

XSYS General Conditions of Sale

1. Definition of Seller and Scope of Application

Seller means **XSYS North America Corporation** (Company Registration Number 4392669) whose main places of business are: 2915 Whitehall Park Drive, Suite 600, 28273, Charlotte, North Carolina, USA and 95 Glenn Bridge Road, 28704, Arden, North Carolina, USA.

All goods and the services associated with them shall be provided exclusively on the basis of these North American General Conditions of Sale ("General Conditions of Sale"). These General Conditions of Sale shall also apply to all future business.

2. Modification

Neither party shall claim any modification, limitation, nor release from any of the terms and conditions contained herein except by written agreement to that effect signed by Seller and Buyer. References made to Buyer's general terms and conditions are hereby rejected. No modifications of, addition to, or deletion from the terms and conditions contained herein shall be affected by the acknowledgment or acceptance by Seller of any purchase order, acknowledgment, confirmation, release, or other form submitted by Buyer containing other terms and conditions. Notwithstanding anything to the contrary contained herein, goods may only be returned after Seller has issued a return authorization. In any event, Buyer's failure to return goods covered by this invoice to Seller within a reasonable time after receipt of this invoice shall constitute Buyer's assent to the terms and conditions herein, regardless of any statement to the contrary contained in any purchase order, acknowledgment, confirmation, release, or other form submitted by Buyer.

3. Payment and Security

If payment is not made as set forth on the invoice, or if Buyer's financial condition becomes unsatisfactory to Seller, Seller may, at its option: (1) elect to withhold future deliveries of goods to Buyer until such breach has been cured or Buyer's financial condition has been established to Seller's satisfaction; (2) require payment in advance as to future deliveries; (3) demand return from Buyer of any goods for which payment has not been made; or (4) cancel these General Conditions of Sale. If deliveries of goods are to be made in installments, the purchase price of each installment shall, at Seller's option, be recoverable as a separate sale. Any payments that are in default shall accrue interest at the rate of eighteen percent (18%) per annum, until paid in full. Buyer shall have no set-off rights for disputed amounts. The remedies contained in this paragraph are cumulative and shall be in addition to any other remedies available to Seller under applicable law.

4. Title and Risk of Loss

Title to all goods shall remain with Seller until the purchase price and all other amounts due hereunder have been paid or the goods have been used by Buyer, whichever comes first. Notwithstanding the foregoing, risk of loss of the goods shall pass to Buyer upon tender of the goods by Seller to carrier at Seller's shipping point.

5. Containers

If the goods are delivered in returnable containers, the containers must be emptied and returned carriage-free within 30 days of receipt of the goods. Buyer shall be liable for any loss and damage to the returnable containers for which Buyer is responsible. Returnable containers must not be used for other purposes or other goods. They are to be used exclusively for the transit of the goods delivered. Labeling must not be removed.

6. Indemnity

Buyer shall indemnify and hold Seller harmless from any and all losses, claims for damages, personal injury or death, including reasonable attorney's fees and court costs incurred as a result of (i) any breach by Buyer of its obligations under these General Conditions of Sale, and (ii) against any claim made by any third party which arises from or is in any way connected with the use of the goods or the performance by Buyer of its obligations hereunder.

7. Warranties

The selection and qualification of the goods is the responsibility of Buyer. Seller warrants only that the goods will meet the written specifications and changes jointly approved by the Seller and Buyer in writing. THERE ARE NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING SPECIFICALLY ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A SPECIFIC PURPOSE.

8. Limitations of Seller's Liability

Seller's liability is limited to the refund or replacement of the goods. In no event shall Seller be liable to Buyer for any other claims, regardless of the form of action, or for any other damages whether direct, indirect, incidental, special, or consequential, including but not limited to lost business and lost profits, whether foreseeable or not, even if Seller has been advised of the possibility of such damages.

9. Inspection and Notice of Claim

Buyer shall inspect the goods immediately upon delivery and Seller must be notified of any claims, in writing, within seven (7) days of discovery of the basis of such claims, otherwise said claim is waived. If the full

financial impact is not determinable at that time, a summary of the potential scope must be provided. Furthermore, any claims or demands which could be resolved solely by the payment of money, and issues concerning levels of technical support, etc., and which cannot be settled by agreement between the parties may by written notice be referred to their respective counsel for non-binding mediation. In mediation, the parties shall proceed in good faith to determine (i) the amount of money necessary to resolve fully such claim or demand and (ii) the apportionment of fault between the parties in regard to such claim or demand, so that a speedy and amicable resolution may be reached. If, and only if, such claim or demand cannot be resolved through such mediation, may either party file suit in a court of law. In no event shall Buyer deduct from outstanding invoices pending claims or claims settlements without the prior written consent of Seller.

10. Force Majeure

In the event performance of these General Conditions of Sale by a party hereto (the "Affected Party") is prevented, delayed or interfered with by causes beyond the reasonable control of the Affected Party, including without limitation riot, war or hostilities between nations, shortages of raw materials, labor or transportation, acts of God, fire, explosion, storm damage, tornado, flood, strikes, work stoppages or labor disputes, government intervention (not including fines for violations or permits), governmental regulation or statute (each of such causes being referred to herein as a "Force Majeure Event"), the Affected Party shall promptly give notice to the other party of the Force Majeure Event and the Affected Party's obligations hereunder shall be suspended or reduced accordingly. The Affected Party shall use its best efforts to resume full performance as soon as reasonably possible. If a Force Majeure Event continues for a period of sixty (60) consecutive days and there is no reasonable prospect for the prompt cure thereof despite the best efforts of the Affected Party, then the other party shall have the right to terminate that portion of the these General Conditions of Sale (except for such obligations as survive termination hereof) upon thirty (30) days prior written notice to the Affected Party.

11. Waiver

The failure of any party to insist upon the performance of the terms and conditions of these General Conditions of Sale, or the waiver of any breach of any of the terms and conditions of these General Conditions of Sale, shall not be construed as thereafter waiving any such terms and conditions, all of which shall continue and remain in full force and effect as if no such forbearance or waiver had occurred.

12. Compliance Obligations

The Buyer 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 Buyer.

Without limiting the foregoing, the Buyer agrees to comply with all applicable export control and economic sanctions laws (hereinafter referred to as "Trade Rules") and agrees that it will not ship or divert any Goods:

- a) for use in any country or countries subject to comprehensive US or EU sanctions;
- b) to a customer for use in connection with the proliferation of weapons of mass destruction, including missiles, nuclear, chemical or biological weapons, or any military end-use or military intelligence end-use;
- c) to any person or entity (collectively "Sanctioned Persons"):
 - (1) listed on any list (or any successor thereof) maintained by the US Department of the Treasury's Office of Foreign Assets Control, including but not limited to, the Specially Designated National and Blocked Persons List and the Sectoral Sanctions Identification List;
 - (2) listed on any list (or any successor thereof) maintained by the US Department of Commerce's Bureau of Industry and Security, including but not limited to, the Entity List, the Denied Persons List, the Unverified List, or the Military End-User List;
 - (3) designated on the Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions maintained by the European Commission, or the Consolidated List of Asset Freeze Targets maintained by Her Majesty's Treasury;
 - (4) otherwise listed on an applicable restricted party list under Trade Rules;
 - (5) that is 50% or more owned or controlled (directly or indirectly) by Sanctioned Persons; or
 - (6) that is otherwise prohibited by law from receiving the Goods.

The Buyer shall take no action which would subject the Seller 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

13. Additional Provisions

These General Conditions of Sale are made subject to and shall be construed under the laws of the State of North Carolina without giving effect to the principles of conflicts of law thereof. These General Conditions of Sale shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, and may not be assigned by either party without the prior written consent of the other party, which consent shall not be unreasonably withheld.