

SALES TERMS XSYS PREPRESS N.V.

1. Definitions

- 1.1 Seller is **XSYS Prepress N.V.** (registered with the Belgium Trade Register under file number BE 0402 756 668) whose registered office is at Oostkaai 50, Ypres, Belgium ("XSYS PREPRESS").
- 1.2 All sales and deliveries by XSYS PREPRESS shall be made exclusively on the basis of these Sales Terms, which shall be accepted by the Customer by the placing of an order or the receipt of delivery. The application of the Customer's conflicting or supplementary terms and conditions shall be excluded, even if XSYS PREPRESS does not expressly object to such terms and conditions. XSYS PREPRESS's Sales Terms shall also apply to all future transactions with the Customer. Deviation from these Sales Terms require the explicit written approval of XSYS PREPRESS.

In these Sales Terms, capitalized terms will have the meaning set out in the approved sales form or purchase order of which they form a part, or defined hereafter.

2. Scope of Application and conclusion of Sales Agreement

- 2.1 XSYS PREPRESS's quotations are not binding offers but must be seen as invitations to Customer to submit a binding offer. All orders by the Customer for the delivery of Equipment by XSYS PREPRESS, are subject to XSYS PREPRESS's duly signed written acceptance. Together with the approved sales form or purchase order, these Sales Terms constitute the Sales Agreement between XSYS PREPRESS and the Customer. These Sales Terms further apply to any subsequent sale and/or delivery of equipment by XSYS PREPRESS to the Customer. The applicability of any delivery and/or other terms and conditions of the Customer is expressly excluded.
- 2.2 The field staff of XSYS PREPRESS – including but not limited to XSYS PREPRESS sales representatives - is not authorized to represent XSYS PREPRESS, in particular not to conclude contracts and make binding promises concerning the Equipment to be delivered or other conditions.
- 2.3 In case and to the extent that any provision of these Sales Terms conflicts with one or more provisions in the approved sales form or purchase order, the relevant provision(s) of the approved sales form or purchase order will prevail.

3. Fee and payment

- 3.1 All prices are in the currency indicated in the approved sales form or purchase order and exclusive of sales tax, value added tax (VAT), other government levies and out-of-pocket-expenses. The Customer must make all payments within thirty (30) days of the invoice date, except if otherwise stated in the approved sales form or purchase order. By default of which the Customer shall be due, without notice of default from XSYS PREPRESS being required, payment to XSYS PREPRESS of a moratorial interest at the statutory interest rate from the due date of the invoice, in addition to the main sum due. The Customer is not entitled to set-off or suspend payments.
- 3.2 If, following a notice of default, the Customer still fails to pay an invoice, XSYS PREPRESS is entitled to payment of a conventional fixed compensation of 15% of the amount of the invoice, covering all administrative costs of recovery, without prejudice to XSYS PREPRESS's right to claim from the Customer the compensations provided by law for entering legal proceedings for the recovery of the Customer's debt.
- 3.3 In case of cancellation of an order for Equipment, for any reason by the Customer, the Customer agrees that the down payment (being 30% of the Total Purchase Price) shall remain payable by the Customer to XSYS PREPRESS, or, if already paid, kept by XSYS PREPRESS as minimal fixed damages for incurred costs, without prejudice to XSYS PREPRESS's right to full compensation or performance and/or any of its other rights.

4. Transportation

- 4.1 When the Equipment is ready to be shipped, XSYS PREPRESS shall so advise the Customer. XSYS PREPRESS will make reasonable efforts to meet the anticipated ship date or delivery date. However, all dates given by XSYS PREPRESS are only estimates (even if not so indicated) and the mere excess of an indicated ship and/or delivery date shall in no event constitute a breach or default of XSYS PREPRESS under the Sales Agreement. Even if the Parties have agreed a fatal term, XSYS PREPRESS will not be in default by excess of terms until the Customer has given written notice of default and reasonable occasion for repair. XSYS PREPRESS is not bound by any (delivery) terms, whether or not final, that cannot be met because of circumstances beyond XSYS PREPRESS's control or if the Parties have agreed on a change in the contents or scope of the Sales Agreement (additional work, change in specifications, etcetera). If a term or delivery date is likely to be exceeded, the Parties will consult as soon as possible.
- 4.2 Unless otherwise agreed between the parties, the Equipment is sold under standard FCA (Incoterms 2020).
- 4.3 The Customer is obliged to handle and accept the delivery of the Equipment following the instructions of XSYS PREPRESS. If the Customer fails to do so and/or thereby or in any other way delays the shipment or delivery (whether or not resulting from any delayed payment by the Customer), the Customer will be in default without any notice thereto being required. Then, the Final Payment and any previous amount of the Total Purchase Price still outstanding will become due immediately as though transportation and delivery had occurred, while XSYS PREPRESS, may store the Equipment at the Customer's risk and expense.
- 4.4 The Customer shall strictly comply with all applicable export, import and re-export laws and regulations.

5. Force majeure

- 5.1 XSYS PREPRESS's obligations under the Sales Agreement are limited by any and all events and causes beyond XSYS PREPRESS's control, including but not limited to: natural occurrences, war, fires, casualties, accidents, strikes, transportation difficulties, breakdown of manufacturing equipment, explosion, governmental interference or regulations, epidemic / pandemic prevention and control, inability or material difficulty to obtain equipment, energy, materials or qualified labor sufficient to fill its orders in a timely manner or against reasonable terms and any other cause beyond XSYS PREPRESS's control, each a "force majeure event". A force majeure event will also be understood to mean a similar event on the part of XSYS PREPRESS's suppliers, inadequate compliance by suppliers with obligations, as well as defective goods, materials, software of third parties that XSYS PREPRESS is required to use by the Customer. XSYS PREPRESS shall not be liable for any non- performance, delays and/or resulting damage caused by a force majeure event. Delivery and performance periods and dates, as the case may be, shall be extended or rescheduled, as applicable, by the length of such disturbance, and the Customer shall be informed of the occurrence of such disturbance in a reasonable manner.

- 5.2 If and to the extent the transportation of the Equipment is delayed beyond six (6) months from the estimated delivery date indicated in the approved sales form or purchase order due to a force majeure event on the side of XSYS PREPRESS, either party may terminate the Sales Agreement by written notice to the other party, upon which XSYS PREPRESS shall refund all payments previously made under the Sales Agreement without interest, in full and final settlement of any and all of XSYS PREPRESS's obligations under the Sales Agreement and any related contractual and/or non-contractual obligations.

6. Installation

- 6.1 The Customer shall promptly unload and position the Equipment in the original packaging within its plant, and is responsible, without limitation, for providing an adequate foundation, necessary equipment, materials, services, technically qualified personnel and utilities for the installation/set-up of the Equipment. This includes the utilities infrastructure to and from the Equipment to ensure its operation. The Equipment installation site must conform to the XSYS PREPRESS's published space-, utilities-, and environmental requirements and the Customer agrees to provide, at no charge, physical and electrical access to the Equipment and to a telephone line. XSYS PREPRESS will connect services to the Equipment and will be responsible for start-up of the Equipment.
- 6.2 The Equipment shall be deemed installed on the date of completion of installation of the Equipment or by production use by the Customer of the Equipment, whichever is earlier as determined by XSYS PREPRESS (the "Installation Date"). XSYS PREPRESS may require the Customer to sign an acceptance form. Any installation date or – period communicated by XSYS PREPRESS is for information purposes only; default only commences when XSYS PREPRESS is served with a written demand to that effect, granting XSYS PREPRESS a reasonable period of at least four weeks to comply.

7. Retention of title and other remedies of XSYS PREPRESS

- 7.1 The title to the Equipment delivered by XSYS PREPRESS shall not pass to the Customer until XSYS PREPRESS has received full payment of the Total Purchase Price and all amounts due under this Sales Agreement, including, but not limited to costs of transportation and packaging, taxes and customs duties, accrued interests, agreed compensations and legal costs and fees.
- 7.2 As long as XSYS PREPRESS retains ownership of the Equipment, the Customer shall not resell, transfer, pledge or otherwise encumber the Equipment or use the Equipment as security for a claim of any third party or affiliate of the Customer.
- 7.3 If the law of the country of where the Equipment is located has farther-reaching possibilities to retain title than those laid down in section 7.1 above, these farther-reaching possibilities shall be deemed by the Parties to have been stipulated for XSYS PREPRESS, on the understanding that if it cannot be determined objectively to which farther- reaching rules this provision relates, section 7.1 continues to apply.
- 7.4 The Customer bears all risks of loss of or damage to the Equipment from the time that XSYS PREPRESS has delivered the Equipment to the freight forwarder or carrier in conformity with section 4.2 of these Sales Terms, notwithstanding the fact that XSYS PREPRESS may have selected the carrier. Until the Customer has complied with all its obligations vis-à-vis XSYS PREPRESS under the Sales Agreement, including the payment of the Total Purchase Price and any accrued contractual interest and/or collection costs, the Customer shall maintain adequate (additional) insurance for the Equipment against loss and/or damage in an amount equal to the full and Total Purchase Price, and instruct the insurer to make any payment thereunder to XSYS PREPRESS, unless XSYS PREPRESS instructs otherwise in writing. The Customer's obligations hereunder may be covered by the Customer's "blanket coverage" insurance policies. If the Customer fails to maintain such insurance, XSYS PREPRESS may obtain the same at the Customer's expense.
- 7.5 In the event the Customer fails to pay any amount due under the Sales Agreement or fails to perform any other obligation thereunder and does not cure such breach within seven days following a notice of default of XSYS PREPRESS, in addition to any remedy available under applicable law, XSYS PREPRESS shall have the right to exercise one or more of the following remedies: (a) suspend the performance of its own obligations under this Sales Agreement, (b) require the Customer to provide additional security for the fulfillment of its obligations under the Sales Agreement, (c) suspend the operation of the Equipment by using the software program to control and operate the Equipment (d) terminate the Sales Agreement with immediate effect and recover the Equipment in any way (i.e. including by way of entering any premises where the Equipment may be located and taking possession of it, for which the Customer hereby grants to XSYS PREPRESS full authority), in which case XSYS PREPRESS may at its sole discretion apply all prior payments made by the Customer as (partial) compensation for the use, depreciation and the costs of recovery of the Equipment, with a fixed minimum in the amount of the down payment; (e) require the Customer to assemble the Equipment for safe transportation and make it available to XSYS PREPRESS; (f) sell the Equipment, giving the Customer at least 15 days prior notice of such intended sale, and set off the proceeds thereof, less reasonable expenses made by XSYS PREPRESS in effecting such sale, against any amount due to XSYS PREPRESS by Customer. Should legal proceedings be instituted by XSYS PREPRESS to take possession of the Equipment, the Customer shall be liable for all related actual extra judicial and judicial costs made by XSYS PREPRESS at a minimum of 10% of the amounts due by the Customer, including but not limited to actual attorneys' and bailiff's fees. If more than one Customer is named in the Sales Agreement, any payment obligation or liability thereunder shall be joint and several. XSYS PREPRESS's rights shall be cumulative and an action to effect one of its rights shall not be deemed to constitute a waiver of any of the other rights to which XSYS PREPRESS may be entitled. A waiver by XSYS PREPRESS of or in relation to a certain breach or default shall not constitute waiver of any other breach or default by the Customer or waiver of any of XSYS PREPRESS's rights.

8. Warranties

- 8.1 XSYS PREPRESS warrants that upon receipt of full and timely payment of the Total Purchase Price from the Customer, ownership of the Equipment (excluding any (sub)licensed materials and the software contained therein) shall pass to the Customer free and clear of any encumbrances.
- 8.2 During a period of twelve (12) months after the Installation Date, XSYS PREPRESS warrants to the Customer that under normal use, Equipment purchased shall be free from defects in material and workmanship and in accordance with the specifications as recorded in XSYS PREPRESS's product brochures as per the respective sales proposal and/or as provided by XSYS PREPRESS to Customer on demand. This warranty applies only to the Equipment as delivered by XSYS PREPRESS under the Sales Agreement, without any modifications or amendments made thereto by the Customer or any other third party.
- 8.3 Notwithstanding the foregoing, used (U-) machines and/or Equipment are sold and delivered on "as is" basis, without any warranty, express implied, statutory or whatsoever, unless otherwise recorded on the approved sales form or purchase order, in which case all the limitations contained herein apply.
- 8.4 XSYS PREPRESS's obligations under this warranty (a) are limited solely to the repair or, at XSYS PREPRESS's sole discretion, replacement of equipment or parts which XSYS PREPRESS determines to be defective upon the return thereof FOB XSYS PREPRESS's plant (Incoterms 2020) within the Warranty Period, or refund of the paid purchase price or any part thereof and (b) do not include normal wear and tear, consumable supplies, usage parts, labor, periodic adjustments, cleaning, maintenance or support

services, which (if any) will be determined solely by the Services Agreement agreed between XSYS PREPRESS and the Customer. Any repairs or replacements made by XSYS PREPRESS under this limited warranty will be warranted during the remainder of the Warranty Period and under the conditions and limitations applicable to the original Equipment.

- 8.5 XSYS PREPRESS shall have no obligation under this warranty in the event that: (a) the Equipment has been subject to abuse (including any use in excess of the XSYS PREPRESS's specifications or the intended purpose of the Equipment), improper installation or application, alteration, accident or negligence in use, storage, transportation or handling, and such actions or occurrences are not the fault of XSYS PREPRESS; (b) the Equipment is used in combination or connection with other equipment, attachments or supplies not approved in writing by XSYS PREPRESS for use in combination or connection with the Equipment; (c) installation, repair, replacement of parts, adjustment, service (other than normal operation maintenance), or other work on the Equipment is performed by the Customer, the Customer's customers or any third party; (d) the Customer has not provided electrical service conforming to applicable electrical codes, including a dedicated line for power supply and appropriate polarization and grounding in accordance with XSYS PREPRESS's specifications, or (e) the Customer fails to timely perform operating maintenance as specified in XSYS PREPRESS's Operator's Manual.
- 8.6 Repairs or replacements made under this warranty shall be performed on regular business days and during XSYS PREPRESS's regular business hours within a reasonable time following the Customer's request.
- 8.7 Except for the warranties expressly specified in this section 8, XSYS PREPRESS provides the Equipment without warranty of any kind, either express, implied or statutory including but not limited to, any implied warranties of merchantability, or fitness for a particular purpose or warranties of quality or performance. Any rules of applicable law or treaty on the (non) conformity of goods or in relation to hidden defects of the goods, and the remedies available thereunder which are not provided for in these Sales Terms (including but limited to any price adjustments), are expressly excluded to the maximum extent permitted.

9. Liability and indemnity

- 9.1 Any and all liability of XSYS PREPRESS shall at all times be limited to the unit price for the Equipment that caused the damage or is the subject matter of the damage.
- 9.2 XSYS PREPRESS shall not be liable to the Customer or any third party for any incidental, consequential, special or punitive damages, including lost profits, lost savings, reduced goodwill, business opportunities, damage caused by interruption of business operations, or other incidental or consequential damages, even if XSYS PREPRESS has been notified of the possibility of such damage. The Customer will hold XSYS PREPRESS harmless against all possible claims from third parties in this respect.
- 9.3 Any liability of XSYS PREPRESS on account of attributable breach in performance of the Sales Agreement can only arise if XSYS PREPRESS is given immediate and proper written notice of default by the Customer, including a reasonable term to remedy the breach and if XSYS PREPRESS is still in breach of its obligations after that term. The notice of default should contain an as detailed as possible description of the breach so that XSYS PREPRESS can respond adequately.
- 9.4 The Customer is obliged to both inspect the Equipment and submit any complaints with regard to the Equipment before taking it into use and in any case within four weeks after the Installation Date. XSYS PREPRESS is not liable for any defect, which arises thereafter which should reasonably have been discovered during an inspection by a qualified person in the aforementioned period.
- 9.5 The Customer shall indemnify and hold XSYS PREPRESS harmless from and against any and all claims from third parties, losses, expenses and damages (including any claims in connection with injury or damage to private goods) arising out of or incident to any non-performance by the Customer of the Sales Agreement or any wrongful acts or omissions of the Customer including but not limited to failing in the observance of the instructions of XSYS PREPRESS included in any manuals or instruction notices provided and/or failing to implement reasonable safety and security measures, in any way whatsoever related to the Sales Agreement and/or the Equipment.

10. Intellectual property rights and indemnification

- 10.1 XSYS PREPRESS and/or its licensor(s) own and retain all right, title, and interest in the software programs used to control and operate the Equipment and any and all materials, analyses, designs, documentation, reports, quotations as well as preparatory materials and all intellectual property rights inherent therein, including without limitation all changes and improvements made, requested, or suggested by the Customer (all together defined as: the "Programs"), notwithstanding any use of terms such as "purchase", "sale" or the like within the approved sales form or purchase order, these Sales Terms, any annexes or schedules thereto, or otherwise. Any unauthorized use of the Programs will be deemed to be a material breach of the Sales Agreement between XSYS PREPRESS and the Customer.
- 10.2 The Customer only acquires a limited right of use to the Programs to operate the Equipment. Neither the license to the Programs granted herein nor the Programs may be sold, assigned or otherwise transferred by the Customer to any third party without the prior written authorization of XSYS PREPRESS, except that each Program may be transferred with the Equipment provided the transferee agrees in writing to assume all the obligations of the Customer hereunder and XSYS PREPRESS is notified of such transfer and agreement prior to such transfer.
- 10.3 The Customer will not reproduce the Programs or other materials or make copies of the same. The Customer shall utilize the Programs only with Equipment supplied by XSYS PREPRESS. The Customer shall not attempt to reverse engineer, duplicate or otherwise copy any of the Programs in whole or in part, except for a back-up copy, for internal use only.
- 10.4 XSYS PREPRESS shall defend or settle, at its expense, any claim, suit or proceeding brought or made against XSYS PREPRESS alleging that (the use of or any component of) the Equipment infringes a patent, copyright or trade secret of any third party, and will pay all costs, damages and reasonable attorneys' fees attributable to such claim that are awarded against the Customer; provided however, that (i) the Customer shall have given XSYS PREPRESS prompt written notice of such claim, suit or proceeding, (ii) the Customer shall cooperate with XSYS PREPRESS in the defense and settlement thereof, and (iii) XSYS PREPRESS shall have control of the defense of such claim, suit or proceeding and any settlement or compromise thereof; (iv) Customer gives XSYS PREPRESS (or its supplier) all available information, assistance, and authority to enable XSYS PREPRESS (or its supplier) to assume such defense. XSYS PREPRESS (or its supplier) shall diligently defend and prosecute all such patent infringement litigation.

11. Confidentiality

- 11.1 Either party warrants and represents that all the data and information received from the other party of which the receiving party knows or should know that they are confidential will remain so, unless disclosure of such data is required by law and/or court order, in which case the information to be disclosed will be limited as much as possible. The party receiving the confidential data will use these only for their intended purpose. Each party shall ensure that its directors, employees, agents or other intermediaries are bound by and honor a similar duty of confidentiality.

12. Cancellation and termination

- 12.1 Without prejudice to any other ground for termination contained in these Sales Terms, either party has the right to terminate the Sales Agreement with immediate effect by registered letter, without any requirement to observe a notice period, if the other party:
- fails attributable in the performance of essential obligations under the Sales Agreement and after having been given a written and detailed notice of default, still does not comply with its obligations within two weeks of the date of said notice of demand;
 - enters into insolvency, suspension of payments, a settlement with creditors, bankruptcy or similar proceedings;
 - wishes to enter into a composition with its creditors or execution is levied on all its assets or otherwise loses control of its assets, or
 - discontinues its operations, or a resolution has been passed to wind up or liquidate the other party.

13. Compliance Obligations

- 13.1 The Customer is responsible for compliance with all applicable laws, rules, regulations and administrative requirements with respect to its activities pursuant to the contract, including those governing trans-border sales, importation, storage, shipment, transfers of products, economic sanctions, and export controls. The foregoing expressly includes all applicable anti-bribery and corrupt practices laws, including without limitation the Bribery Act 2010 (U.K.), the U.S. Foreign Corrupt Practices Act 1977, and any additional anti-bribery, corruption, commercial bribery, money laundering, or terrorist financing laws applicable to the Customer. The foregoing also includes all applicable export control and economic sanctions laws.
- 13.2 Without limiting the foregoing, the Customer agrees that it will not ship or divert any Equipment to Cuba, Syria, Iran, Sudan, North Korea or Crimea or the respective governments of those countries. The Customer also agrees that it will not sell any Equipment to a customer for use in connection with the proliferation of weapons of mass destruction, including missiles, nuclear, chemical or biological weapons. Finally, the Customer will not ship any Equipment for resale, directly or indirectly, to or through, any customer that is a person or entity: (a) on the Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions (<https://data.europa.eu/data/datasets/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions?locale=en>); (b) on the U.S. Treasury Department's Office of Foreign Asset Control's List of Specially Designated Nationals and Blocked Persons (<https://sanctionsearch.ofac.treas.gov/>); (c) on the U.S. Commerce Department's Bureau of Industry and Security's Denied Parties List or Entity List (<http://www.bis.doc.gov/index.php/the-denied-persons-list>; <https://www.bis.doc.gov/index.php/forms-documents/doc-view/691-supplement-no-4-to-part-744-entity-list>); or (d) that is otherwise prohibited by law from receiving the Equipment. The Customer shall take no action which would subject XSYS PREPRESS to penalties under the aforementioned laws rules, regulations, or administrative requirements, including laws, rules, regulations, or administrative requirements of the United States, the United Kingdom, and the European Union.

14. Choice of law and forum

The Sales Agreement and any non-contractual obligation that may arise out of or in connection therewith or with the performance thereof, will be governed entirely and exclusively by the laws of Belgium and no effect shall be given to any other choice-of-law rules or provisions (Belgian, foreign or international) that would cause the laws of any other jurisdiction to be applicable. The Enterprise Court Antwerp, division Mechelen (Belgium), shall have non-exclusive jurisdiction to settle all disputes arising from the Sales Agreement, in the sense that XSYS PREPRESS, at its sole discretion, is also allowed to initiate proceedings against the Customer in any other court in any other country that would be competent without the aforementioned choice of forum, whereas the Customer can only file suit against XSYS PREPRESS before the Enterprise Court Antwerp, division Mechelen (Belgium).

15. Miscellaneous

- 15.1 Whenever possible, the provisions of this Sales Agreement shall be interpreted in such a manner as to be valid and enforceable under the applicable law. However, if any provision of the Sales Agreement is found to be null and void, that provision will remain valid and enforceable to the extent permitted by the applicable law and the other provisions of the Sales Agreement will remain fully effective.
- 15.2 The Customer does not have the right to transfer the rights and obligations under the Sales Agreement to third parties in any matter whatsoever without XSYS PREPRESS's written consent. XSYS PREPRESS will not withhold its consent on unreasonable grounds. XSYS PREPRESS can transfer the Sales Agreement in full or in part to a third party provided that the obligations of the Customer are maintained and not reduced.
- 15.3 The Customer shall not, during one (1) year after the conclusion of the Sales Agreement, whether on behalf of itself or on behalf of any third party, solicit any employees of XSYS PREPRESS, without the express written consent of XSYS PREPRESS, such consent being at XSYS PREPRESS's sole and absolute discretion. If any such employee should cease to be an employee of XSYS PREPRESS, the Customer may solicit such employee beginning one (1) year after the cessation of such employment.
- 15.4 Notwithstanding any translation of (part of) the Sales Agreement, whether or not contemporaneous with the negotiation or execution of the Sales Agreement, the English version of the Sales Agreement, as well as any other annex shall prevail.
- 15.5 The Sales Agreement sets forth the entire agreement between the parties hereto with respect to the subject matter hereof, and the Sales Agreement supersedes any and all earlier agreements and understandings, either verbally or in writing, with respect to the same subject matter. Any modifications, change or amendment of the Sales Agreement, and all proof of any such modifications, change or amendment, must be in writing and must be duly signed by all parties hereto.
- 15.6 If the parties agree on special conditions, these shall be added in an annex to the approved sales form or purchase order, duly signed by each party.