damage of materials during transport, fire, strikes, traffic obstructions, lack of raw materials, auxiliary materials, electricity, excessive demand on the part of clients, frost, flooding, storms, ice, snow, and similar obstructive weather conditions.

### 3.10. Suspension and Termination

If the client fails to comply with any obligation arising from any agreement concluded with The Production Factory, or if there is serious doubt about the client's ability to fulfill its contractual obligations towards The Production Factory, or in the event of the client's bankruptcy, suspension of payments, cessation, or liquidation, The Production Factory is entitled, without notice of default and without judicial intervention, to either suspend the execution of the agreement or terminate it in whole or in part, without being obliged to pay any damages or provide any guarantees, and without prejudice to any other rights it may have in law.

## **Chapter IV: TERMINATION OF THE AGREEMENT**

4.1 If the client terminates the agreement for any reason, including unforeseen circumstances, The Production Factory shall nevertheless be entitled to the full compensation agreed upon by the parties for the task entrusted to The Production Factory.

4.2 The Production Factory is authorized, without further notice of default and without being obliged to pay any damages, to suspend the performance of its obligations under the agreement or to terminate it extrajudicially, and to take back any delivered or made available goods, without prejudice to any other rights belonging to The Production Factory, including but not limited to The Production Factory's right to claim compensation for damages and costs, as soon as:

- the client fails to fulfill any obligation arising from this agreement, or fails to do so fully or on time;
- the client is declared bankrupt or applies for a suspension of payments;
- the client passes away;
- the client is placed under guardianship;
- the legal entity of the client is dissolved;
- in the event that the client is a partnership or association: the partnership or association is dissolved, or any co-partner is declared bankrupt, applies for a suspension of payments, passes away, or is placed under guardianship;
- seizure is placed on a substantial portion of the client's assets or the client's legal entity is dissolved;
- the client offers its creditors an extrajudicial settlement.

## **Chapter V: PAYMENT**

### **5.1 Payment**

- a. In case of payment in cash by the client, the client shall receive a proper receipt as proof of payment.
- b. Unless otherwise agreed in writing, any fees owed by the client must be paid to The Production Factory on the invoice date, without any discount or compensation, at the office of The Production Factory or by deposit into one of the bank accounts specified on the invoice by The Production Factory.
- c. The client explicitly waives any right of retention or setoff of any counterclaims it may have under this agreement or any other agreements.
- d. In case of overdue payment, the client shall owe The Production Factory interest at a rate of 1.5% per month from the due date until the date of full payment. All costs incurred by The Production Factory due to late payment, both in and out of court, shall be borne by the client.
- e. If repairs or cleaning are necessary due to improper handling, repairs by third parties, the use of unsuitable accessories, or any other cause not attributable to normal wear and tear, the costs thereof shall be charged separately and in addition to the client.
- f. The Production Factory is entitled to demand payment in advance or cash payment upon delivery or completion at any time.
- g. The Production Factory is entitled to demand periodic payment for work and/or deliveries already performed and to invoice them accordingly, even if a total price has been agreed upon, in which case payment is made as a partial payment towards the agreed total price. The provisions regarding final invoices shall apply to these invoices without exception.

## **Chapter VI: MISCELLANEOUS**

### **6.1. Miscellaneous**

- a. Changes and additions to or the cancellation of agreements are only valid if agreed upon in writing.
- b. Oral ancillary agreements, even if made before the conclusion of this agreement, are not valid to the extent that they conflict with these General Terms and Conditions and the agreement.

### **6.2. Disputes, etc.**

- a. Dutch law applies to the agreement. Disputes shall be settled by the competent court in Amsterdam.
- b. In connection with the agreement between the client and The Production Factory and its implementation, the parties declare that they choose their respective domiciles at the place where The Production Factory is established.

### **6.3. Proof**

- a. Regarding the financial amount of the mutual obligations arising from the agreement concluded with The Production Factory, the administrative data of The Production Factory shall be decisive unless proven otherwise by any means.
- b. If the client claims any warranty obligations against The Production Factory, the burden of proof for incorrect quantities, incorrectness, or inadequacy of goods, or that The Production Factory's personnel performed the work with insufficient craftsmanship, shall rest with the client.

#### 6.4 Interpretation

The headings above the provisions of these general terms and conditions are solely for the purpose of improving readability and cannot in any way limit or expand the operation or provision of the provisions.