

General Terms and Conditions (GT&Cs)

These GT&Cs shall apply to all agreements, and quotations entered into between any of PEC Group Company as a supplier ("PEC") and any customer of PEC ("Customer") with regards to sales of products developed, manufactured and/or sold by PEC, as well as performance of any services. They may be subject to subsequent amendments. By placing an Order (as defined hereafter) to PEC, the Customer is deemed to have accepted these GT&Cs without reservations. Unless otherwise expressly agreed in writing in advance by PEC, these GT&Cs apply to the exclusion of any other terms and conditions set out in the Customer's Order, its general terms and conditions of purchase or, more generally, in the Customer commercial documents, regardless of the date of such terms and conditions or documents.

1. Definitions.

Affiliate means any entity who, directly or indirectly, controls, is controlled by or is under control of either Party, and "control of an entity" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or decision of such entity, whether through the ownership of voting securities, by contract or otherwise, providing that Affiliate is not a Competitor of the other Party.

Competitor in relation to a Party shall mean a company developing and/or offering goods or services that are from a typical customer's perspective substitutable with those goods or services offered by that Party or a company that is likely based on concrete evidence to become a provider of those goods and/or services within a short period of time.

Confidential Information means all information of any kind, including marketing concepts, plans and strategies, costs, profits, prices, finances, personnel, sales, customer lists and information, business plans, opportunities, methods, information obtained from inspection of either party's property, manufacturing methods, processes, machines, tools and equipment utilized in the manufacture or processing of either party's products, documents, reports, samples, drawings, inventions (whether patentable or not), improvements, discoveries, formulae, research, development, know-how, specifications, trademarks, trade secrets, data and technical information, designs, patent disclosures, and patent applications (whether such information is disclosed in writing or otherwise) disclosed to the Receiving Party or its employees, agents, or other representatives, by the Disclosing Party or any representatives thereof.

Force Majeure means and include any circumstances or occurrences beyond PEC's reasonable control (whether or not foreseeable at the time of the Quotation, Order Confirmation or Agreement) as a result of which PEC cannot reasonably be required to execute its obligations. Such circumstances or occurrences include but are not limited to: acts of God, war, civil war, terrorism, insurrections, strikes, fires, floods, earthquakes, labour disputes, epidemics, governmental regulations and/or similar acts, freight embargoes, non-availability of any permits, licenses and/or authorizations required, defaults or delays of suppliers or subcontractors and/or inability or impracticability to secure transportation, facilities, fuel, energy, labour, materials or components.

Insolvency Event in relation to Customer means any of the following: (i) meeting of creditors or an arrangement or composition with or for the benefit of its creditors being proposed by or in relation to Customer; (ii) a charge holder, receiver, administrative receiver or similar person taking possession of or being appointed over or any distress, execution or other process being levied or enforced (and not being discharged within seven (7) days) on the whole or a material part of the assets; (iii) ceasing to carry on business or being unable to pay its debts; (iv) Customer or its directors or the holder of a qualifying floating charge giving notice of their intention to appoint, or making an application to the court for the appointment of, an administrator; (v) a petition being presented (and not being discharged within twenty-eight (28) days) or a resolution being passed or an order being made for the administration or the winding-up, bankruptcy or dissolution; or (vi) the happening in relation to Customer of an event analogous to any of the above in any jurisdiction in which it is incorporated or resident or in which it carries on business or has assets.

Invoice means time stamped document provided by PEC to Customer, identifying transaction for which the Customer owes payments to PEC.

Intellectual Property Rights (IPR) means trademarks, logos, all and any patent, patent applications, copyrights, service marks, designs, (whether registered or not), business names, know-how, database rights and any other industrial or intellectual property rights and applications for any of these, as well as and any similar or analogous rights in any jurisdiction.

Order means an official written order issued by the Customer to PEC for the supply of goods, works or rendering services.

Order Confirmation means explicit PEC notification that the Order has been accepted and will be performed, including any terms set out in such Order Acceptance.

Party or Parties means PEC and/or Customer.

PEC Technical Specifications means specifications of PEC products as provided in PEC Quotation and available technical documentation such as brochures, manuals etc.

Quotation means an offer provided by PEC to the Customer, as requested through Customer's Request for Quotation (RFQ) or by other means.

2. Applicability. All Orders are accepted subject to these General Terms and Conditions. No terms or conditions of the Customer shall apply. The Order shall become effective only on the date of Order Confirmation. If the details of products or services described in Quotation differ from those set out in the Order Confirmation, the Order Confirmation will prevail. No representations, warranties or other statements not contained in PEC Quotation or Order Confirmation, nor otherwise expressly granted by PEC shall be binding on PEC.

3. Quotation, Prices, Delivery times. Unless otherwise agreed, Quotation expires ninety (90) days from its date. Prior to the expiration date any Quotation is subject to change by PEC at any time, upon the written notice to the Customer. Prices are exclusive of Value Added Tax (VAT), common sales and use tax, and any similar or other taxes, duties, levies or charges arising outside PEC's location in connection with the performance of the Order. Prices are for products delivered EXW (ex-works) PEC's shipping point, exclusively of freight, insurance and handling unless otherwise stated in Quotation or Order Confirmation. Delivery times provided in Quotation and Order are indicative. The delivery date will be confirmed by PEC in Order Confirmation based on plant capacity and component availability. PEC will make best efforts to deliver the product on time and according to the date indicated in Order Confirmation.

4. Order Changes and Cancellation. Any changes to the Order made by Customer shall be notified to PEC by written notice and PEC agrees to comply with such changes upon confirmation. If the changes cause material increase or decrease in PEC costs or time of performance, PEC shall notify the Customer and negotiate necessary adjustments. PEC accepts temporary hold on Order for rescheduling purposes for a period of maximum 30 days. If during this time rescheduling is not received, PEC reserves the right to recommence shipments in accordance with the original schedule or cancel the Order. Cancellations of existing schedules or Orders are subject to PEC's acceptance and any applicable cancellation charges, including possible increase in per piece price). Cancellation charges will be determined by the type of product and stage of completion. Customer may terminate the Order for convenience, in whole or in part, at any time, providing that Customer gives the thirty (30) days' notice to PEC. In case of Customer's termination on convenience, PEC is entitled to full compensation for performance until such termination, including the unit or pro rata price with respect to delivered products and 10% of the price, not otherwise recoverable by PEC, with respect to undelivered, unperformed or unaccepted portion of the Order. If the Order is suspended for more than 30 days, such suspension shall have effect same as cancellation. If prior orders are cancelled within period of one (1) month before the delivery date Customer agrees that fifty percent (50%) of the specified work will be invoiced by PEC. If the Customer cancels the order within one (1) week prior to the delivery, hundred percent (100%) of the specified work will be invoiced by PEC.

5. Payment Terms. Payment terms are agreed in Quotation. All Invoices are due net within 30 days from the date of the Invoice. The validity of the Invoice shall be contested by the Customer within 30 days after Invoice issuing date. If the Invoices are not paid within the term defined in this clause, Customer owes PEC interest of either: a) the highest amount of 12% a year or b) the maximum legal interest rate in relevant jurisdiction, starting form 31st day after the day of the Invoice. Over and above the interest rate, PEC is entitled, without any notice, to claim fixes charge for compensation, equal to 10% of the sum of the Invoice, however this charge shall be the equivalent of 250 EUR or USD per invoice. If any of the invoices becomes due, all other pending invoices shall become due immediately. With every late payment and non-observance of a specific obligation on the part of the Customer, PEC shall have right, without any prior notice of default, to suspend the performance of any work and only resume it following payment and/ or observance of obligations. PEC may terminate the Agreement (with an immediate effect) if any fees, payments, invoices or other amounts are due by the Customer and if Customer fail to timely pay them in accordance with this Agreement or PEC notice.

6. Delivery, Transfer of Risk and Title. All periods for delivery or completion run from Order Confirmation and are indicative as per Clause 3 above. If PEC is in delay or is prevented from performing any of its obligations under the Order, due to the acts or omissions of the Customer or its representatives and agents, including but not limited, failure to provide specifications or drawings, as reasonably required by PEC to proceed with its obligations under the Order, the delivery / completion period and the Order price shall be adjusted accordingly. In case the delivery is delayed due to any act or omission of the Customer, or if the Customer has been notified that the Order is ready for dispatch, Customer fails to take the delivery or provide adequate shipping instructions, PEC is entitled to place the products into suitable storage at Customer's expense. Upon placing the products into the storage, delivery shall be deemed to be complete, risk on the products shall pass to Customer and Customer shall pay accordingly. Unless otherwise expressly stated in Order Confirmation, the product will be delivered ex-works to the Customer's destination/ location. Delivery terms used shall be defined in accordance with the latest version of Incoterms. Ownership transfer is effective solely after full and final payment of the price by Customer. The risk is transferred on delivery at the destination/location indicated in the Order.

7. Remedies. In all situations involving performance or non-performance of product furnished, Customer's remedy is repair of the product or replacement of its parts by PEC. PEC may, at its option, replace the product. If, after repeated efforts, PEC is unable to restore the Product to good working order, or provide a replacement product in good working order, all as warranted, Customer will be entitled to recover actual damages to the limits set forth in this Section. For any other claim concerning PEC's performance or non-performance pursuant to, or in any other way related to the subject matter of any Purchase Order, Customer will be entitled to recover actual damages to the limits set forth in this Section. PEC's liability for actual damages for any cause whatsoever, shall be limited to the amount paid for the specific Product that caused the damages or that are the subject matter of, or are directly related to, the cause of action. This limitation will apply, except as otherwise stated in this Section, regardless of the form of action, whether in order or in tort, including negligence. In no event will PEC be liable for any lost profits, lost savings, incidental damages or other consequential damages, even if PEC has been advised of the possibility of such damages. In addition, PEC will not be liable for any claim by the Customer, based on any third-party claim. Similarly, PEC will not be liable for any damages caused by performance or non-performance of Products located outside the location of original installation. In no event will PEC be liable for any damages caused by Customers failure to perform its responsibilities. In addition, PEC has no liability when the Products are used in conjunction with extra-hazardous activities to the extent such liability is caused by such activities

8. Warranty. PEC warrants that each Product will be free from defects in material and workmanship for a period of twelve (12) months after signing the preliminary acceptance protocol, with a maximum of 12 months after physical delivery, and that the Product will be functioning according to PEC Product documentation. For a Product, for which the Customer determines during the warranty period, that it does not conform to PEC Product Specifications, PEC's obligation is limited to repairing or replacing the Product. During the warranty period PEC will provide replacement of defective parts only. Exchanged parts will become the property of PEC. Should any Product warranty claimed to PEC, be found without defect by PEC, PEC will invoice the Customer for the inspection time, including expenses using PEC's applicable daily rates. Payment will be due and payable by customer upon receipt of the invoice. The warranty does not include credit, repair or replacement of Products, which do not meet Product Specifications resulting from failure to provide a suitable installation environment as specified, accident, disaster, neglect, abuse, misuse, transportation, alterations, exhibits, accessories, installation, supplies, non-PEC parts, or improperly performed repairs or activities. Any alteration, change, modification, or repair made to the product by a party other than PEC or PEC's authorized service provider will void this warranty. Any changes, modifications, alterations or deletions of any certification marks, serial numbers or any other marks on the product that serve to identify it, voids PEC warranty.

THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

9. Intellectual Property. PEC shall remain the exclusive owner of all IPRs in the product. All and any development work done by PEC pursuant to the Order are derivative work and are sole property of PEC. Any IPR in modifications, alterations or extensions of IPRs in PEC products become and remains PEC property. PEC products bear PEC logos and trademarks which cannot be removed or replaced or by the Customer. Customer is not allowed to make any modifications, alterations or deletion or other amendments to PEC logos and trademarks to be performed by the Customer or any third party.

10. Indemnification. PEC will indemnify the Customer from third party claims arising from an infringement of property rights, provided that the Customer: a) promptly notifies PEC in writing of the claim and; b) allows PEC to control, and cooperates with PEC in the defense and any related settlement negotiations. PEC shall have no liability to the Customer for claimed infringement of any patent or other intellectual property rights to the extent said infringement is caused by the Customer or by any third party on behalf of the Customer. Notwithstanding anything to the contrary above, PEC has no obligation regarding any claim based on any of the following: a) Customer's modification of the product or use other than in its operating environment as defined in Technical Specifications; b) the combination, operation or use of the product with any product, data or apparatus that PEC did not provide; c) infringement by non-PEC's products alone, even if such products are a part of product that PEC provides to the Customer; or d) PEC's compliance with Customer's specifications, designs or instructions. If a third party claims that a service and/or deliverable PEC provides to the Customer infringes a patent or copyright in Customer's territory, and such claim relates to: a) a portion of the service and/or deliverable that has been modified or used in other than its specified environment by the Customer or another third party not acting for PEC; b) the combination, operation or use of the product by or for the Customer with any products, data or apparatus that PEC did not provide; or c) a portion of the product that has been made or modified by PEC in compliance with the Customer's specifications, designs or instructions, then the Customer will defend PEC against that claim, at Customer's expenses, and pay all costs, damages and attorney's fees that the competent authority finally awards, in the same manner and to the

extend as described above. Customer's liability for the obligations in this clause shall not exceed the liability of PEC's as described in these terms.

11. Default and Insolvency. PEC shall be entitled, without prejudice to any other rights it may have, to cancel the Order forthwith, wholly or partially, by notice in writing to Customer, if: a) Customer is in default of any of its obligations under the Order and fails, within 30 (thirty) days of the date of PEC's notification in writing of the existence of the default, either to rectify such default if it is reasonably capable of being rectified within such period or, if the default is not reasonably capable of being rectified within such period, to take action to remedy the default; or b) on the occurrence of an Insolvency Event in relation to Customer. PEC shall be entitled to recover from Customer or Customer's representative all costs and damages incurred by PEC as a result of such cancellation, including 10% allowance for overheads and profit (including but not limited to loss of prospective profits and overheads).

12. Compliance with laws. PEC and Customer will comply with all applicable laws, export/ import controls and sanction laws, regulations, orders and requirements, as may be amended from time to time. If PEC obligations under the Order shall be increased or reduced after the date of Quotation or Order, due to any law, or regulation that shall affect performance of PEC's obligations under Order, the price and the delivery period shall be adjusted accordingly and/or performance of the Order suspended or terminated, as appropriate.

13. Force Majeure. No Party can be considered responsible for delays or defects in the execution of its obligations caused by Force Majeure. The suspension of rights and obligations of the party will be daily extended hanging the period when the Force Majeure occurs. To obtain a suspension of its rights and obligations according to this Clause, the Party at cause will send written notification mentioning the delay and the reason of the delay in other part, within fifteen (15) days as from the date in which the Party got a knowledge on the cause of Force Majeure.

14. Confidentiality. Customer agrees to treat all PEC confidential information with the same degree of care with which the Customer protects its own Confidential Information. Customer may not reverse-engineer, decompile, or disassemble any samples, prototypes, information, technical designs, such as drawings, components or specification disclosed, and shall not remove, overprint or deface any notice of confidentiality or proprietary character, form any original or copy of any Confidential Information disclosed.

15. Applicable Law. The laws governing this GT&Cs and orders made under them shall be laws of the country or state of establishment of the respective PEC location, without regard to any conflict of laws provisions.

16. Dispute Resolution. Parties hereby agree that all disputes arising out of or in connection with the Order shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The arbitration shall take place in Brussels, Belgium, and shall be concluded in English language. The decision or award of the arbitrators shall be in writing and is final and binding on both Parties. The arbitration panel shall award the prevailing Party its attorneys' fees and costs, arbitration administrative fees, panel member fees and costs, and any other costs associated with the arbitration, the enforcement of any arbitration award and the costs and attorney's fees involved in obtaining specific performance of an award. In the event of any conflict between the Rules and any provision of this Agreement, this Agreement shall govern.

17. Miscellaneous. No waiver by either Party with respect to any breach or default or of any right or remedy and no course of dealing shall be deemed to constitute a continuing waiver of any other breach or default, or of any other remedy, unless such waiver is expressed in writing and signed by the Party to be bound. If any clause, sub-clause or other provision of the Order is invalid under any statute or rule of law, such provision, to that extent only, shall be deemed to be omitted without affecting the validity of the remainder of the Order. Customer is not entitled to assign its rights and obligations hereunder without prior written consent of PEC. All notices, claims and amendments in connection with the Order must be done in writing.