

# Terms and Conditions LFT Works

## TERMS AND CONDITIONS

Of: LFT Works BV  
Kattenbos 11  
Reusel

Hereafter referred to as: LFT Works

### Article 1 Definitions

1. In these Terms and Conditions the terms below shall be understood to have the following meaning, unless explicitly stated otherwise.  
LFT Works: the user of these Terms and Conditions.  
The Client: the other party with whom LFT Works has entered into an agreement.  
Agreement: the service provision agreement.

### Article 2 General

1. These Terms and Conditions shall apply to every offer, quotation and agreement entered into between LFT Works and the Client in so far as LFT Works has declared these Terms and Conditions applicable, unless the parties have explicitly agreed in writing to depart from these Terms and Conditions.
2. The current Terms and Conditions shall also apply to all agreements with LFT Works for the performance of which third parties should be involved.
3. Any derogation from these Terms and Conditions shall be valid only if such derogation has been explicitly agreed in writing.
4. The applicability of any purchase condition or other terms and conditions of the Client is explicitly rejected.
5. If it should be established that one or more provisions in these Terms and Conditions are invalid or eligible for being declared void, the remaining provisions in these Terms and Conditions shall continue to apply in full. In that case, LFT Works and the Client shall enter into negotiations to agree new provisions to replace the invalid provisions or those provisions eligible for being declared void, whereby, if and to the extent possible, the purport and tenor of the original provision shall be taken into account.

### Article 3 Offers and quotations

1. All offers shall be free of obligation unless a term for acceptance is stated in the offer.
2. All quotations of LFT Works shall be free of obligation and shall be valid for 30 days, unless stated otherwise. LFT Works shall never be bound by the quotations unless acceptance thereof is confirmed in writing within 30 days by the other party, unless stated otherwise.
3. The prices in the offers and quotations referred to shall be exclusive of Dutch VAT and other government levies, as well as any costs to be incurred within the context of the Agreement, including dispatch and administration costs, unless stated otherwise.
4. If the quotations or order confirmations are based on drawings or information provided by the client then LFT Works may rely on their accuracy.
5. LFT Works shall never be bound to an acceptance that deviates from the offer included in the quotation, irrespective of whether the deviation concerns only minor points. In that case, the Agreement shall not come into effect in accordance with this deviating acceptance, unless LFT Works states otherwise.
6. A composite quotation shall not oblige LFT Works to perform part of the assignment for a corresponding part of the stated price.
7. No rights may be derived from offers or quotations for future assignments.

### Article 4 Contract duration; performance period, transfer of risk, performance and amendment of the Agreement; price increase

1. If for the completion of certain work within the course of the Agreement a period has been agreed or specified, this period shall never be considered a deadline. If a performance period is exceeded, the Client shall issue LFT Works with a notice of default in writing. LFT Works shall be granted a reasonable period of time in order to still perform the Agreement.
2. LFT Works shall perform the Agreement to the best of its knowledge and ability and in accordance with the requirements of good workmanship. All this on the basis of the current state-of-the-art technology.
3. LFT Works shall be entitled to engage third parties for certain work. The applicability of Article 7:404, 7:407 paragraph 2 and 7:409 of the Dutch Civil Code shall be explicitly excluded.
4. If LFT Works or the third parties engaged by LFT Works perform work in the context of the assignment at the Client's location or a location designated by the Client, the Client must ensure that LFT Works or the relevant third parties are furnished with the facilities reasonably requested free of charge.

5. Delivery shall be ex-works of the Client. The Client shall be obliged to accept the goods when they are made available to him. If the Client refuses to accept the goods or neglects to provide information or instructions necessary for the delivery, LFT Works shall be entitled to store the goods at the expense and risk of the Client. In that case the risk of loss, damage or value reduction shall be transferred to the Client from the moment the goods are available to the Client.
6. LFT Works shall be entitled to perform the Agreement in different phases and to invoice each executed phase separately.
7. If the Agreement is performed in phases, LFT Works may suspend performance of those parts belonging to a subsequent phase until the Client has approved the results of the preceding phase in writing.
8. The Client shall ensure that all information which LFT Works indicates is necessary - or which the Client should reasonably understand to be necessary - for the proper implementation of the Agreement is provided to LFT Works in a timely manner. If the information required for the performance of the Agreement has not been provided to LFT Works in time, LFT Works has the right to suspend performance of the Agreement and/or charge additional costs resulting from the delay in accordance with the rates applicable at the time to the Client. The implementation period shall begin no earlier than after the Client has made information available to LFT Works. LFT Works shall not be liable for damage of any kind in the event that LFT Works has worked on the basis of incorrect and/or incomplete information provided by the Client.
9. If during the performance of the Agreement it becomes evident that for proper performance thereof it is necessary to amend or supplement the Agreement, the parties shall proceed to amend the Agreement accordingly in a timely manner and in reasonable mutual consultation. If the nature, scope or content of the Agreement, whether or not at the request or indication of the Client, the competent authorities et cetera, is or are modified and as a result the Agreement would be changed in terms of quality and/or quantity, this may also have consequences for what was originally agreed upon. As a result, the amount initially agreed upon may be increased or decreased. LFT Works shall provide a quotation regarding this beforehand wherever possible. Furthermore, an amendment of the Agreement may also change the initially specified performance period. The Client accepts the possibility of amending the Agreement, including the change in price and performance period.
10. If the agreement is amended, including a supplement, LFT Works may only implement the new provisions after they have been confirmed in writing by the competent person within LFT Works and the Client has agreed in writing with the specified price and other terms and conditions for performance, including the time for performance to be determined. Whether or not the amended Agreement is immediately executed shall not result in a breach of contract by LFT Works and shall not constitute grounds for the Client to terminate the Agreement.
11. Without being in default, LFT Works may refuse a request to amend the Agreement, if this could have consequences in terms of quality and/or quantity for, for example, the work to be performed or goods to be delivered within that context.
12. If the Client fails to properly perform its obligations towards LFT Works, the Client shall be held liable for any direct or indirect damages on the part of LFT Works.
13. If LFT Works and the Client agree upon a fixed fee or fixed price, LFT Works shall nevertheless be entitled at all times to increase this fee or price without the Client then being entitled to dissolve the Agreement for that reason if the aforementioned increase in price is the result of warrants or duties under laws and/or regulations or is caused by an increase in the price of raw materials, wages et cetera or for other reasons which were not reasonably foreseeable at the conclusion of the Agreement.

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14. If the increase in price other than as a result of an amendment to the Agreement exceeds 10% and occurs within three months after the conclusion of the Agreement, only a client entitled to an appeal under Title 5 Section 3 of Book 6 of the Dutch Civil Code shall be entitled to dissolve the Agreement, unless LFT Works:

- Nonetheless remains willing to perform the Agreement based on that which was originally agreed upon;
- If the increase in price is the result of a warrant or a legal obligation on LFT Works;
- If it has been stipulated that the delivery of goods shall take longer than three months after the Agreement was concluded;
- Or if, regarding delivery of goods, it has been stipulated that delivery shall take place more than three months after sale.

## Article 5 Payment

1. Payment shall be made within 14 days after the invoice date, following instructions provided by LFT Works, and in the currency used on the invoice. Objections to the amount of the invoices shall not suspend the payment obligation.
2. If the Client fails to pay the invoice within the payment term of 14 days, the Client shall then legally be in default. The Client shall then own an interest of 1% per month, unless the statutory interest rate is higher, in which case the statutory interest shall apply. The interest on the amount due will be calculated from the moment at which the Client is found to be in default until the moment the amount is paid in full.
3. In the event of liquidation, bankruptcy, seizure or suspension of payment of the Client the claims of LFT Works against the Client shall become immediately enforceable.
4. LFT Works has the right to apply the payments made by the Client firstly to reduce costs, then to reduce the amount of accrued interest and finally to reduce the principal sum and current interest.
5. LFT Works may refuse any offer of payment, without thereby being in default, if the Client indicates a different order in which the payment is to be applied.
6. LFT Works may also refuse full payment of the principal sum if this payment is insufficient to clear accrued interest, current interest and costs.

## Article 6. Collection costs

1. If the Client is in default of, or fails to meet one or more of his obligations, all reasonable costs incurred in the course of obtaining payment out of court shall be borne by the Client. If the Client
2. fails to make timely payment of a sum of money, the Client shall be subject to an immediately payable penalty of 15% over the amount due with a minimum of EUR 50.00.
3. If LFT Works has incurred higher costs, which were reasonably necessary, these costs shall also qualify for reimbursement.
4. Any reasonable judicial and execution costs incurred shall equally be borne by the Client.
5. The Client shall owe interest over the collection charges.

## Article 7 Warranty and complaints

1. LFT Works is obliged to deliver correct and reliable work that meets the legal requirements of the Agreement.
2. The Client is obliged to thoroughly inspect the work for defects immediately upon taking receipt of delivery. This inspection shall take place within eight days after receipt of delivery.
3. Any visible defects which are observed during a thorough inspection shall be specified and reported in writing to LFT Works within 8 days upon taking receipt of delivery.
4. Any defects which are not observed during a thorough inspection shall be reported by the Client in writing to LFT Works within 8 days after observation of these defects.
5. LFT Works shall at all times have the opportunity to inspect the defects.
6. LFT Works is not responsible for defects resulting from the failure to provide information or for defects resulting from the failure to provide timely and complete information to LFT Works which the Client is obliged to provide.
7. The Customer is liable for any damage caused by building materials or tools provided or prescribed by him or on his behalf.

8. If the Client wishes to have certain materials or parts supplied by specified manufacturers or suppliers LFT Works shall not be bound to any further responsibility or longer warranty period than the manufacturer or supplier of these parts or materials is prepared to accept towards LFT Works.

## Article 8 Termination

1. Both parties may terminate the Agreement at all times in writing.
2. If the Client terminates the Agreement prematurely, LFT Works shall be entitled to claim compensation for any loss which could plausibly be shown to have arisen as a result of lower capacity utilisation, unless the termination is based on facts and circumstances attributable to LFT Works. Moreover the Client shall be obliged in any event to pay all invoices for the work performed by LFT Works up to the time of termination. The provisional results of the work performed up to the time of termination shall be made available to the Client only following payment.
3. If LFT Works terminates the Agreement prematurely, LFT Works shall ensure, in consultation with the Client, that the transfer of work still to be performed is made available to third parties, unless the termination is based on facts and circumstances attributable to the Client.
4. If the transfer of the work results in extra costs for LFT Works, such costs will be charged to the Client.

## Article 9 Suspension and dissolution

1. LFT Works shall be entitled to suspend the fulfilment of its obligations or to dissolve the Agreement if:
  - The Client fails to fulfil its obligations ensuing from the Agreement or fails to perform them in full;
  - Following the conclusion of the Agreement LFT Works learns of circumstances that provide reasonable grounds for fearing that the Client will not fulfil its obligations. If there is good reason to fear that the Client will perform its obligations only in part or will not perform them properly, suspension will be permitted only
  - in so far as the shortcoming justifies such action;
  - The Client was requested to provide security at the conclusion of the Agreement to guarantee the fulfilment of its obligations arising from the Agreement and this security is not forthcoming or is insufficient.
2. Furthermore, LFT Works shall be authorised to dissolve the agreement (have the Agreement dissolved) if circumstances arise of such a nature that fulfilment of the Agreement becomes impossible or can no longer be demanded in accordance with the requirements of reasonableness and fairness, or if other circumstances arise of such a nature that the unaltered maintenance of the Agreement can no longer be demanded in all reasonableness.
3. If the Agreement is dissolved, the claims of LFT Works against the Client shall become immediately due and payable. If LFT Works suspends the fulfilment of its obligations, it shall retain its rights pursuant to law and the Agreement.
4. LFT Works shall always retain the right to claim damages.
5. If one of the parties remains in default after this party has been given proper notice of default by the other party, then the latter is entitled to dissolve the agreement. In any event, the right to dissolve the agreement exists if the other party:
  - goes into liquidation
  - has applied for a moratorium
  - is subject to a guardianship order or any of the Client's goods and/or assets are put under administration
  - in the event of death or liquidation or dissolution of the Client's company.

## Article 10 Return of items made available

1. If LFT Works has made items available to the Client for the purpose of the performance of the Agreement, the Client shall be obliged to return the items within 14 days in their original condition, free of defects and complete. If the Client fails to fulfil this obligation, all resulting costs shall be at Client's expense.
2. If the Client remains in default, for whatever reason, to fulfil the obligation mentioned under Paragraph 1 of this Article after receiving due notice to that effect, LFT Works will be entitled to recover from the Client the resulting damage and costs, including the costs of replacement.

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## Article 11 Liability

1. If LFT Works should be liable, this liability shall be limited to what is provided for in this stipulation.
2. If LFT Works is liable for direct damage, that liability shall be limited to the maximum amount of the fee owed for the assignment to which the liability applies. The liability will be limited at all times to the maximum amount to be paid out by LFT Works' insurer in the case in question.
3. Contrary to the stipulations under Paragraph 2 of this Article, LFT Works shall never be liable if the Client fails to fulfil any obligation from any agreement concluded with LFT Works or fails to do so in time or in full.
4. Contrary to the stipulations under Paragraph 2 of this Article, in the case of an assignment with a duration exceeding six months, the liability shall be additionally limited to the fees owed for the last six months.
5. Direct damage shall be understood to mean only the following:
  - The reasonable costs incurred in assessing the cause and scope of the damage, insofar as that assessment relates to damage within the meaning of these Terms and Conditions;
  - Any reasonable costs incurred in order to ensure that LFT Works' defective performance conforms to the Agreement, unless this defective performance cannot be attributed to LFT Works;
  - The reasonable costs incurred to prevent or limit damage, in so far as the Client demonstrates that such costs have resulted in the limitation of direct damage as referred to in these Terms and Conditions.
6. LFT Works shall never be liable for indirect damage, which includes consequential damage, lost profit, lost savings, and damage due to business interruption.

## Article 12 Indemnification

1. The Client shall indemnify LFT Works against claims of third parties relating to intellectual property rights to materials or data issued by the Client used during the performance of the Agreement.
2. If the Client provides LFT Works with data carriers, electronic files or software, etc., the client shall guarantee that the data carriers, electronic files or software are free of viruses and defects.

## Article 13 Prices

1. The prices quoted by LFT Works in quotations are exclusive of VAT and are based on the current cost determining factors.
2. Interim changes in material costs which arise more than three months after entering into the Agreement may be passed on by LFT Works to the Client.

## Article 14 Transfer of risk

The risk of loss of or damage to the goods being the subject of the Agreement, shall be transferred to the Client the moment said goods are judicially and/or actually delivered to the Client and therefore fall into the power of the Client or of third parties to be appointed by the Client.

## Article 15 Force majeure

1. The parties shall not be obliged to fulfil any obligation if they are prevented from doing so as a consequence of a circumstance through no fault of their own and which cannot be attributed to them by virtue of law, a legal action or generally accepted practice.
2. In these Terms and Conditions, *force majeure*, in addition to the meaning in the law and jurisprudence, shall mean all external causes, foreseen or unforeseen, that LFT Works cannot influence, but as a result of which LFT Works is unable to perform its obligations.
3. LFT Works shall also be entitled to invoke *force majeure* if the circumstances preventing performance or further performance arises after LFT Works should have performed its obligations.
4. The parties may suspend the obligations ensuing from the Agreement during the period that the *force majeure* continues. If this period continues for more than two months, either party shall be entitled to dissolve the Agreement without
5. being obliged to pay the other party damages.
6. In so far as LFT Works has partly performed or will be able to partly perform its obligations ensuing from the Agreement at the time that any form of *force majeure* occurs, and that part performed or to be performed is of independent value, LFT Works shall be entitled to invoice the part performed or the part to be performed
7. separately. In that case, the Client shall be obliged to settle this invoice as if it was a separate agreement.

## Article 16 Retention of Title

LFT Works shall retain ownership of all goods delivered until the Client has properly fulfilled all its obligations including its payment obligations.

## Article 17 Intellectual property and copyrights

LFT Works reserves the rights and powers to which it is entitled by virtue of the Copyright Act and other intellectual legislation. LFT Works shall retain the right to use any knowledge acquired during the performance of the Agreement for other purposes, in so far as such does not involve passing confidential information to third parties.

## Article 18 Applicable Law

All agreements between LFT Works and the Client are exclusively governed by the law of the Netherlands. In the event of discrepancies or ambiguity between the original Dutch version of these Terms and Conditions and this translation, the Dutch text shall prevail.