

FLEXIBIL SRL
GENERAL TERMS AND CONDITIONS OF SALES

1. Object

1.1. These General Terms and Conditions of Sales (hereinafter referred to as "GTC") provide the parties' mutual rights and obligations associated with all deliveries of products (hereinafter referred to as "Products") by Flexibil SRL (hereinafter referred to as Flexibil) to another party (hereinafter referred to as "Customer") and they represent an integral part of each contract/order which has as its object the supply of Products by Flexibil to the Customer, unless otherwise agreed in writing between the parties.

1.2. These GTC will apply irrespective of any references made by the Customer to its own general terms and conditions or to similar conditions which will have no legal force even if Flexibil did not explicitly object to these general terms and conditions or similar conditions of the Customer. The latter will apply only in the specific case when Flexibil made explicit reference to such conditions, being fully aware of the Customer's different or contradictory conditions.

2. Orders

2.1. Flexibil offers are not mandatory as they may be modified.

2.2. The images, the drawings, the calculations and any information in tangible or intangible form, as well as any other documents ("Information") attached to a Flexibil offer are not mandatory and they may be modified.

2.3. Each order is an act of sale-purchase and is subject to these GTCs.

2.4. The orders sent by the Customer will be valid if they are made in writing and signed by the Customer.

2.5. Each order will compulsorily include the following elements:

- parties' identification data;
- registration number and date;
- name of product and necessary quantity;
- delivery term;
- price of product and payment method;
- if applicable, costs of product assimilation;
- full technical documentation (drawings, materials, data concerning the tests, etc.);
- place of delivery of products;
- where appropriate, special instructions concerning the packaging, labeling and marking;
- documentation which should accompany the product on delivery.

2.6. The orders are made based on the offer approved by Flexibil.

2.7. All information, estimates, projects, drawings and other technical documents provided, which are transmitted to the Customer, irrespective of their form, will remain the exclusive property of Flexibil and will not be multiplied, used or disclosed to third parties. Should the order not be given to Flexibil and in case of order cancellation, the entire aforementioned information must be given back and the Customer has no right to keep copies of it, without a prior notice issued by Flexibil.

2.8. The statements made by Flexibil representatives, in-person or by telephone, are legally binding for Flexibil only if they are confirmed in writing.

2.9. The customer has the obligation to inform Flexibil regarding the legal, regulatory or any other kind of provisions which could cause a delay or which could prevent the delivery. The Customer will make sure it obtains in due time, all necessary regulatory permits.

3. Confirmation and modification of orders

3.1. The orders will be accepted after Flexibil confirms in writing the Customer's specific order.

3.2. In exceptional cases, agreed between the Customer and Flexibil, the Customer will have the possibility to demand the modification of an ongoing order. If, at the moment the decision to alter the products is received, there are products and parts already manufactured, and which can no longer be used, the Customer will pay their equivalent value in full;

3.3. If the requested modifications imply additional time and expenses, Flexibil has the right to modify the price and the delivery term.

3.4. If Flexibil considers that, due to the modifications made by the Customer, it can no longer execute the order, they may refuse its execution; in this case, the Customer binds itself to pay all costs incurred to Flexibil up to the moment when the modification request was received.

3.5. The Customer may demand the cancellation of an order; in this case, the Customer will pay in full for the products manufactured or partly manufactured, as well as any other costs incurred to Flexibil in connection with the respective order.

3.6. If the Customer demands the interruption and/or the postponement of the execution of an order, for more than 30 days from the date when the order had to be delivered, it will be construed as ceased and the provisions of art. 3.5 will apply.

3.7. Any modification, cancellation, interruption and/or postponement of an order, effected by the Customer, will be taken into consideration only if it is communicated in writing and subsequently confirmed by Flexibil.

3.8. Flexibil may require that an ongoing order be modified and postponed as a result of the difficulties occurred during its execution. The Customer may refuse this kind of demands from Flexibil only in justified cases.

3.9. Flexibil may demand the cancellation of the execution of an order as a consequence of the difficulties occurred (for instance, the impossibility to purchase special raw materials, the impossibility to manufacture the product in compliance with all customer's specific requirements, etc.).

3.10. Flexibil reserves the right, especially for those cases when precise manufacturing depending on weight and unit is not possible from the beginning, according to the manufacturing process, to exceed or not to deliver the quantities ordered with a margin of up to 5%, unless otherwise agreed with the customer.

4. Deliveries

4.1. The products will be delivered pursuant to ex works terms, at the place of production, in accordance with Incoterms 2010, except otherwise specified in the price quotation.

4.2. The packaging of products will be done according to Flexibil's standard form, in new packaging materials and which will be separately listed in the invoice. The return of any packaging material is not accepted.

4.3. The delivery date confirmed by Flexibil will be observed as well as possible, assuming that, at their turn, the Customer has fulfilled all obligations concerning the order, such as the provision of data and technical documents, approvals, as well as making a payment or the provision of a payment guarantee, etc. The failure to observe the confirmed delivery deadlines will not entail, in any way, a modification or cancellation of an order by the Customer, and it will not give the Customer the right to claim any compensation from Flexibil.

4.4. Flexibil binds itself to provide to the Customer the confirmation of each change of the delivery date, as soon as possible.

4.5. The Customer may request Flexibil to organize, on its behalf, the transportation of the products ordered,

to destination. In this case, Flexibil will endeavor to obtain the best possible price for the transportation, but it does not assume responsibility for the transportation with the lowest price.

5. Transportation

5.1. The products will be transported on behalf of and at the Customer's risk, except otherwise specified in the price quotation.

6. Prices and payment

6.1. The prices are expressed in Euro (€)/piece, except for the cases indicated by the price quotation, without including VAT. The packaging, the transportation, the checks performed by external organizations, the unloading at the Customer's request and any insurance, taxes and customs duties and any other similar and related services and expenses are not included in the prices and will be paid by the Customer, unless otherwise specified in the price quotation.

6.2. The prices will be periodically revised, depending on the market prices of the raw materials, on the consumption price indices and other relevant cost factors.

6.3. In case of increases with over 5% of the price of raw materials, variations of over 5% of the exchange rate etc., Flexibil may demand the renegotiation of the price of the products in process of manufacturing.

6.4. The payment term is compliant with the price quotation or according to the specific agreements established between the parties.

6.5. For a delayed payment, the Customer will pay delay penalties in the amount of 1% of the value of the invoice paid with delay, for each week started.

6.6. The fees levied by the transmitting bank will be covered by the Customer, while the fees levied by the receiving bank will be covered by Flexibil.

6.7. The Customer cannot invoke any kind of difficulty or obstacle, which was not acknowledged by Flexibil, in order to ensure a postponement of any total or partial payment of due invoices. If there are known situations which occurred and which jeopardize the Customer's creditworthiness, Flexibil may impose on the Customer other payment methods. Should the Customer refuse Flexibil's proposal, Flexibil will have the right to cancel all ongoing orders.

6.8. The products delivered remain the exclusive property of Flexibil, despite being incorporated in another product, until full payment is received by Flexibil.

7. Complaints and Guarantee

7.1. Flexibil warrants that the product ordered by the Customer is developed and/or manufactured in compliance with the technical specifications provided by the Customer.

7.2. The warranty includes the replacement or the repair of the products delivered, free of charge. In case Flexibil fails to replace or repair the products delivered, the Customer is entitled to a proportional deduction of the price. The Customer, by itself or assisted by a third party, may replace or repair the products delivered, only when it has the prior written consent of Flexibil.

7.3. The apparent defects have to be documented and made known to Flexibil, within 10 working days after the delivery of products.

7.4. The transportation costs for the return and replacement of the defective products will be paid by Flexibil, except for the cases when the defect is not caused Flexibil. The return of the defective products does not exempt the Customer from its obligations and it will not give the Customer the right to suspend any payment

of amounts due.

7.5. Flexibil is liable for the defects of the products delivered under the following conditions:

- a. The warranty is limited to the data and restrictions documented the technical specifications sent by the Customer in writing and accepted by Flexibil in writing. The Customer guarantees the accuracy and completeness of these technical specifications.
- b. The descriptions of the products manufactured by Flexibil do not represent the guaranteed properties, which are only approximate and subject to regular variations in the industry, except otherwise agreed in writing. Flexibil reserves the right to make modifications that the Customer may reasonably and possibly accept, especially if these changes support the technical progress and as long as the object concerned is not substantially modified.
- c. The information sent by Flexibil, at the Customer's request, verbally or in writing, concerning the application, is not mandatory, but have only a consultative purpose. In all cases, the Customer has the obligation to verify that the products delivered correspond to the specific intended use. The risk of suitability and use for the products delivered pertains to the Customer. An additional warranty given for a special use or suitability will be given only if there is an explicit written agreement agreed between Flexibil and Customer or after performing several specific tests.
- d. The warranty for defects of the products is given in situations when the Customer has fulfilled all contractual obligations, especially the payment obligations;
- e. Flexibil will not be responsible for the defects caused by: inappropriate handling and storage of products, incorrect assembly, unusual or inappropriate operational environment, special use that was not agreed in writing, improper use, normal wear and tear and breaking of products, the set where the products were installed.
- f. Flexibil will be immediately and totally exonerated from any obligation concerning the warranty in case the Customer itself, other third parties or others, by a mutual cooperation, changes or repairs the products, without a prior written consent from Flexibil;
- g. There is no warranty given for the products delivered, if their batch number cannot be identified or which are not new.

7.6. The entire warranty is limited to compliant manufacturing and to the work carried out.

The consequential damages including, without limited to, subsidiary damages, damages which result from the programs of repairs and withdrawal of products, costs of assembly and dismantling, damages consisting of lump sums for delayed delivery, loss of profit or reputation, other damages, lawyer's fees, sanctions, increase of the insurance premiums, are expressly excluded.

7.7. No claim for compensation can be lodged against Flexibil, its legal representatives, operators and employees, except for cases of specific intent or serious negligence attributable to its legal representatives or managing directors, in which case Flexibil is liable, in compliance with the law. Flexibil will not, under any circumstances, be held liable for any damages or losses resulted from normal negligence caused by Flexibil, its legal representatives, operators and employees, except the case when these damages are a typical foreseen prejudice resulting from the breach of the essential contractual obligations.

8. Molds, gauges and tools

8.1. All molds and devices manufactured by Flexibil, for the purpose of manufacturing the Customer's products, will be paid by the Customer and represent costs for the assimilation of products.

8.1.1. Defining the concept of „costs for assimilation of products”

Flexibil designs and manufactures molds and devices, rubber compounds, manufacturing technologies etc., only for the assimilation of the rubber and rubber-metal products for its own vulcanization department.

Paying for the “costs for assimilation of the serial product” means that the Customer will partially pay for the following:

- a) - design, execution and homologation of the mold and the devices for adjustment on the vulcanizing presses of the vulcanization department of Flexibil.
- b) – design, execution and homologation of the calibrating, deburring devices etc., necessary to be used in the manufacturing process of a product.
- c) – storage and maintenance in good conditions, by Flexibil, of the necessary molds and devices to be used in the manufacturing process of a product.

- d) – repair and replacement, if necessary, of the mold and of all devices necessary to manufacture the products, on the expense of Flexibil, for the entire period in which the customer orders that product. If during a 5-year period of time, the customer does not order that product, Flexibil reserves the right not to keep the mold, the devices and the entire information necessary for manufacturing that product.
- e) choice or special formulation of a rubber compound and its homologation for that product.
- f) drafting and homologation of the manufacturing technology of the product.
- g) performance of specific tests (static, dynamic, temperature etc.) that Flexibil considers necessary for the product homologation.
- h) the right not to manufacture, for other customers, products using the same mold and devices (at the Customer's request, the resulting products may be marked with inscriptions such as logos or other codes, specific to the Customer).

8.1.2. The molds and devices will be used only to execute orders for the Customer. Any other use will require the prior written consent of the Customer. They will be marked, so that they may be identified in any moment.

8.1.3. Any alterations of the product, requested by the Customer, after the manufacturing of the mold, devices, technology, product homologation, etc. may imply additional costs for their modification or replacement.

8.1.4. Flexibil will be liable for the careful preservation, repair and maintenance of the molds and devices and will bear all costs arising from them. Flexibil will bear the costs of replacing the molds and the devices which are lost or which can no longer be used for reasons attributable to Flexibil. Flexibil will not cover the cost for the replacement of the molds and devices if the defect is caused by normal wear or modifications requested by the Customer.

8.1.6. The partial payment by the Customer of the "costs for assimilation of a serial product" does not mean obtaining property right over the molds, devices and their drawings, the manufacturing technology, recipes for rubber compound, etc., used in the manufacturing process of that product. All molds and devices executed by Flexibil are Flexibil's property.

8.1.7. When assimilating a product, if the customer is not required to pay for "costs for the assimilation of the product", but these are entirely covered by Flexibil, this will give Flexibil the right to manufacture products for any customer requesting that product, using the same mold and devices necessary to manufacture the product (in this case, the products obtained may be marked with logos or other codes specific to Flexibil).

8.2. Full payment of the mold. Exceptionally, the Customer may demand the full payment of the mold under the following conditions:

- a) – payment of an additional amount equivalent to a minimum 50% of the value of the costs for product assimilation
- b) – the mold will be invoiced to the Customer with the value of the VAT applicable in that moment in Romania, and the invoice will be accompanied by a custody report to Flexibil
- c) – Flexibil does not guarantee, under any circumstances, the possibility of using the mold on other identical or similar machines, within a different company, since it was designed and executed in compliance with the internal standards of production of Flexibil and in compliance with its own manufacturing technology.
- d) – the mold refers to the shell where the vulcanized product is obtained and it does not include:
 - other internally standardized systems for fixing on to the vulcanizing presses;
 - different devices used on the production flow (for deburring, dyeing, testing etc.);
 - drawings of the product, of its components, devices and mold, etc.;
 - manufacturing technology;
 - information on different tests carried out and necessary for product manufacturing, etc.;
 - recipe of the rubber compound used for that product or other information on the rubber compound, etc.
- e) - Flexibil will deliver the paid mold pursuant to the mention under letter b), at the Customer's request, in the conditions of physical and moral wear it will be at that moment, without additional costs, except for the packaging, transportation, customs costs, etc., applicable at that moment.
- f) Flexibil will mark the mold so that it may be identified anytime.
- g) Flexibil will store and maintain in good conditions the mold and the devices necessary to be used in the manufacturing process of that product.
- h) If for a maximum of 3 years, the customer does not order that product, Flexibil reserves the right not to

keep the mold, the devices and the whole information necessary to manufacture that product, after a simple notification of the Customer.

9. Intellectual property and confidentiality

9.1. If the Products delivered are designed and manufactured based on the information and data provided by the Customer, (drawings, patterns, samples or other documents), the latter needs to make sure that the intellectual property right of third parties is not infringed by their transfer and manufacture by Flexibil. Flexibil does not have the obligation to verify if the information and data transmitted by the Customer, infringe any intellectual property rights. This obligation to perform the check lies exclusively with the Customer.

9.2. The Customer engages itself to justify that there has not been and there will not be any infringement of third parties' industrial property rights and binds himself to inform us without any delay regarding any possible and alleged cases of infringement of industrial property rights of third parties, which it may become aware of.

9.3. In case a third party, referring to the intellectual property right, forbids especially the manufacturing and the delivery of Products due to the data and information provided by the Customer, Flexibil will have the right to suspend the manufacturing and the delivery of the Products and to demand all the amounts it paid for the development and execution of the Order, without having the obligation to analyze the legal responsibilities. In addition, the Customer binds itself to immediately compensate Flexibil for claims of a third party concerning the data, information and documents provided by the Customer to Flexibil and to bear all costs and expenses incurred.

9.4. Both Flexibil and the Customer will keep the confidentiality of all technical and commercial information and any other information which was mutually provided for the delivery of the Products. Both Flexibil and the Customer will restrict the disclosure of this confidential information, making it available only to those employees, agents or sub-contractors who need to know this information for the purpose of delivering the Products.

9.5. Exceptions from the confidentiality obligation are:

- a) The receiving party possess it before being disclosed by the disclosing Party
- b) They are or become known by the public, in a different way than by an infringement of the confidentiality obligation
- c) The receiving party may prove that it obtained it from a third party
- d) It is independently developed by any of the employees of the receiving Party who does not have or did not have direct or indirect access to the confidential information of the disclosing Party.

9.6. Each party will be responsible for the breach of confidentiality only when this breach is intentional and causes damages to the other party.

9.7. If a party breaches the confidentiality unintentionally, the other Party will immediately notify the Party infringing the confidentiality obligation, which will adopt the necessary measures to remedy the situation.

10. Termination

10.1. Any of the Parties has the right to unilaterally suspend, terminate or postpone the contractual relationship between the Parties, with immediate effect, by a written notice sent to the other Party, when the other Party factually broke the provisions of these GTC or of the purchase order and did not remedy the situation in 30 days time after the receipt of a written notice.

10.2. Any of the Parties has the right to immediately suspend, terminate, postpone the contractual relationship if the other Party is involved in:

- procedures of insolvency, bankruptcy, liquidation;
- criminal offence;
- if there exists an essential modification of the property or control rights of the other Party which affects the contractual relationship;
- if the Customer does not succeed to pay an overdue invoice, after being granted a period of grace;
- if Flexibil is no longer authorized, in compliance with the applicable law, to deliver products to the Customer.

10.3. After the termination of the contractual relationship, due to the Customer's fault, it will purchase and pay all the products already ordered or manufactured or which are in the process of manufacturing when termination occurs.

11. Provision concerning the validity

11.1. The nullity of one of the provisions stipulated in these GTCs, irrespective of the reason, will not have any effect on the validity of the other provisions.

12. Applicable law and competent courts

12.1. Any kind of dispute or divergence which occurs between the Parties, related to the GTCs or to the purchase orders will be definitively settled in compliance with the law applicable in Romania. The competent courts are those operating in the area where Flexibil's place of business is situated.