

LIM Technics OOD

Terms and Conditions of Sale and Delivery

1. General

1.1 These general terms and conditions shall apply to all sales and deliveries from LIM Technics OOD (the "Supplier") to the purchaser unless otherwise agreed in writing. Variations on these Terms and Conditions of Sale and Delivery are only valid through express written consent of the Supplier.

1.2 All agreements and relevant declarations of the contract parties must be expressed in written form in order to be considered valid.

2. Offers and Conclusion of Contract

2.1 The Supplier's quotation is valid for the period stated therein. In the event that such period is not stated in the quotation, the validity of the quotation is limited to a period of thirty (30) days following the date of the quotation.

2.2 The contract is valid as concluded once the Supplier, upon receipt of an order, has confirmed acceptance of the order in writing.

3. Scope of Delivery

3.1 Our written order acknowledgement shall be exclusively decisive with regard to the scope and execution of delivery and service. Materials or services that are not included in the acknowledgement will be calculated additionally.

3.2 Unless otherwise specified, deliveries are "ex works" the Suppliers facilities (defined in accordance with Incoterms at the time).

3.3 Time for delivery shall not be of the essence of the Contract unless previously agreed by the Supplier in writing.

4. Regulations in Country of Destination

4.1 The purchaser must, at the time of ordering, make the Supplier aware of the legal, official and other types of regulations and standards relevant to the carving out of the delivery and services, operation, as well as for disease and accident prevention.

5. Prices

5.1 The Supplier's prices shall be understood, unless otherwise agreed upon, as the net price in the currency specified, including packaging and not including possible value-added tax.

5.2 Should, with frame orders, the cost factors change by the time of fulfillment of the whole order, the prices may be correspondingly adjusted upon consultation with the purchaser. The Supplier is not bound to previous prices for follow-up orders.

6. Terms of Payment

6.1 The purchaser shall pay the price of the Goods (less any discount to which the purchaser is entitled, but without any other deduction) within 30 days of the date of the Supplier's invoice, and the Supplier shall be entitled to recover the price, notwithstanding that delivery may not have taken place and the property in the Goods has not passed to the purchaser.

6.2 If the purchaser defaults in payment, the Supplier reserves the right to immediately suspend all scheduled deliveries and is authorized to calculate an appropriate interest on arrears.

7. Retention of Title

7.1 The Supplier shall retain title to all delivered products until the purchase price has been paid in full by the purchaser. The purchaser is obligated to meet the required measures of the Supplier for the protection of the property, in circumstances whereby the Supplier retains title for any unpaid property.

8. Delivery Period/Delay

8.1 Quotations of delivery deadlines are approximate only and the Supplier shall not be liable for any delay in delivery.

8.2 In the event that the purchaser is not able to receive the products at the agreed time of delivery, the Supplier shall store the products at the sole risk and expense of the purchaser.

8.3 The delivery period will be appropriately extended:

- (i) If the specifications necessary for the execution of the order do not reach the Supplier in time, or if these are later modified by the purchaser;
- (ii) If, with down payments, the payment deadlines are not met; and/or
- (iii) If impediments occur, that the Supplier, despite application of necessary measures, cannot avert, regardless of whether these arise by the Supplier, the purchaser or a third party. Such impediments are "force majeure", for example, epidemics, mobilization, war, civil uprising, considerable interruption, breakdown or stoppage of operation, accidents, work conflicts and strikes, delayed or incorrect deliveries of the necessary raw materials, semi-finished or finished products, rejects of important work-pieces, official measures or omissions, natural phenomenon.

9. Quantity

9.1 Unless otherwise agreed upon in writing, an additional or reduced delivery is admissible with not more than ten (10) percent of the ordered quantity. Partial deliveries are to be avoided, but may, if necessary, be cleared beforehand with the purchaser's approval.

10. Delivery, Transport and Insurance

10.1 The products will, as a rule, be carefully packed in standard cartons by the Supplier.

10.2 The purchaser will be charged for special packaging. Special wishes regarding shipping and insurance must be communicated to the Supplier in a timely fashion.

10.3 Complaints regarding transportation must be directed immediately upon receipt of the delivery or cargo documents by the purchaser to the final carrier.

10.4 For free deliveries, the merchandise is insured by the Supplier up to the loading ramp.

11. Inspection and Acceptance of the Delivery

11.1 The purchaser must inspect the delivery within 10 days upon receipt and report to the Supplier immediately any possible defects in writing. Should he fail to do so, the deliveries and services will be regarded as approved. Other conditions require the express consent of the Supplier.

12. Warranty and Liability

12.1 The Supplier warrants that at the time of delivery the goods will correspond with their specification and will be free from defects in material and workmanship, for the duration of the Supplier's stated warranty period in clause 12.9, subject to the following conditions. The Supplier shall not be liable in respect of:

- (i) Any defect in the Goods which arises from the design specifications provided from the purchaser to the Supplier;
- (ii) Any defect which arises from the purchaser's failure to follow instructions for use or improper storage of the Goods; and/or
- (iii) Any defect which arises from excessive wear and tear.

12.2 Warranted characteristics are only those which are expressly designated as such in the order acknowledgement of the respective agreement. The warranty is valid at the latest until the expiration of the warranty period.

12.3 Should the product be defective, the purchaser shall be entitled to a replacement delivery or the removal of the defect by the Supplier.

12.4 If a defect as such mentioned in article 12.3 is not removed within an appropriate period through replacement delivery or elimination of the defect by the Supplier, the purchaser can demand a reduction in the purchase price or a cancellation of that part of the contract to which the defects relate.

12.6 These Terms and Conditions of Sale and Delivery and the respective Purchase Contract constitute the entire agreement and understanding between the Supplier and Purchaser with the respect to the sale and delivery of Goods. The Supplier and the Purchaser acknowledge that the Terms and Conditions of Sale and Delivery are finally regulated in accordance with these Terms and Conditions and the parties waive all rights and remedies which might otherwise be available.

12.7 In no event will the Supplier be liable for consequential or indirect damages, including, but not limited to, loss of profit, loss of goodwill, cost of capital and costs incurred in connection with the supply.

12.8 Any liability of the Supplier is limited to the contract value.

12.9 All of the warranties provided here at clause 12 are restricted to a two-year period from the delivery date.

13. Force Majeure

13.1 Neither the Supplier nor the purchaser shall be liable to the other for delay or non performance of their obligations under the Contract which is due to a cause or causes beyond that party's control ("Force Majeure") which Force Majeure shall include (but not be limited to) Acts of God, civil disturbance, fire, storm, or flood, acts of international state governmental, federal or local authorities, bodies or institutions ("Public Authority"), non availability of shipping or other transport, lockouts, strikes or other trade disputes, or interruption or breakdown of any communication or data processing services or equipment.

13.2 Upon Supplier or the purchaser (the "Affected Party") being affected by Force Majeure:

- (i) the Affected Party shall advise the other party of such Force Majeure in writing as soon as reasonably practicable and shall use reasonable endeavors to mitigate the effect of Force Majeure including, but not limited to, a fair and equitable allocation of any remaining supply of goods available to perform the contract;
- (ii) if the Force Majeure ceases to apply the parties shall resume performance of their obligations hereunder as soon as reasonably practicable after the Force Majeure ceases to apply;
- (iii) if the Force Majeure continues for more than thirty (30) days, purchaser (but not Supplier) shall be entitled to cancel the contract without liability save for any outstanding obligations in respect of Goods delivered to or in the course of delivery to purchaser.

14. Add-on Parts

14.1 If the purchaser delivers add-on parts to be painted or assembled, 10% more of these than specified in the ordered quantity must be made available with payment terms for the additional 10% to be defined in the purchase contract. The parts are to be delivered on time and according to specifications of the Supplier. The delivered parts will not be checked. Additional costs due to production difficulties, arising from late delivery, will be charged separately.

15. Tools

15.1 If the purchaser provides tools, models, forms, or other equipment required for manufacture, the Supplier will issue the purchaser an acknowledgement of receipt after proper examination of the equipment. Such equipment will be well-maintained and insured by the user, unless otherwise agreed in the offer or purchase contract, so that it is always in operable condition, and that it is marked and stored so that the purchaser's right of ownership is not at risk. The equipment may not be used for manufacture on behalf of another party. If an agreement concerning continued manufacture is not made, the purchaser has the right to retake possession of the equipment. The seller does not have the right to scrap the equipment without prior written approval from the purchaser. The compulsory safekeeping of the tools or other equipment required for manufacture lapses 5 years after the last order.

16. Applicable Law

16.1 The existing contract is subject to Bulgarian law.

17. Court of Jurisdiction

17.1 The court of jurisdiction is the domicile of the Supplier.

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Standard Terms & Conditions of Custom Hardware Purchases

LIM Technics OOD sells manufacturing solutions for the production of customer specified part geometries in silicone and thermoplast materials. A manufacturing solution is comprised of two basic components - "custom hardware" and "know-how".

Custom Hardware:

- Part specific mold or tooling
- Part specific automation devices

Know-How:

- Concept of the manufacturing process for the customer specified part geometry
- Details of mold and tooling design
- Detail of automation and part handling devices
- Process parameters and specific "process recipes"

Part specific mold and tooling:

The purchase price includes the creation of detailed mold design, drawings, raw materials and labour costs for the completion of mold and tooling, as well as the testing and debugging to a level of acceptable quality conditions as outlined in the quotation and required for production.

Part specific automation devices:

The purchase price may include design of product specific automation components i.e: robot tooling, secondary processing equipment. If such equipment is required the construction costs are included as part of the mold and tooling hardware.

Know How:

The know-how components of the above described is the proprietary property of LIM Technics and has a value of 100 – 300 % of the purchase price based on complexity. The complexity component is determined by LIM Technics.

It is understood that the described value of know how includes process parameters and specific recipes. These are the exclusive property of LIM Technics and under no circumstance must be disclosed.

Terms and conditions:

It is understood that the intent is that the complete manufacturing solution will stay whole at LIM Technics. If LIM Technics ceases production, the customer will receive all custom hardware without any financial obligation.

To cease production is defined as follows:

- Natural disaster ie: fire, flood, earthquake, war or other natural or international disastrous events from which LIM Technics cannot recover.
- Legal action against the corporation that prevents further production i.e: bankruptcy, insolvency, etc.
- LIM Technics is unable to fulfill quality requirements per agreement after multiple documented submissions of complaint by the customer.

In the event of unresolved differences between the customer and LIM Technics the customer can, after multiple negotiations, purchase the know how component of custom hardware at the cost described.

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