



General Purchase Terms and Conditions issued by NTOC Medische Techniek B.V.

filed at the Kamer van Koophandel (Dutch "Chamber of Commerce") of Den Bosch on March 8th 2016 under no. 16076617

1. Definitions

In these General Terms and Conditions of Purchase, the following terms will be used with an initial capital letter. These terms should be taken to mean:

- 1.1. Agreement: the assignments, agreements and orders entered into in writing between the Buyer and the Supplier.
- 1.2. Terms and Conditions of Purchase: these General Terms and Conditions of Purchase of Medische Techniek B.V. applicable to and forming an integral part of the Agreement.
- 1.3. Buyer: the natural person or legal entity using these Terms and Conditions of Purchase.
- 1.4. Supplier: the contractor and/or the supplier, counterparty to the Buyer.
- 1.5. Products: the goods to be supplied to the Buyer by the Supplier on the basis of the Agreement.
- 1.6. Services: the services and work to be undertaken on behalf of the Buyer by the Supplier on the basis of the Agreement.
- 1.7. Delivery: the delivery of the Products and/or services in accordance with the requirements as set forth in the Agreement.
- 1.8. Changes: changes to any process, system, activity or product and/or service (including designs, specifications, procedures, suppliers, raw materials, manufacturers, deliveries, markings, packaging, tests, test methods, production techniques, containment checks, quality systems and documents containing the procedures and specifications for the product, etc.) that could influence the safety, the intended use, the quality, effectiveness, purity and/or potency of the product.
- 1.9. Intellectual Property Rights: these include copyrights and neighbouring rights, drawing and model rights, brand rights, patent rights, trade name rights, database rights, rights to the use of a domain name or the right to acquire these intellectual property rights through application, deposit, registration or in any other manner.
- 1.10. Tools: these include models, design details, drawings, photographs, materials, samples, prototypes, moulds, dies, tools and other documents provided by the Buyer to the Supplier for the performance of an Agreement or which the Buyer has made or had made specifically in the framework of the Agreement with the Buyer.

2. Scope

- 2.1. These Terms and Conditions of Purchase apply to all Agreements between the Buyer and the Supplier. The Terms and Conditions of Purchase shall also apply to all commitments arising subsequently from Agreements between the Supplier and the Buyer. The applicability of general terms and conditions appealed to by the Buyer shall be expressly excluded.
- 2.2. Deviations from these Terms and Conditions of Purchase shall only apply if confirmed in writing by the Buyer to the Supplier.
- 2.3. In the case that one or more of the provisions in these General Terms and Conditions of Purchase are deviated, the remaining provisions shall remain fully in force.
- 2.4. In the event of a conflict between the content of the Agreement entered into between the Buyer and the Supplier and these Terms and Conditions of Purchase, the provisions from the Agreement shall apply.
- 2.5. In the event of contradictions between the Dutch text of these Terms and Conditions of Purchase and translations thereof, the Dutch text shall at all times prevail.

3. Costs of offers

Any costs relating to the issuing of offers or price indications including the costs of consultancy work, drawing work, etc. incurred by or on behalf of the Supplier shall not be reimbursed by the Buyer.

4. Prices

- 4.1. The prices referred to in the offer are based on delivery carriage paid to the agreed location, 'Delivered Duty Paid', in accordance with Incoterms 2010. All prices are fixed, excluding VAT and including sound packaging.
- 4.2. Price rises are and remain for the account of the Supplier, also following the establishment of the Agreement. This shall apply irrespective of the period which has expired between the date of entering into the Agreement and its performance.

5. Payment

- 5.1. As far as possible, payment will be made within the payment term of thirty days following receipt of the invoice or as much longer as agreed between the Buyer and the Supplier in the Agreement, unless following receipt of the Products and/or Services – including the accompanying documents – a complaint is made by the Buyer concerning the quantity and/or the quality of the delivered goods or the Service.
- 5.2. In the event of prepayment or payment in instalments, the Buyer shall be entitled to demand that the Supplier issues security for compliance sufficient in the judgement of the Buyer. If the Supplier fails to comply with this requirement within the agreed term, the Supplier shall immediately be in default. In that case, the Buyer shall be entitled to dissolve the Agreement, and to claim all losses from the Supplier.
- 5.3. The Buyer is at all times entitled to set off any amount that the Buyer and Supplier can claim from one another.

6. Quality

- 6.1. The Supplier must supply Products and/or Services that corresponds to the Agreement, in particular in terms of quantity, quality and description.
- 6.2. Unless the Buyer and Supplier expressly agree otherwise in writing, the Products and/or Services must:
 - (a) be suitable for the intended purpose for which the Products and/or Services with the same description would normally be used;
 - (b) be suitable for a specific purpose announced explicitly or implicitly to the Supplier at the moment of establishing the Agreement;
 - (c) comply with the specifications of the Buyer and the same characteristics as the Products and/or Services presented to the Supplier by the Buyer as prototype, sample, model, etc. and approved by the Buyer notwithstanding the provisions in article 20;
 - (d) comply with the specifications, requirements, drawings, quality agreements or other information provided by the Buyer to the Supplier, down to the smallest detail, and with the highest possible degree of perfection;
 - (e) not contain any design, material or construction errors at the moment of Delivery;
 - (f) be accompanied by essential explanations, warnings and instructions in as much as necessary to guarantee safety, use and storage of the Products and/or Services for the Buyer and its third parties, including any necessary instructions and recommendations concerning accident procedures and environmental protection measures.
- 6.3. The Supplier shall ensure the validity and completeness of all product verifications and product certificates, and shall at first request present such to the satisfaction of the Buyer.
- 6.4. In as much as it can be reasonably demanded of the Supplier, the Supplier shall ensure the validity and completeness of the quality certificates on the basis of applicable ISO standards and comparable generally accepted quality assurance systems, and at the first request shall submit these certificates to the satisfaction of the Buyer.

7. Audit, inspection and approval

- 7.1. At all times, the Buyer shall be entitled to inspect or examine the ordered and/or delivered Products and/or the Services (during performance). If inspection is carried out at the location of the Supplier, the Supplier shall ensure that such facilities are present as can be reasonably demanded.
- 7.2. The costs for the inspection referred to in article 7.1 shall be for the account of the Supplier, if these Products and/or Services are rejected by the Buyer. Inspection or approval shall not release the Supplier from any warranty or liability arising from these Terms and Conditions of Purchase, the Agreement or the law.
- 7.3. The Buyer and/or his customers/buyers shall be entitled to carry out inspections (or have them carried out) at the premises of the Supplier and/or his suppliers/subcontractors.
- 7.4. The Supplier shall allow access to the locations where the Products and/or Services and/or the parts thereof are produced or stored, shall provide full cooperation with the audit and for its own account shall provide all necessary and requested documentation and information.

8. Rejection

- 8.1. If the Products and/or Services supplied by the Supplier fail to comply with the requirements described in the Agreement and/or specifications, the Buyer shall be entitled to reject said Products and/or Services. The taking of receipt of the Products and/or the

Services or payment for the Products and/or Services shall not represent acceptance. Irrespective of any approval, the Products and/or Service shall remain for the account and risk of the Supplier.

- 8.2. If the Buyer rejects the delivered Products and/or Services, the Supplier shall be required, within a period of time to be specified by the Buyer:
 - to ensure repair free of charge or, at the discretion of the Buyer;
 - to ensure replacement free of charge of the Products and/or Services, still to be undertaken in accordance with the Agreement.
- 8.3. If the Supplier falls within the specified period of time or to the satisfaction of the Buyer to comply with its obligations as intended in article 8.2, the Buyer shall be entitled, for the account of the Supplier, to carry out the work referred to in article 8.2 himself, or to have it carried out by a third party. The Buyer shall be entitled to set off any costs incurred against the amounts owed to the Supplier.

9. Transfer of risk

- 9.1. Delivery shall take place carriage paid at the agreed location, 'Delivered Duty Paid', in accordance with Incoterms 2010.
- 9.2. If 'ex-factory' prices are agreed, but the Supplier nonetheless takes responsibility for or has responsibility taken for the transport, the risks for loading and transport shall be for the account of the Supplier.

10. Warranty

- 10.1. For a period of 24 months following commissioning of the delivered Products and/or Services, unless otherwise agreed, the Supplier guarantees that the delivered Products and/or Services are of good quality, free from construction material and manufacturing errors and that they comply with the Agreement.
- 10.2. In consultation with the Buyer, the Supplier will immediately repair all defects which the Products and/or Services demonstrate during the warranty period or, at the discretion of the Buyer, will replace the faulty Products and/or Services or parts thereof.
- 10.3. The Supplier shall bear all costs relating to the repair of the defects or the replacement of the Products and/or Services. This shall also include the costs for the already manufactured products and/or services following the specified repair or replacement. If the Products and/or Services form part of a larger object, the costs for the repair/replacement of that larger object shall also be for the account of the Supplier.
- 10.4. If the Supplier remains in default in complying with its warranty obligations as contained in this article, the Buyer shall be entitled, for the account and risk of the Supplier, to itself carry out the warranty work, or have it carried out by third parties. The Buyer may then set off the costs incurred in that manner against amounts owed to the Supplier.

11. Delivery time and contractual penalty

- 11.1. The agreed delivery time and/or performance period are fatal. Therefore, no additional warning is required in order for the Supplier to be deemed in default of performance. As soon as the Supplier is aware or should be aware that performance of the Agreement will not be completed on time or not correctly, the Supplier shall immediately duly notify the Buyer.
- 11.2. The Supplier is liable for all damages suffered by the Buyer as a consequence of exceeding the delivery time and/or the implementation period as intended in article 11.1.
- 11.3. For each day of delay in the Delivery, the Supplier shall owe to the Buyer an immediately demandable penalty of 3% of the total order amount per day up to a maximum of 15% of the total order amount.
- 11.4. The penalty referred to in article 11.3 can be demanded in addition to alternative and additional compensation on the basis of the law.
- 11.5. The Buyer shall be entitled to set off this penalty and/or compensation against amounts owed to the Supplier.

12. Performance by third parties

- 12.1. Without prior written permission from the Buyer, the Supplier may not transfer or outsource the Agreement or any part thereof or the implementation thereof to a third party.
- 12.2. If following written permission from the Buyer, the Supplier outsources the Products and/or Services to be delivered or part thereof to a third party, the Supplier must immediately draw up a written Agreement concerning the order. The conditions of that Agreement must comply with the Agreement entered into between the Buyer and the Supplier for the work, whereby the Supplier and the third party shall mutatis mutandis adopt the (legal) position of Buyer and Supplier respectively.
- 12.3. The transfer/outourcing shall be without prejudice to the obligations upon the Supplier arising from the Agreement, in respect of the Buyer.

13. Tools

- 13.1. All Tools shall under all circumstances remain or become the property of the Buyer, irrespective of whether or not they were paid for.
- 13.2. All Tools and all copies made of those Tools must be made available or returned to the Buyer at the first request of the Buyer.
- 13.3. As long as the Supplier has the Tools in his possession, the Supplier must mark them with an indelible mark indicating that they are the property of the Buyer. The Supplier will inform any third party wishing to claim these Tools of the ownership rights of the Buyer.
- 13.4. Without prejudice to the provisions in article 14 of these Terms and Conditions of Purchase, the Supplier will only use the Tools for the provision of the deliveries and work for the Buyer, and shall not reveal them to third parties, unless the Buyer has duly issued express written permission. The Supplier shall bear the risk of loss or damage, and is required to take out sufficient insurance to cover this risk, for its own account.

14. Confidentiality

- 14.1. All Tools provided to the Supplier by the Buyer, and all knowhow of which the Supplier becomes aware via the Buyer shall be confidential and may not be used by the Supplier for any other purpose than compliance with its obligations arising from the Agreement with the Buyer.
- 14.2. The details as intended in article 14.1 shall not be made public by the Supplier or reproduced, without prior written permission from the Buyer. If the Supplier is required in implementation of the Agreement to pass on confidential information issued to it, to its employees, the Supplier must ensure that its employees agree to the confidentiality obligation from this Agreement before they are informed of the information made available by the Buyer.
- 14.3. If in implementation of the Agreement, the Supplier is required to make the information as intended in article 14.1 known to (a) third party(ies), the Supplier shall undertake to also impose on that third party(ies) a confidentiality obligation as intended in this article.
- 14.4. Immediately following termination and/or dissolution of the Agreement, unless otherwise agreed in writing, the Supplier will return to the Buyer all data as referred to in article 14.1 and delete any copies thereof.
- 14.5. The Supplier shall owe to the Buyer an immediately demandable penalty of € 25,000 if it violates one or more of the obligations contained above.
- 14.6. The penalty as referred to in article 14.5 may be demanded in addition to alternative or additional compensation on the basis of the law. The Buyer is entitled to set off this penalty and/or compensation against amounts payable to the Supplier.

15. Intellectual property

- 15.1. The Products, Services and/or Tools are subject to all Intellectual property rights established in or for the implementation of the Agreement between the Supplier and the Buyer.
- 15.2. All Intellectual property rights to the Products, Services and/or Tools shall accrue to the Buyer. As far as possible, the Supplier hereby transfers these rights to the Buyer as the situation arises, and at the first request of the Buyer will immediately undertake any additional actions necessary for the transfer.
- 15.3. The Buyer shall not owe the Supplier any payment for (the transfer of) the Intellectual property rights to the work.
- 15.4. The Supplier hereby waives the personality rights as intended in article 25, paragraph 1.a of the Copyright Act. In as much as relating to the Changes to the Products, Services and/or Tools, or the naming thereof, the Supplier furthermore waives the personality rights referred to in article 25, paragraph 1.b and c of the Copyright Act.

15. The Supplier shall not appeal to the authority granted in accordance with article 25 paragraph 4 of the Copyright Act.
- 15.5. The Supplier guarantees that the Products, Services and/or Tools to be supplied by it to the Buyer, the work to be undertaken and the Intellectual property rights to the Products, Services and/or Tools in no way infringe against the rights of third parties, including also Intellectual property rights, and indemnifies the Buyer and the Buyer's third parties against all claims on those grounds.
- 15.6. The Supplier shall compensate the Buyer for all damages suffered as a consequence of any infringement.

16. Prohibition on assignment/Pledging

The Supplier is not permitted, without permission from the Buyer, to assign, to pledge or by whatever title to transfer in ownership any claims arising against the Buyer, on the basis of the Agreement. This article is subject to the forces of property law.

17. Statements

- 17.1. The Supplier shall accept no agreements that in any manner restrict the performance capability of the Supplier in respect of the Buyer.
- 17.2. Without prior written permission from the Buyer, the Supplier shall refrain from issuing price indications and/or offers to the customers/buyers of the Buyer, either directly or with the intervention of third parties, which relate to the Products and/or Services to be supplied. Furthermore, the Supplier may make no further agreements or reach settlements with the buyers of the Buyer concerning the Products and/or Services to be supplied.

18. Laws and regulations

- 18.1. The Supplier must comply with all valid laws and regulations, instructions, conditions and provisions, and all instructions and conditions applicable upon these Products and/or Services on the basis of the Agreement entered into by the Buyer with its buyers.
- 18.2. For its own account, the Supplier shall be responsible for any permits required and the safety measures to be taken which may relate to the Products and/or Services to be supplied.

19. Changes Buyer

- 19.1. The Buyer is at all times authorised, in consultation with the Supplier, to alter the size and/or nature of the Products and /or Services to be supplied. Any such changes shall be agreed in writing.
- 19.2. If in the judgement of the Supplier such a change has consequences for the agreed fixed price and/or moment of Delivery, prior to complying with the changes, the Supplier is required to duly notify the Buyer as quickly as possible but at the latest within eight (8) following days following the notice of the requested changes, in writing.
- 19.3. If in the judgement of the Buyer these consequences for price and/or delivery time are unreasonable, the Buyer and the Supplier will enter into negotiation on this issue.

20. Changes Supplier

- 20.1. The Supplier and/or its third parties shall make no Changes as intended in 1.8 unless they have first received written approval from the Buyer.
- 20.2. The Supplier will propose an Change in a detailed action plan. In this detailed action plan, under all circumstances the influence of the Change on the safety, the intended use, the quality, effectiveness, purity and/or potency of the Product and/or Service will be specified.
- 20.3. Changes are traceable in documents and in the case of Changes to materials, traceable in document through to the source.
- 20.4. If it emerges at any stage that Changes have been made by the Supplier or its third parties, without written approval from the Buyer, the Supplier will immediately duly inform the Buyer, but at the latest within three (3) working days of these Changes, in writing.
- 20.5. The Supplier is liable for the Changes to the Products and/or Services and their consequences.
- 20.6. If and in as far as reasonably possible, a Change must be checked, validated and recorded by the Supplier, according to the procedures that comply with the applicable ISO standards and/or comparable generally accepted quality assurance systems. Any costs for this work shall be for the account of the Supplier.

21. Liability

- 21.1. The Supplier is liable for all direct and indirect losses occurring due to a shortcoming or unlawful act on the part of the Supplier, its subcontractors or third parties. This shall include all damages occurring due to the presence and/or use of goods involved by the Supplier in implementation of the Agreement.
- 21.2. The Supplier shall fully indemnify the Buyer against claims from third parties for compensation for damages as intended in the first paragraph.

22. Insurance

- 22.1. On request and to the satisfaction of the Buyer, the Supplier will demonstrate that for its own account it has taken out sufficient insurance that covers any damages suffered by the Buyer as a result of actions and negligence on the part of the Supplier and/or insured third parties.
- 22.2. At the first request and to the satisfaction of the Buyer, in each calendar year, the Supplier will present all insurance certificates and the documents relating to the insurance of insured third parties in relation to all important and/or critical suppliers.
- 22.3. The Supplier is responsible for the validity and completeness of all insurance certificates and documents as intended in 22.2.

23. Force majeure

- 23.1. If the Supplier appeals to a situation of force majeure or wishes to do so, the Supplier must duly inform the Buyer as quickly as possible, specifying reasons.
- 23.2. The following circumstances, in all cases, shall not justify an appeal by the Buyer to force majeure: late delivery by suppliers of the Supplier, staff shortages, staff strikes, shortages of materials or raw materials, transport delays, disruptions in commercial process operation including but not restricted to machine breakdowns.
- 23.3. If due to force majeure, the Buyer is unable to fulfil its obligations in respect of the Supplier, the Buyer shall not be liable in respect of the Supplier and compliance with these obligations shall be suspended for the duration of the period of force majeure.

24. Notice and termination

- 24.1. Without prejudice to the statutory provisions concerning dissolution, the Buyer reserves the right to terminate the Agreement with immediate effect, if:
 - the Supplier has halted deliveries to its buyers,
 - a fundamental worsening has occurred or threatens to occur in the circumstances of the Supplier and the Supplier's delivery obligations to the Buyer are at risk,
 - the Supplier enters into a situation of insolvency (moratorium, bankruptcy, etc.),
 - the Supplier no longer complies with its payment obligations.
- 24.2. If the Supplier has only partially fulfilled its obligations in respect of the Buyer, the Buyer reserves the right either to entirely cancel the Agreement and return the partial Delivery or only to cancel the remaining part of the Agreement and to keep the partial Delivery.
- 24.3. If the Buyer wishes to (partially) terminate the Agreement in accordance with this article, the Supplier must compensate any damages suffered as a consequence, unless the Supplier is demonstrably not liable for the occurrence thereof.

25. Applicable law and choice of forum

- 25.1. Dutch law shall apply.
- 25.2. The United Nations Convention on Contracts for the International Sale of Goods (C.I.S.G.) shall not apply. Furthermore, any other international legislation, exclusion of which is permitted, shall not apply.
- 25.3. Only the Dutch Civil court competent in the establishment location of the Buyer shall hear any disputes, unless this is in contravention of mandatory law. The Buyer may deviate from this competence ruling, and uphold the statutory rules on competence.
- 25.4. The Buyer and Supplier may agree on any other form of dispute settlement for example arbitration or mediation.

These conditions are a full translation of the Dutch version of the 'General Terms and conditions of Purchase of NTOC Medische Techniek B.V.' as deposited with the Kamer van Koophandel on March 8th 2016. Explanation and interpretation of the text of these Conditions shall be based on the Dutch text.