

INNOMOTICS

INNOMOTICS General Terms and Conditions of Purchase

The following terms and conditions of purchase shall apply to any purchase of goods and services by INNOMOTICS Co. for Repair and Maintenance of Light and Heavy Equipment WLL, (hereinafter called the "Purchaser"). Seller shall be deemed to have full knowledge of the terms and conditions herein and such terms and conditions shall be binding if either the goods and services referred to herein are delivered to Purchaser, or if Seller does not within five days from the date hereof deliver to Purchaser written objection to said terms and conditions or any part thereof.

1. Order and Confirmation of Order

- 1.1 The Purchaser may cancel the order if the Supplier has not confirmed acceptance of the order (confirmation) in writing within two weeks of receipt.
- 1.2 Any alterations, amendments or additions to the order shall only become a part of the agreement if the Purchaser accepts such in writing. In particular, the Purchaser is bound by the General Terms and Conditions of the Supplier only to the extent that these are in accordance with the Purchaser's own General Terms and Conditions or if the Purchaser agrees to such in writing. The acceptance of deliveries or services as well as payments does not constitute such agreement.

2. Rights of Use

- 2.1 The Supplier hereby grants the Purchaser the following non-exclusive, transferable, worldwide and perpetual rights:
 - 2.1.1 to use the deliveries and services including related documentation, to integrate them into other products and to distribute them worldwide;
 - 2.1.2 to use or allow others to use software and its related documentation (hereinafter collectively referred to as "Software") in connection with the installation, launch, testing and operation of the Software and the deliveries and services;
 - 2.1.3 to sublicense the right of use under section 2.1.2 above to affiliates (as defined by § 15 of the German Companies Act, "AktG") to other distributors and end Purchasers;
 - 2.1.4 to license to affiliates (as defined by § 15 AktG) and other distributors the right to sublicense the right of use under section 2.1.2 above to end Purchasers;
 - 2.1.5 to use the Software for integration into other products and to copy the Software, or to allow affiliates (as defined by § 15 AktG) or other distributors to use and copy the Software;
 - 2.1.6 to distribute, sell, hire out, lease, make ready for download or make publicly available the Software, e.g. in the context of Application Service Providing or in other contexts, and to copy the Software to the extent required, always provided that the number of licenses being used at any one time does not exceed the number of licenses purchased;
 - 2.1.7 to sublicense the right of use under section 2.1.6 above to affiliates (as defined by § 15 AktG) and other distributors.
- 2.2 In addition to the rights granted in section 2.1 above, the Purchaser, affiliates (as defined by § 15 AktG) and other distributors are authorized to allow end Purchasers to transfer Software licenses.
- 2.3 All sublicenses granted by the Purchaser must contain appropriate protection for the intellectual property rights of the Supplier in the Software. All sublicenses must contain any contractual provisions used by the Purchaser to protect its own intellectual property rights.
- 2.4 The Supplier shall inform the Purchaser - at the latest at the time the order is confirmed - whether the products and services to be delivered contain "open source software". In the context of this provision "open source software" means any software that is provided royalty-free by the respective licensor to any user on the basis of a license or another agreement with the right to modify and/or to distribute such software. By means of example and without limitation, Open License Terms include the following

licenses: the GNU General Public License (GPL), the GNU Lesser GPL (LGPL), the BSD License, the Apache License or the MIT License. Should the products and services delivered by the Supplier contain open source software, the Supplier must deliver to the Purchaser at the latest at the time the order is confirmed the following:

- The source code of the relevant open source software, insofar as the applicable open source conditions require the disclosure of this source code
- A schedule of all open source files used, indicating the relevant license and including a copy of the complete text of such license
- A written declaration that through the intended use of the open source software neither the products of the Supplier nor the products of the Purchaser will be subject to a "Copyleft Effect". In the context of this provision, "Copyleft Effect" means that the provisions of the open source license require that certain of the Supplier's products, as well as any products derived from these, may only be distributed further in accordance with the terms of the open source license e.g. only if the source code is disclosed. Should the Supplier not indicate until after receipt of the order that its products and services contain open source software, then the Purchaser is entitled to cancel the order within 14 (fourteen) days of receipt of this information and provision of all the information contained in the above paragraph.

3. Term and Penalty for Breach

- 3.1 For the purposes of establishing the timeliness of delivery or rectification, the relevant point in time is the date of receipt at the place of receipt designated by the Purchaser, and for deliveries involving installation, commissioning or rectification services, the relevant point in time shall be the date of acceptance.
- 3.2 Where any delay in delivery or performance or rectification can be anticipated, the Purchaser shall be notified immediately and its decision sought.
- 3.3 If, in the event of delay, the Supplier cannot prove that it is not responsible for the delay, the Purchaser may charge a liquidated damage for each commenced working day of delay amounting to 0.3 % (zero point three percent) but not exceeding a total of 5 % (five percent) of the total value of the contract. In the event that the appropriate reservation of rights is not made at the time of acceptance of delivery, services or rectification, this liquidated damage may still be claimed if the reservation of rights is made before the date of final payment.

4. Transfer of Risk, Dispatch and Place of Performance, Transfer of Title

- 4.1 For deliveries involving installation, commissioning or services, the transfer of risk occurs on acceptance and for deliveries not involving installation or commissioning, the transfer of risk shall be upon receipt by the Purchaser at the designated place of receipt.
- 4.2 Unless otherwise agreed, the costs of delivery and packaging shall be borne by the Supplier. For pricing ex works or ex warehouse of the Supplier, transport shall in each case be at the lowest possible cost, insofar as the Purchaser has not requested a particular method of delivery. Any supplementary costs arising from non-conformity with the transport requirements shall be borne

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by the Supplier. Where the price is quoted free to the recipient, the Purchaser may also determine the method of transportation. Any supplementary costs arising from the need to meet the delivery deadline by way of expedited delivery shall be borne by the Supplier.

- 4.3 Each delivery shall include a packing note or delivery note with details of the contents as well as the complete order number. Notice of dispatch shall be provided immediately with the same information.
- 4.4 If the transport is performed by a carrier commissioned by the Purchaser, the Supplier will provide the carrier with the necessary information concerning dangerous goods in accordance with legal requirements.
- 4.5 If the Purchaser informs the Supplier that following the initial transport another transport with a different mode of transport is scheduled, the Supplier will also follow the relevant legal requirements concerning dangerous goods with regard to such on-going transport.
- 4.6 The Supplier shall be liable for any expenses and/or damages incurred by Purchaser due to any breach of the obligations under this section 4, unless Supplier is not responsible for such breach.
- 4.7 Transfer of title shall be upon delivery or acceptance by the Purchaser, as the case may be.

5. Invoices

The order number as well as the number of each individual item shall be detailed in invoices. Insofar as any such details are omitted, invoices shall not be payable. Copies of invoices shall be marked as duplicates.

6. Payment

- 6.1 Payments shall be due and payable not earlier than 90 (ninety) days net. payment is made within 14 (fourteen) days, Purchaser is entitled to a 3% (three percent) discount, if payment is made within 30 (thirty) days, Purchaser is entitled to 2% (two percent) discount. The period for payment shall commence as soon as any delivery or service is completed and a correctly issued invoice is received.
- 6.2 Insofar as the Supplier is required to provide material testing, test records or quality control documents or any other documentation, such shall be a part of the requirements of the completeness of the delivery or performance. A discount shall also be allowed if the Purchaser sets off or withholds any payments to a reasonable extent on account of any deficiency.
- 6.3 Payment does not constitute an acknowledgement that the corresponding delivery or services were provided in accordance with the Contract.

7. Inspection upon receipt

- 7.1 The Purchaser shall immediately upon receipt examine whether a delivery corresponds to the quantity and type of products ordered and whether there are any external recognizable transportation damage or other deficiencies.
- 7.2 Should the Purchaser discover any deficiency in the course of these inspections or at any later stage, it shall inform the Supplier of such deficiency.
- 7.3 Complaints may be raised within one month of delivery of a product or performance, and insofar as deficiencies are not discovered until commissioning, processing or first use, within one month of detection.
- 7.4 In this regard the Purchaser shall have no other duties to the Supplier other than the duties of inspection and notification above.

8. Warranty

- 8.1 If deficiencies are identified before or during the transfer of risk or during the warranty period provided for in section 8.8 or 8.9, the Supplier must at its own expense and at the discretion of the Purchaser either repair the deficiency or provide reperformance of services or

replacement of deliveries (rectification). This provision also applies to deliveries subject to inspection by sample tests. The discretion of the Purchaser shall be exercised fairly and reasonably.

- 8.2 If the Supplier does not carry out rectification or provide replacement delivery within a reasonable time set by the Purchaser, the Purchaser may, at the expense of the Supplier, undertake any rectification or replacement itself or arrange for a third party to do so. Any deficiency in deliveries or services detected at the time of acceptance, inspection or commissioning may be rectified by the Purchaser itself or it may arrange for such to be rectified by third parties immediately at the expense of the Supplier without the need to set a further deadline if the Supplier delivered or provided such in delay. The same shall apply if the Purchaser has a particular interest in immediate rectification or replacement delivery in case of urgency or in order to avoid delay itself.

- 8.3 The rights according to 8.2 may be exercised without further deadline if the Purchaser has a strong particular interest in immediate rectification in order to avoid any liability of its own for delay or for other reasons of urgency and it is not reasonable for the Purchaser to request the Supplier to rectify the deficiency within a reasonable time period.

- 8.4 The above-mentioned rights shall expire one year from the date of notification of the deficiency but in no instance before the expiry of the warranty periods set out in this section.

- 8.5 Nothing in this Section 8 shall affect any additional or other statutory rights available to Customer.

- 8.6 If the Supplier provides subsequent performance or repairs, the warranty periods set out in section 8.8 and 8.9 shall begin to run once again.

- 8.7 Notwithstanding the transfer of risk, the Supplier shall bear the costs and risk related to the rectification (e. g. return costs, costs of transport).

- 8.8 The warranty period for deficiencies of material is three years, insofar as no statutory provisions provide longer periods.

- 8.9 The warranty period for deficiencies in title is five years, insofar as no statutory provisions provide longer periods.

- 8.10 The warranty period begins to run with the transfer of risk (see section 4.1). Upon delivery to locations where the Purchaser is operating outside its premises, the warranty period begins with the acceptance by the end customer, in no case later than one year after transfer of risk.

9. Duty to Verify Title/Duty to Inform

It is essential that the products are delivered free of any third party rights. Thus the Supplier is under a duty to verify title and inform the Purchaser of any possible conflicting industrial and intellectual property rights. Any breach of such duty is subject to the normal statutory limitation period.

10. Subcontracting to Third Parties

Subcontracting to third parties shall not take place without the prior written consent of the Purchaser. In the event Supplier subcontracts the provision of the goods and/or services without Purchaser's prior written consent, Purchaser shall be entitled to cancel the contract in whole or in part and claim damages.

11. Provided Material

- 11.1 Material provided by the Purchaser remains the property of the Purchaser and is to be stored, labeled as property of the Purchaser and administered separately at no cost to the Purchaser. Their use is limited to the orders of the Purchaser only. The Supplier shall supply replacements in the event of reduction of value or loss, for which Supplier is responsible, even in the event of simple

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- negligence. This also applies to the transfer of allocated material.
- 11.2 Any processing or transformation of the material shall take place for the Purchaser. The Purchaser shall immediately become owner of the new or transformed product. Should this be impossible for legal reasons, the Purchaser and Supplier hereby agree that the Purchaser shall be the owner of the new product at all times during the processing or transformation. The Supplier shall keep the new product safe for the Purchaser at no extra cost and in so doing exercise the duty of care of a merchant.
- 12. Tools, Patterns, Samples, Confidentiality etc.**
- 12.1 Any tools, patterns, samples, models, profiles, drawings, standard specification sheets, printing templates and materials provided by the Purchaser, as well as any materials derived there from, shall not be made available to any third party nor used for any other purpose than those contractually agreed except with the prior written consent of the Purchaser. Such materials shall be protected against unauthorized access or use. Subject to any further rights the Purchaser may demand that such materials be returned if the Supplier breaches these duties.
- 12.2 The Supplier shall not make available to any third party any information obtained from the Purchaser if such information is not already general knowledge or has not been lawfully obtained by the Supplier. Insofar as the Purchaser agrees to any subcontracting to a third party, such third party shall agree to such terms in writing.
- 13. Assignment of Claims**
- Any assignment of any claim is only allowed with the prior written approval of the Purchaser.
- 14. Inability to Pay/Insolvency of the Supplier**
- Should the Supplier cease to make payments, or if an interim insolvency administrator is appointed or if insolvency proceedings are applied for or commenced in relation to the assets of the Supplier, the Purchaser may terminate the contract and/or any purchase orders issued thereunder. In the event of termination the Purchaser may continue to utilize existing facilities, deliveries or services already performed by the Supplier in exchange for reasonable payment.
- 15. Code of Conduct for INNOMOTICS Suppliers, Security in the Supply Chain**
- 15.1 The Supplier is obliged to comply with the laws of the applicable legal system(s). In particular, the Supplier will not engage, actively or passively, nor directly or indirectly in any form of bribery, in any violation of basic human rights of employees or any child labor. Moreover, the Supplier will take responsibility for the health and safety of its employees, the Supplier will act in accordance with the applicable environmental laws and will use best efforts to promote this Code of Conduct among its suppliers.
- 15.2 The Supplier shall provide the necessary organizational instructions and take measures, particularly with regard to the following security: premises security, packaging and transport, business partner, personnel and information - in order to guarantee the security in the supply chain according to the requirements of respective internationally recognized initiatives based on the WCO SAFE Framework of Standards (e. g. AEO, C-TPAT). The Supplier shall protect the goods and services provided to the Purchaser or provided to third parties designated by the Purchaser against unauthorized access and manipulation. The Supplier shall only deploy reliable personnel for those goods and services and shall obligate any sub-suppliers to take equivalent security measures.
- 15.3 In addition to other rights and remedies the Purchaser may have, the Purchaser may terminate the contract and/or any purchase order issued thereunder in case of breach of the obligations under section 15 by the Supplier. However, provided that the Supplier's breach of contract is capable of remedy, the Purchaser's right to terminate is subject to the proviso that such breach has not been remedied by the Supplier within a reasonable grace period set by the Purchaser.
- 16. Environmental Protection, Duties to Declare, Dangerous Goods**
- 16.1 Should the Supplier deliver products, substances of which are set out in the so-called "List of Declarable Substances" (www.bomcheck.net/suppliers/restricted-and-declarable-substances-list) applicable at the time of the order or which are subject to statutorily imposed substance restrictions and/or information requirements (e. g. REACH, RoHS), the Supplier shall declare such substances in the web database BOMcheck (www.BOMcheck.net) no later than the date of first delivery of products. With respect to statutorily imposed substance restrictions the foregoing shall only apply to laws which are applicable at the registered seat of the Supplier or the Purchaser or at the designated place of delivery requested by the Purchaser.
- 16.2 Should the delivery contain goods which – according to international regulations – are classified as dangerous goods, the Supplier will inform the Purchaser hereof in a form agreed upon between the Supplier and the Purchaser, but in no case later than the date of order confirmation.
- 17. Export Control and Foreign Trade Data Regulations**
- 17.1 The Supplier shall comply with all applicable export control, customs and foreign trade regulations ("Foreign Trade Regulations"). The Supplier shall advise the Purchaser in writing within two weeks of receipt of the order - and in case of any changes without undue delay - of any information and data required by the Purchaser to comply with all Foreign Trade Regulations in case of export and import as well as reexport, including without limitation:
- All applicable export list numbers, including the Export Control Classification Number according to the U.S. Commerce Control List (ECCN); and
 - the statistical commodity code according to the current commodity classification for foreign trade statistics and the HS (Harmonized System) coding; and
 - the country of origin (non-preferential origin); and
 - upon request of the Purchaser, the Supplier's declaration of preferential origin (in case of European suppliers) or preferential certificates (in case of non-European suppliers).
- 17.2 The Supplier shall be liable for any expenses and/or damages incurred by the Purchaser due to any breach of the obligations according to section 17.1, unless the Supplier is not responsible for such breach.
- 18. Reservation Clause**
- The Purchaser shall not be obligated to fulfill the agreement if such fulfillment is prevented by any impediments arising out of national or international foreign trade or customs requirements or any embargoes or other sanctions, unless the Purchaser was or should have been aware of these obstacles when the agreement was concluded.
- 19. Mention as Reference Purchaser**
- Only upon the Purchaser's prior written approval, the Supplier shall be allowed to mention the Purchaser as a reference customer and/or make reference to products or services which the Supplier has developed during the performance of an order for the Purchaser.

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20. Supplementary Provisions

Insofar as the provisions of these Conditions of Purchase do not regulate certain matters, relevant statutory provisions shall apply.

21. Governing Law and Arbitration

- 21.1 This Agreement shall be governed by the substantive law of the State of Kuwait without regard to that jurisdiction's conflicts of law provisions. The application of the United Nations Convention on Contracts for the International Sale of Goods of April 11, 1980 shall be excluded.
- 21.2 If a dispute arises in connection with this Agreement, a related agreement or any Purchase Order, the responsible representatives of the parties to the dispute shall attempt, in fair dealing and good faith, to settle such dispute. Each party shall be entitled to terminate these negotiations by written notification to the other party at any time.
- 21.3 Within 14 calendar days after receipt of such termination notice by the other party the parties shall attempt to agree on a procedure for Alternative Dispute Resolution ("ADR") and the applicable procedural rules (including time limits). If the parties fail to agree on such procedure within this time limit each party shall be entitled to refer the dispute to arbitration as follows.
- 21.4 All disputes arising in connection with this Agreement which are not resolved pursuant to the stated above or an ADR procedure, shall be finally settled in accordance with the Rules of Arbitration ("Rules") of the International Chamber of Commerce ("ICC").
- 21.4.1 If the value of the total matter in dispute, including the value of any counterclaims, is less than € 1 million, the tribunal shall consist of one arbitrator and if the value of the total matter in the dispute is € 1 million or more or if the parties cannot agree whether or not the value is less than € 1 million the tribunal shall consist of three arbitrators.
- 21.3.2 The seat of arbitration shall be Kuwait City, State of Kuwait. The language to be used in the arbitration shall be English.
- 21.3.3 Any production of documents shall be limited to the documents upon which a party specifically relies in its submissions.
- 21.3.4 Consolidation of arbitrations pending under the Rules into a single arbitration shall only be possible if the parties have agreed to consolidation.
- 21.3.5 Generally, the unsuccessful party shall bear the costs of the arbitral proceedings. However, the tribunal may order each party to bear such costs as it deems fair and equitable if a claim is only partially successful.
- 21.3.6 The arbitrator(s) shall attach a true Arabic translation prepared and authenticated by a legal translator duly licensed by the relevant Kuwaiti authority. Subject to compulsory statutory provisions at the place of arbitration, the final award shall in particular provide the names of the arbitrator(s) and the Parties to the dispute, an adequate summary of the subject of the dispute and the claims and pleadings of the Parties, the reasons upon which the award is based, the date and place where the award is made, and the award shall be accompanied by a copy of the agreement to arbitrate and a copy of the terms of reference (if prepared).

22. Cybersecurity Clause

1. Supplier shall take appropriate organizational and technical measures to ensure the confidentiality, authenticity, integrity and availability of Supplier Operations as well as products and services. These measures shall be consistent with good industry practice and shall include an appropriate information security management system consistent with standards such as ISO/IEC 27001 or IEC 62443 (to the extent applicable).
2. "Supplier Operations" means all assets, processes and systems (including information systems), data (including Customer data), personnel, and sites, used or processed by Supplier from time to time in the performance of this Agreement.
3. Should products or services contain software, firmware, or chipsets; Supplier shall implement appropriate standards, processes, and methods to prevent, identify, evaluate and repair any vulnerabilities, malicious code, and security incidents in products and services which shall be consistent with good industry practice and standards such as ISO/IEC 27001 or IEC 62443 (to the extent applicable); Supplier shall continue to support and provide services to repair, update, upgrade and maintain products and services including the provision of patches to Customer remedying vulnerabilities for the reasonable lifetime of the products and services; Supplier shall provide to Customer a bill of materials identifying all third-party software components contained in the products. Third-party software shall be up-to-date at the time of delivery to Customer; Supplier shall grant to Customer the right, but Customer shall not be obliged, to test or have tested products for malicious code and vulnerabilities at any time, and shall adequately support Customer; Supplier shall provide Customer a contact for all information security related issues (available during business hours).
4. Supplier shall promptly report to Customer all relevant information security incidents occurred or suspected and vulnerabilities discovered in any Supplier Operations, services and products, if and to the extent Customer is or is likely to be materially affected.
5. Supplier shall take appropriate measures to achieve that its subcontractors and suppliers shall, within a reasonable time, be bound by obligations similar to the provisions of this section.
6. Upon Customer's request, Supplier shall provide written evidence of its compliance with this section including generally accepted audit reports (e.g., SSAE-16 SOC 2 Type II)