



GENERAL TERMS AND CONDITIONS OF BUSINESS

The services provided by **QSS GLOBAL SA** and/or its affiliated companies (hereinafter “the Company”), directly or through their agents and/or subcontractors, are subject to the present General Terms and Conditions of Business (hereinafter “General Terms and Conditions”) unless overridden wholly or in part by (i) the imperative provisions of applicable law and regulations and/or (ii) express agreement of the Company in writing.

The Company

The Company is active in the areas of testing, inspection, certification and provision of customized technology services. As such, it provides the inspection services listed in article 2 below and issues reports and/or certificates as indicated under article 3 below.

The Principal

The Company acts for legal entities or individuals from whom it receives a mandate (hereinafter “the Principal”).

1. Execution of services

1.1 The Company undertakes to perform its services according to i) the scope and methods of performance agreed with the Principal, ii) applicable International Federation of Inspection Agencies (IFIA) codes of conduct and iii) the performance standards deemed appropriate by the Company in view of the specific services required.

1.2 The Company has the right, at its discretion, to delegate all or part of the execution of the services to any agent and/or subcontractor.

1.3 The Company provides its services within the framework of the Principal’s explicit mandate, as accepted by the Company. The Principal is expected to provide sufficient information, specifications and instructions to enable the Company to evaluate and/or carry out the services required. Documents reflecting undertakings entered into between the Principal and third parties or third party documents such as sales contracts, letters of credit, and bills of lading, when provided to the Company, shall only be part of the mandate if expressly specified and acknowledged by the Company.

1.4 So far as it is permitted by law, the Principal acknowledges that, it has not been induced to enter into the contract in reliance upon, nor has it been given, any warranty, representation, statement, assurance, covenant, agreement, undertaking, indemnity or commitment of any nature whatsoever other than as are expressly set out in these General Terms and Conditions and, to the extent that it has been it unconditionally and irrevocably waives any claims, rights or remedies which it might otherwise have had in relation thereto. Any conditions or stipulations included in the Principal standard form documents which are inconsistent with, or which purport to modify or add to, these General Conditions shall have no effect unless expressly accepted in writing by QSS.

2. Services

The Company’s services can include any of the following:

2.1 Pre-shipment and destination inspection of goods during pre-loading and/or on arrival in accordance with governmental programmes imposed on trade;

2.2 Independent inspection or survey of goods and/or associated processes, at various points of trade-related supply-chains, including their sampling and the preparation and laboratory-testing of such samples, as second or third party and for a variety of purposes;

2.3 Laboratory analysis or other testing services;

2.4 Verification of conformity in country of origin or destination including verification of the products’ compliance with national or international standards or with commercial contracts or documentary credits or other commercial agreements. This may involve physical inspection, collection of samples, testing and other verification methods;

2.5 Tracking solutions including checking and traceability services related to the compliance to customs and security regulations;

2.6 Development, integration and implementation of customized technology and software solutions aimed at allowing governments to (i) facilitate or monitor trade, (ii) improve security, safety and/or compliance, (iii) improve, automate and streamline administrative processes;

2.7 Management systems certification; surveys and audits;

2.8 Supervision of complete industrial projects including monitoring, engineering, shipping and progress reports;

3. Reports, certificates and results

3.1 Subject to the mandate agreed with the Principal, the Company will issue reports and certificates which reflect its findings. The Company does not have the obligation to refer to, give an opinion upon, or announce facts or circumstances which go beyond the scope of the mandate received.

3.2 The reports and certificates delivered by the Company only reflect its findings at the time and place of its intervention.

3.3 The scope of the certificates issued by the Company in the framework of a governmental program is limited by the conditions of the contract in force between the Company and a specific governmental agency or by the accreditation granted by the latter. Such certificates are established according to pre-determined inspection criteria provided at a point in time and cannot be considered as a guarantee of quality or quantity of the goods or fitness of the goods for any particular use.

3.4 Results contained in reports or certificates issued after tests and/or analysis of samples relate to those samples only, and subject to the foregoing, do not express any opinion as to the overall quality of goods from which the samples have been taken. If an opinion on the overall quality of the sampled consignment is required, a particular agreement must be concluded in advance with the Company for such purpose, and such opinion shall be limited by the sampling and testing methods used.

4. Obligations of the Principal

The Principal undertakes:

4.1 To provide the necessary instructions and precise information in a timely manner to enable the Company to deliver the services requested;

4.2 To provide the necessary access to buildings, warehouses, carriers of any kind, or any

other place to enable the Company to deliver the requested services in a diligent way;

4.3 To provide, if required, special equipment and assistance, in particular personnel, necessary for the execution of the requested services;

4.4 To promptly take all necessary measures to ensure that no obstruction shall prevent the Company from carrying out the requested services;

4.5 To inform the Company in advance of all the known and/or suspected risks or dangers of whatever nature, present or future, linked to all orders, samples or tests requests, including but not limited to the presence or risk of radiation, toxic substances, harmful or explosive materials and pollution;

4.6 To fulfil all its obligations under the terms of any contract with third parties to whom the services delivered by the Company relate, whether a report or certificate has been issued by the Company or not, failing which the Company will not incur any liability towards the Principal.

5. Third party laboratory analysis and other intervention

5.1 If the Principal requests an analysis of samples by its own laboratory or a third-party laboratory, the Company will inform the Principal of the result of the analysis, but will not be responsible for the accuracy of the analysis or the results.

5.2 When the Principal asks the Company to only attest to the intervention of a third party, it acknowledges that the sole responsibility of the Company consists of being present at the time of the intervention of the third party or, as the case may be, reviewing documents attesting to such third party intervention, and communicating the results of the intervention, or confirming that it took place. In such cases the Principal acknowledges that the Company shall not be responsible for the sampling, the calibration of any equipment used, the methods of analysis followed, the professional qualifications, the acts or omissions of the personnel of the third party, or of the results of any other intervention.

6. Liability and compensation

6.1 The Company undertakes to exercise due care and skill in providing its services and accepts responsibility only in proven by an appropriate court negligence cases. Nothing in these General Terms and Conditions shall exclude or limit liability to the Principal for death, personal injury or for any other matter which is illegal to exclude by law.

6.2 For all other cases, the Company’s liability for any claim for loss, damage or expenses of whatever kind or origin is limited to, whichever is smaller of the following amounts:

a) The equivalent of five times the fees paid or due for the specific service (or element thereof) challenged, covered by the terms of a particular contract or mandate with the Company in one year when the claim is brought, or

b) USD 20,000, whichever is less.

6.3 The liability of the Company’s subcontractors and agents (auxiliaries) involved in the performance of the services shall be limited as stated in clauses 6.1 and 6.2 above.

6.4 The Company shall not be liable to the Principal nor to any third party:

(a) for any loss, damage or expense arising from (i) a failure by the Principal to comply with any of its obligations herein (ii) any actions taken or not taken on the basis of the reports or the certificates; and (iii) any incorrect results, reports or certificates arising from unclear, erroneous, incomplete, misleading or false information provided to the Company;

(b) for loss of profits, loss of production, loss of business or costs incurred from business interruption, loss of revenue, loss of opportunity, loss of contracts, loss of expectation, loss of use, loss of goodwill or damage to reputation, loss of anticipated savings, cost or expenses incurred in relation to making product recall, cost or expenses incurred in mitigating loss and loss or damage arising from the claims of any third party (including without limitation product liability claims) that may be suffered by the Client; and

(c) any indirect or consequential loss or damage of any kind (whether or not falling within the types of loss or damage identified in (b) above).

6.5 Except for cases of proven negligence by the Company, the Principal further agrees to hold harmless and indemnify the Company and its officers, employees, agents or subcontractors against all claims (actual or threatened) by any third party for loss, damage or expense of whatsoever nature including all legal expenses and related costs and howsoever arising (i) relating to the performance, purported performance or non-performance, of the services or (ii) out of or in connection with the Principal's product, process or service the subject of the certification.

6.6 The Principal will release, guarantee and indemnify the Company and its managers, employees, agents or subcontractors against any claim raised by a third party for loss, damage or expenses of whatever nature relating to the execution or the alleged non-performance of services provided in accordance with the instructions of the Principal.

6.7 In the event that the Company is prevented for any reason whatsoever outside its control from carrying out or from bringing to a successful conclusion services for which an order was placed and accepted or an agreement concluded, the Company will be released from any liability for the partial or total non-performance of the services requested. Moreover, the Principal will pay the Company:

a) All the expenses actually incurred;
b) A proportional share of the fees agreed upon for the service actually rendered.

6.8 The Company shall have no liability to the Principal for claim for loss, damage or expense unless arbitral proceedings are commenced within one year after the date of the performance by the Company of the service which gives rise to the claim or in the event of any alleged non-performance within one year of the date when such service should have been completed.

7. Price and invoicing

7.1 The Principal will pay at the latest within thirty (30) days from the date of the invoice, or within any other time limit which may have been agreed in writing with the Company, all the fees due to and/or any expenses incurred by the Company as a result of the performance of its services, failing which interest on arrears will be due at the current LIBOR rates or minimum of zero percent + 1.5% per month as from the date when

the payment was due until the actual date of payment.

7.2 The Principal will not have the right to retain, defer or set-off the payment due to the Company by invoking a dispute, a counterclaim or compensation against the Company.

7.3 The Principal will also have to pay the Company all the expenses incurred in recovering arrears due to the Principal's late payment, including lawyer's fees and other legal expenses.

7.4 If unforeseen problems arise or if the Company incurs extraordinary expenses for the execution of the services, the Company will have the right to invoice the amounts necessary to cover the time and the additional expenses of bringing the contract or mandate to a conclusion.

7.5 The Company reserves the right to suspend its services if the obligations specified in clause 7.1 are not fulfilled by the Principal and arrears accrue for a period exceeding 1 (one) month. Such suspension of services shall not be regarded as a breach of the Company's contractual obligations, or relieve the Principal from its payment obligations to the Company.

7.6 The Company reserves the right to modify the terms of payment provided for in clause 7.1 if it considers the financial standing of the Principal materially altered.

7.7 When fees are due to the Company in respect of two or more services and the Principal puts forward a claim for one of such services, the fees will remain due for the non-contested part of the services rendered.

8. Claim

8.1 The Principal must notify any claim for loss, damage or costs ("Loss") to the Company at 2, rue Thalberg, CH 1201 Geneva, Switzerland, in writing, immediately after the discovery of the facts causing the Loss.

8.2 In addition, the Principal may initiate legal action as per Article 11 below, no later than 30 (thirty) days from such discovery and no later than 6 (six) months after (a) the date of execution of the service giving rise to the Principal's claim; or (b) the date on which the aforesaid service should have been carried out in the case of an alleged non-performance, failing which the Company will be released from any liability towards the Principal.

8.3 The T&C and the Mandate and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales and all disputes arising out of or in connection with shall be referred to arbitration in London in accordance with the Arbitration Act 1996 and any statutory amendments thereto before a Tribunal of three persons. One arbitrator is to be selected by each of the parties and the third by the two so chosen. The decision of the arbitrators, or a majority of them shall be final and binding on the parties. The language of arbitration shall be English.

9. Amendments and modifications

9.1 No modification or amendment of any of the clauses of these General Terms and Conditions will have effect unless made in writing and signed by a person(s) duly authorized by the Company for this purpose.

9.2 If one or more provisions of these General Terms and Conditions should prove to be illegal or inapplicable for whatever reason, the validity and application of the other provisions will

not be affected by it.

10. Disclaimers

10.1 The Company does not guarantee nor make any representation about i) the accuracy and authenticity of the documents, titles and pledges presented to it in the process of carrying out its mandate and ii) quantity, qualities and fitness for purpose of the goods inspected beyond the scope of the inspection mandate received. The Company accepts no responsibility for the consequences of any action taken or not taken on the basis of reports/certificates issued by the Company.

10.2 An inspection mandate does not imply an obligation to examine title/ownership of goods to be inspected.

10.3 Services provided do not automatically include verification of origin nor of third party IP or other rights, such as pledge, lien, etc., attached to the inspected goods.

11. Communication and Languages

11.1 Communications between the Principal and the Company shall be deemed to be properly given only when sent by post, courier, hand delivery or email to the other party's company email address, to the exclusion of all other communication means. Any communication sent via an instant messaging application shall have to be confirmed by email to be considered as effectively made.

11.2 These terms and conditions and the Mandate constitute the entire agreement between the parties and supersede and extinguish all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter. Each party acknowledges that in entering into these terms and conditions and the Mandate it does not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in these terms and conditions and the Mandate.

11.3 These General Terms and Conditions have been drawn up in English and are available in different languages on the Company web site <http://qss-global.com/en/>. In the event of inconsistency, the English text shall prevail.