

International Audio Holding BV (PLC)

General sales and delivery conditions

Article 1. Definitions

- IAH: International Audio Holding BV, with registered office in Amsterdam;
- Buyer: any corporation, business and institution or any private person, negotiating with IAH about establishing an agreement, or entering into an agreement with IAH;
- Products: all items that are sold and delivered;
- Writing: The written, including digital correspondence material;
- Quotation: A written offer to deliver a certain amount of product under certain conditions;
- Order: any request to buy and be delivered to buyer, from IAH;
- Agreement: any purchase agreement that exists and/or is established between IAH and the buyer, any change therein or addition thereto, including all legal actions in preparation of implementation of the purchase agreement;
- Delivery: delivering one or more products into the ownership or under the power of respectively buyer by IAH.

Article 2. Application

- 2.1 These conditions apply to all quotations, all orders, all agreements to be made by IAH and all agreements made by IAH.
- 2.2 Additional or deviating provisions or conditions only apply where IAH has expressly agreed thereto in writing; these deviations are only in effect concerning the relevant agreements, to which they were posted.
- 2.3 The application of any (general) conditions by buyer, whatever it/they is/are called or referred to, are hereby expressly excluded.

Article 3. Establishment of the Agreement

- 3.1 An agreement is only then established when and to the extent in which IAH confirms an order by buyer in writing by way of an order confirmation.
- 3.2 Additions or changes to the agreement, including the conditions applied thereto, are only in effect if and when parties have agreed to and registered these mutations/additions in writing.
- 3.3 For deliveries made by IAH, for which neither an order has been placed, nor for which an order confirmation has been sent, the invoice is considered as confirmation. Regarding such deliveries, the invoice is expected to fully and correctly show the agreement.

Article 4. Prices

- 4.1 All (price) quotations and charged prices exclude VAT and possible other costs, in Euros and including packing, unless otherwise is stated expressly.
- 4.2 Prices are based on the cost factors, in effect at the time of establishing of the agreement, such as materials, wages and salaries, import and export duties, taxes, freight, insurance and other price-deciding factors. Increases in cost price on the day after the day on which the agreement was established, may be charged by IAH.
- 4.3 The buyer is authorised to terminate the agreement where prices are increased within three months after establishment of the agreement, except where such increase of prices is based on legal provisions.
- 4.4 In case of an agreed payment in foreign currency, IAH is entitled to subsequently and similarly raise the price where, after establishment of the agreement, exchange rates have changed at her expense.

Article 5. Mutations

- 5.1 IAH preserves the right in such cases to change the construction of the products she delivers, or the materials of which the products are manufactured, however such only after deliberation with the buyer.

Article 6. Delivery

6.1 Delivery takes place 'ex works' (factory or storage) in Elst, unless one of the other Incoterms, Edition 2000, has been agreed to in writing. All products delivered by IAH are transported at the buyer's risk and expense. Handling (loading and unloading) is also done at buyer's risk and expense.

6.2 The quoted times of delivery are only approximately in effect. IAH is not liable for the consequences of crossing of the delivery period and buyer does not receive the right to, in such case, terminate the agreement, claim damages and/or suspend fulfilling his obligations from the agreement.

6.3 Where the buyer does not, or not in time, take in the products, he will be in a state of failure without notice. In such case, IAH has the right to store the products at buyer's expense and risk. The buyer owes, based on the agreement, the amounts owed including an interest percentage of 1% monthly or the part of such month, as well as additional costs by way of damages.

6.4 IAH is entitled to deliver one order in multiple stages. The buyer must take in (advance) orders within the agreed period of time. Failure to comply entitles IAH to subsequently deliver all products at once, resulting in the full amount of the order to become payable at once, and/or IAH may charge additional fee(s).

Article 7. Deficiency claims and complaints

7.1 Claims must be filed in writing and within 8 days of receipt of the products delivered, or in any case within 8 days after the moment in which buyer could have determined the defect(s), under specification of complaints. Failure to do so results in the buyer being considered as having accepted the items and having waived the right of warranty. Small differences in colour, structure, etc. of the products delivered – such to be assessed by IAH – does not entitle (to) the right of claim.

7.2 Claims do not give buyer the right to suspend payment(s) owed. Netting is not allowed as well.

7.3 Defect(s) in and/or of part of the products delivered do not give buyer the right to reject or dismiss the entire order.

7.4 Returned shipments will only be accepted after prior written consent by IAH. They are to be made freight-paid. The returned products must be undamaged and in the original packaging.

7.5 The right to deficiency claims expires where buyer has used the product(s), including when the claim has been made prior to the actual use.

Article 8. Payment

8.1 Unless a different payment period has been agreed to in writing, the buyer is to pay IAH's invoices – without discount or netting – within 30 days after the date of invoice. IAH has the right to separately invoice every (part of a) delivery.

8.2 Where a delivery is made to a buyer outside the Netherlands, payment has to be fully made prior to delivery (pre-payment), except when otherwise has been agreed. Where buyer fails to comply, IAH has the right to not perform, or discontinue performance, until buyer has complied with the requirements.

8.3 Where buyer fails to pay any amount he owes within the set time, buyer is in legal neglect without necessity of any notice. Buyer also owes, starting at expiry date, an interest of 1% per month or part thereof, from the moment of neglect until the moment on which is fully complied with the necessary requirements. All requirements for buyer become immediately payable and claimable where buyer does not comply with any of the payment obligations/

8.4 Costs, both judicial and extrajudicial, that are made by IAH to enforce buyer's compliance with the requirements, fall to the buyer's expense. For the extrajudicial costs, a percentage of 10% of the claim is in effect with a minimum of € 500.-.

8.5 In case of a late payment, a negative rate difference for IAH falls to the buyer. Reference dates are the invoice expiration dates.

8.6 IAH's acceptance of a check or bill does not lead to discharge.

Article 9. Preservation of ownership

9.1 The products, delivered to buyer by IAH based on the agreement, remain the property of IAH until such time as where buyer has fully met all requirements resulting of the relevant agreement. The products, delivered by IAH and under retention, may not be resold and may never be used as a method of payment. Buyer is not authorised to pawn the retention materials or burden them in any other way.

9.2 Buyer must do at all times what is deemed necessary and reasonable to protect IAH's ownership rights. Where third parties (threaten to) impound any product, falling under (retention) ownership of IAH, or wish to add or put into effect any rights thereto, buyer is obligated to immediately inform IAH of such situation. Furthermore, buyer is obligated to insure, and keep insured, products under retention from fire, explosion and water damage, as well as against theft and buyer must provide IAH with the (insurance) policy at first request. Any possible entitlement of any policy hereto will fall to IAH. To the extent necessary, buyer is obligated to make himself available and cooperate in all that is necessary and/or desirable hereto. Where it is shown that the buyer has not, or not correctly, insured the product(s), he will be liable for all damage falling to, or that has fallen to, IAH.

9.3 Where IAH wishes to make use of her ownership rights, the buyer hereby provides unconditional consent to IAH, as well as to any third party appointed by IAH, to execute such rights, including entering of any place or premises where products, owned by IAH, are present, (and) to seize those products.

Article 10. Packing

10.1 Packing (materials) may and will not be returned or credited. The necessity to use packing (materials) falls to IAH's assessment.

Article 11. Warranty

11.1 Without prejudice to the limitations and provisions of par. 2, IAH vouches for the validity of the delivered products and the implementation of work done in accordance with the agreement, considering that the warranty is valid for 24 months, starting on the day of delivery of the products to buyer.

11.2 Excluded from warranty are, but not limited to the following, damages resulting from:

- disregarding the use and maintenance provisions and rules, other than is usually acceptable;
- wear and tear;
- negligence;
- overload;
- non-original parts, applied by any third party;
- an accident;
- a cause outside the product.

11.3 Warranty does not apply where the buyer and/or any third party adds any mechanical, electronic or other adjustment and/or addition to the product, unless such has been done by order of IAH.

11.4 The warranty will only be in effect where buyer has fully complied with all requirements of the agreement towards IAH.

Article 12. Liability

12.1 IAH is not liable for any damage falling to the buyer and/or any third party, except for where such damage is the direct result of intent or gross negligence.

12.2 IAH is not liable in any way for indirect damage such as consequential damages, delay damages and/or any profits or revenue loss.

12.3 IAH's liability against the buyer is in any case limited to the amount or amounts, to which IAH has a claim based on the liability insurance.

12.4 buyer will indemnify IAH against any third party claim that is, directly or indirectly, a result of (the use of) products and buyer will compensate all damages falling to IAH as a result of any of such claim(s).

Article 13. Force Majeure

13.1 Any obligation of IAH to fulfil the agreement is suspended for the duration where such fulfilment is not or not acceptably possible due to Force Majeure.

13.2 Force Majeure includes any circumstance that IAH has no reasonable influence on, regardless of whether these could have been foreseen at the time of closing the agreement, or not, which includes but is not limited to war, threatening and/or impending war, terrorist attack(s), civil war, riots, strike(s), transport difficulties, material shortage(s), fire and any other serious business disruptions.

Article 14. Termination

In the case where the buyer:

- is declared in a state of bankruptcy, allowed to the WNSP, requests bankruptcy or suspension of payment or being allowed to the WNSP, cessions to proceed, or (part of) his possessions are impounded and/or seized;
- is placed under guardianship or otherwise loses power over (part of) his assets;
- moves to strike or transfers his business, or part thereof, including the business' input in an established venture or on to be established, or moves to change the business' (primary) goal(s);
- meets death;
- fails to comply (in time and/or insufficiently) with any of the obligations falling upon him by law or based on the agreement;

IAH has the right to immediately and without notice and/or judicial interference terminate the agreement entirely or in part, by way of written notice, all without prejudice to her other rights.

Article 15. Intellectual ownership

15.1 In no case and under no circumstance does buyer receive any right of intellectual ownership, whether or not based on the agreement, concerning, but not limited to:

- the products;
- any models, designs, drawing and descriptions provided and/or manufactured by IAH;
- programs and/or systems manufactured and/or provided by IAH;
- any information that is (part of) the basis on which production and/or fabrication methods are stated,

Regardless whether or not any costs are charged hereto.

15.2 Except for the implementation of the agreement, the buyer is not authorised to copy, show or provide to any third party, publish or use the product(s) provided by IAH without IAH's written authorisation thereto.

15.3 Buyer will immediately inform IAH of any third party claim concerning infringement of intellectual property rights regarding the product(s).

Article 16. Applicable law and court

16.1 The quotation, the order, the agreement and all and any other judicial relation resulting thereof between IAH and the buyer is solely subject to Dutch law.

16.2 Any and all disputes that may arise from the agreement as well as from any legal relation resulting thereof, between buyer and IAH, should in initial instance be submitted to the court of Arnhem (the Netherlands).