

Annex 2: General Terms & Conditions

Part A: General Terms and Conditions regarding the sale and delivery of products and / or related services by R2R Communications B.V.

Article I - General

1. These General Terms and Conditions apply to all offers, orders, sales, contracting and other agreements related to the performance by R2R Communications B.V. (also acting under the tradename www.racetrailer.com, hereinafter: R2R) of delivering products (mainly race trailers) and/or services. All provisions will be in force between the parties, unless both parties have explicitly agreed otherwise in writing.
2. Under these General Terms and Conditions:
 - R2R is the party that refers to these conditions in its offers;
 - Customer is the party to whom the aforementioned offer(s) is (are) directed.
3. All articles mentioned in this Part A of these General Terms and Conditions fully apply to Parts B and C of these terms, where appropriate and necessary.

Article II - Offer and Agreement

1. Offers made by R2R are non-binding.
2. If an agreement – consisting of a purchase order, order specifications and these General Terms and Conditions - is offered in writing, it comes into effect on the day it is signed by the Customer and R2R (hereinafter "Agreement").
3. Other verbal commitments and/or other legal acts on behalf of R2R only bind R2R if they are made by expressly authorized representatives from R2R or otherwise authorized persons.

Article III - Price

1. Unless otherwise stipulated by R2R, quoted prices are based on delivery EXW as defined in the latest version of the ICC Incoterms, and are exclusive of packaging, VAT and other governmental charges that may apply to sales and deliveries.
2. In case one or more cost price factors increase after the conclusion of the Agreement, even if this results from foreseeable circumstances, R2R is entitled to charge such costs increase on in the agreed sale price.
3. Each offer is based on implementation of the Agreement under normal circumstances and during normal working hours.

Article IV - Illustrations, calculations, descriptions, models and tools, etcetera

1. Information mentioned in catalogs, illustrations, drawings, size and weight measurements, etc. is only binding provided it is explicitly stated in the Agreement or is otherwise confirmed by R2R.
2. Offers, drawings, calculations, software, descriptions, models as well as tools etc., which are provided by R2R remain the property of R2R, regardless of these having been charged or not. The Customer guarantees that the information provided by R2R will solely be used in relation to the Agreement and that the use will not conflict in any way with intellectual rights of third parties.
3. The Customer hereby indemnifies R2R for all direct and indirect costs from third party claims which result from violation of the Customer's obligation mentioned in this article IV paragraph 2.

Article V – License

The Customer hereby grants a non-exclusive license to R2R to use the Customer's intellectual property rights, including word- and tradenames, logo's and lessee's advertising slogans, on the condition that R2R is only entitled to use these rights for commercial advertising purposes, to show that the Customer is one of its clients. This license is granted for an unlimited period of time.

Article VI - Delivery and delivery period

1. The delivery period shall commence on one of the following moments, whichever occurs the latest:
 - a. the day the Agreement comes into force;
 - b. in case the assignment requires further documentation: the date of receipt by R2R of the necessary documents, data, permits, etc.;
 - c. the date of completion of formalities to be fulfilled before commencement of the assignment;
 - d. in case of an advance or down payment: the date R2R has received the advance or down payment amount.
2. Calculation of the delivery time is based upon the assumption that (i) working conditions at the conclusion of the agreement remain the same and (ii) the materials ordered by R2R for the execution of the work are timely delivered. In case working conditions change or materials are late delivered, other than by fault of R2R, the delivery time can be proportionally extended.
3. The product is considered to be delivered, irrespective of remaining assembly or installation requirements from R2R, when it has been made available to the Customer for transfer of ownership and/or possession and the Customer has been informed hereof.
4. In case R2R's performance is delayed as a result of non-compliance by the Customer of any obligation under the Agreement, the delivery time is extended by the duration of such delay.
5. Excess of the agreed delivery time - for any reason - does not entitle the Customer to claim full or partial termination of the Agreement, or to assume execution of activities under the Agreement without court order.
6. If the Agreement allows a contractual penalty in case of overdue delivery this will replace Customer's right for compensation, if any. Such penalty is not due if force majeure has caused the excess of the delivery time.
7. If the Customer refuses to accept delivery of the products offered, all the costs arising therefrom (including freight and storage costs) shall be for his account.
8. If the Customer cancels the Agreement or refuses to accept the product which R2R offers to deliver, he is required to make an immediate annulment payment of 15% of the agreed price, irrespective of R2R's right to claim full compensation from the Customer for all damages caused by the cancellation or refusal to accept the product.

Article VII - Risk and ownership

1. The risk for the product, including all direct and indirect damages, passes to the Customer upon delivery of the product Ex Works, all in accordance with the ICC Incoterms. If the Customer after formal notice remains in default to accept the product, R2R shall be entitled to charge the cost of storing the product to the Customer.
2. Notwithstanding the provision above, ownership of the product shall pass to the Customer if the Customer has paid to R2R the full purchase price and all other amounts which may be related to the delivery activities, including interest.
3. If the Customer shall not have paid all amounts due, R2R may exercise retention of title to the product. In such case, the Customer shall provide R2R unrestricted access to the product and shall fully cooperate to enable R2R to take back the product delivered including disassembly if so required.

Article VIII- Invoicing and payment

1. Unless otherwise agreed upon, payments shall be invoiced as follows:
 - a. for the product: 40% upon signing of this purchase order, 30% when the side walls of the body of the race trailer have been fitted to the chassis, 30% when the body is fully closed.
 - b. for parts or accessories: 100% upon order.
2. Unless otherwise agreed upon, all payments are to be made upon receipt of the invoice to the account designated by R2R, without any deduction or set-off.
3. If in case of late payment R2R engages third parties to collect the debt, the invoice amount shall be increased by 10% administration costs, and all judicial, extra-judicial and other collecting costs shall be for the account of the customer.

Article IX - Claims and guarantees

1. With due observance of the restrictions mentioned hereunder, R2R guarantees that it shall have repair or replaced, at its own discretion, defects in material or workmanship in any product, in conformity with specific product warranties of the manufacturer. This warranty is valid for a period of 12 months starting from the delivery date. With regard to separately delivered parts and components the Customer has to rely upon the warranty, if any, of the manufacturer thereof.
2. Claims in respect to visible defects must be made in writing, immediately after receipt of the product but in no case later than 5 days after the actual delivery of the product, with a specification of the claim. Claims in respect to invisible defects must be made in writing immediately after detection, but in any case within the warranty period mentioned in paragraph 1 above and should also specify the claim. Claims that are not reported within the required period lapse. To the extent permitted by law, legal claims relating to the product will be barred unless suit is filed within one (1) year, starting from the date the claim was timely reported.
3. In principle, all warranty work (including pre-warranty inspections) under R2R's guarantee shall be executed in the Netherlands. Thereto, the Customer is required to deliver the product to R2R's premises or to such other location in the Netherlands as R2R may designate. All transportation and travel costs as well as accommodation costs are for Customer's account. The guarantee covers costs of materials replacements, as well as all reasonable and customary labor costs required to repair the defect. All other costs, such as but not limited to costs to be made by experts for transport, waiting, travel, lodging and research are for account of the Customer.
4. Having obtained R2R's prior written permission, the Customer may have performed repair work by a third party at R2R's expense, provided the costs do not exceed the estimated costs as approved by R2R. This third party is to be designated by R2R after consultation of the Customer. R2R shall only allow repair by a third party:
 - if R2R is not able to have the defect repaired itself in due time;
 - if the cost of transportation of the product to the premises of R2R or the manufacturer would be unreasonable compared to the cost of repair;
 - if repair at or around the premises of R2R or the manufacturer would be unreasonable, considering the circumstances of the Customer.
5. The guarantee does not cover defects, which wholly or partly result from:
 - a. non-compliance by the Customer of operating and maintenance instructions;
 - b. other than normal use of the product;
 - c. defects which do not result from material and or construction faults, such as defects caused by normal wear and tear, internal and external pollution, rust and paint damage, transportation, freezing, overheating, overloading and/or dropping of the product;
 - d. assembly/installation or repair by third parties or by the Customer, other than in conformity with paragraph 4 above;
 - e. materials, parts, working methods and constructions which have been suggested or supplied by the Customer to R2R for application;
6. If Customer fails to fulfil, to properly or to timely fulfill any obligation arising from the Agreement, R2R's guarantee obligations under the Agreement lapse.
7. If the Customer commences any dismantling, repair or other work regarding the product without R2R's prior approval, all guarantee claims lapse.
8. In case R2R replaces parts and/or products following warranty obligations, the (old) replaced parts/products become R2R's property. Replacement work will not extend the applicable guarantee period.
9. R2R does not give any guarantee with respect to the execution of inspections, checks, advising and similar services. R2R is not liable for designs and parts which have been made available by the Customer.
10. Alleged non-compliance by R2R with its guarantee obligations does not release the Customer from its obligations, arising under any agreement concluded with R2R.

Article X - Liability

1. R2R's liabilities are limited to the fulfillment of guarantee obligations described in these General Terms & Conditions.

2. Except in case of gross negligence and apart from the provision in this article X, paragraph 1, R2R does not assume any other warranty obligation or liability, for example for loss of profits, indirect damages and for damage resulting from liabilities towards third parties.
3. Furthermore, R2R is not liable for:
 - infringement of patents, licenses or other rights of third parties resulting from the use of data supplied by or on behalf of the Customer;
 - damage or loss for whatever cause of raw materials, semi-finished products, models, tools and other items made available by the Customer;
 - transport problems, fire and other serious disruptions in the business operations of R2R or R2R's suppliers;
 - civil law consequences which arise from violation of public regulations by R2R's technicians or hired third parties, in the execution of work for the Customer.
4. Any assistance or support by R2R's technicians at assembly work is entirely at the Customer's risk, even if such work is executed without specific order by the Customer.
5. The Customer hereby indemnifies R2R for any and all third party damage claims and agrees to compensate R2R in respect of all such damage claims, in case R2R's liability towards the Customer is excluded in these General Terms & Conditions.

Article XI - Force Majeure

1. Under these General Terms and Conditions, force majeure is defined as: any circumstance which prevents the due performance of the Agreement or makes it unreasonably difficult, including war, threat of war, civil war, riots, strikes, worker exclusion, transport problems, fire and other disruptions in R2R's business operations or that of its suppliers.

Art. XII - Suspension and termination

1. In case of inability to execute the agreement due to force majeure, R2R is entitled without judicial intervention to either suspend the execution of the Agreement for a maximum period of 6 months or to terminate the Agreement in whole or in part, without any obligation to pay compensation costs. During the suspension period R2R may choose to execute the Agreement or to fully or partially terminate the Agreement; at the end of this period R2R is obliged to make such choice. Both in case of suspension and termination, R2R is entitled to demand immediate payment for the work it has already performed under the Agreement.
2. If the Customer does not, or not properly, or not timely fulfill any of its obligations, arising from the Agreement or related agreements, or if there is good reason to fear that the Customer is unable or will be able to comply with its contractual obligations towards R2R, or in case of bankruptcy, suspension of payments, closure, liquidation or partial transfer - whether or not as security – of Customer's company, including the transfer of a significant portion of its receivables, R2R shall be entitled without notice of default and without judicial intervention either to suspend the performance of the agreement(s) for a maximum of 6 months or to fully or partially terminate the agreement(s), without being obliged to pay any damage compensation or to perform any guarantee, notwithstanding any rights that R2R may invoke. During the suspension period R2R may choose to execute the agreement(s) or to fully or partially terminate the agreement(s); at the end of this period R2R is obliged to make such choice.
3. In case of suspension and/or termination pursuant to part 2 of this article, the agreed price shall become immediately due and payable; already made payments and costs saved because of the suspension or termination shall be deducted.
4. The Customer shall not be entitled to terminate the agreement(s) retroactively.

Art. XIII - Disputes and applicable law

1. All disputes as a result of an offer by R2R, or the Agreement or related agreement(s), to which these general terms and conditions apply, are submitted to the competent court in Almelo, or if this court is not available, in Zwolle, the Netherlands.
2. To all agreements, to which these General Terms & Conditions fully or partly apply, Dutch law is applicable, unless both parties have agreed otherwise by signed contract.

Part B: General Terms & Conditions regarding repair, overhaul and execution of other work activities by R2R Communications B.V.

Article I - General

1. These General Terms and Conditions apply to all offers, orders, sales, contracting and other agreements related to the performance by R2R Communications B.V. (also acting under the tradenames racetrailer.com and rent-a-racetrailer.com, hereinafter: R2R) of repairs, overhauls or other services. All provisions will be in force between the parties, unless both parties have explicitly agreed otherwise in writing.
2. Under these General Terms & Conditions:
 - R2R is the party that refers in its offer(s) to these conditions;
 - Customer is the party to whom the aforementioned offer(s) is (are) directed.

Article II - Offer and Agreement

1. All orders need to be accepted by R2R in writing and this written acceptance must contain a general description of the assignment.
2. If the Customer himself determines the degree of repair, revision and/or whether components need to be renewed, and R2R believes this would provide an insufficient result of the work to be performed, R2R may refuse the assignment without having to pay damage compensation.
3. Additional work is the work which R2R performs after consultation with the Customer in excess of the work as has been agreed in the accepted order.

Article III - Price and payment conditions

1. R2R's price quotations are based on payment in cash and delivery Ex Works.
2. Repair costs may exist of:
 - expertise costs;
 - working hours, management, engineers and technicians at regular tariffs;
 - travel and accommodation expenses of the aforementioned employees;
 - cost subcontractors or sub-suppliers;
 - cost of used parts and components;
 - auxiliary material costs, such as cleaning and lubricants, fuel, etc.;
 - additional costs for testing or environmental charge, if any.
3. Payment is to be made in cash, unless otherwise agreed. Non-cash payments must be made by bank transfer within 14 (fourteen) days after the date of invoice, into a bank account designated by R2R, without any settlement or deduction.
4. If in case of late payment R2R engages third parties to collect the debt, the invoice amount shall be increased by 10% administration costs, and all judicial, extra-judicial and other collecting costs shall be for the account of the Customer.

Article IV - Conditions for implementation of repairs

1. Repair and overhaul costs are for the account of the Customer. Furthermore, the costs of bringing the object for repair or overhaul to a workshop are also for the account of the Customer.
2. If the repair or overhaul is performed at the location of the object, the Customer needs:
 - to ensure that the work can be done at a location which is sufficiently protected against the influences of the weather, which is clean and which has sufficient light and water if required, etc. This place must be lockable; the Customer must also ensure that all conditions concerning safety, fire prevention, etc. are fulfilled;
 - to ensure that R2R's technicians or employees of subcontractors can begin to work upon arrival at the site and can work undisturbed. Otherwise all costs are for the account of Customer, including work beyond normal working hours;
 - to provide reasonably required assistance and to provide electric power, fuel, water, scaffolding, lifting, winching and transport equipment, if required;
 - to make available employees at R2R's first request, free of charge;

- to bear all costs for work such as disassembling pipelines and exhaust conduits, staircases, landings, etc. required for the proper performance of the work as well as for the assembly and installation thereof after the repair work;
 - to ensure that all necessary safety and precautionary measures have been taken and are maintained, in accordance with the guidelines for VCA certified work as well as that in the context of assembly or installation by R2R's technicians, all government regulations are met.
 - to maintain an insurance at the satisfaction of R2R, which covers at least the period during which the work has to be performed and covers any form of damage resulting from accident and/or fire, caused during the preparation or during the execution of the work assigned to R2R.
3. R2R is not responsible for the results of performed services if the Customer has unilaterally set the work period, or if the Customer unilaterally prescribes to employ its own workers. Neither is R2R liable if a unilaterally set period is exceeded.
 4. Costs resulting from breach by the Customer of the conditions as set out in this Article IV are for the Customer's account, including consequential damages.

Article V - Guarantee and liability

1. With due observance of the period mentioned in part 2, R2R warrants defects in repaired objects or parts thereof, provided:
 - according to R2R repairs have been performed with all necessary work, innovations, modifications and deliveries;
 - R2R has determined the manner of execution of the work, its management and the number of technicians and assistants;
 - the Customer has abstained from any form of intervention in the nature and/or the execution of the work.
2. The warranty period under R2R's guarantee is six months, provided the repair and overhaul prescriptions of part 1 of this article have been duly observed. The guarantee period commences on the date R2R has tested the repair or overhaul work, irrespective whether the repaired or revised object has come into operation. If defects show within this period as a result of defective parts or materials, inadequate workmanship by R2R or personnel hired by R2R - all to the sole discretion of R2R - these shall be remedied under the same conditions as stated in article X, part 4 of Part A of these General Terms and Conditions, provided they are reported in writing to R2R within 8 days after discovery of the defects.
3. The warranty guarantee shall not be applicable if:
 - the repaired or revised object has been used improperly;
 - the operating manual or instructions as provided by R2R have not been followed;
 - third parties have repaired the defects.
4. The guarantee period as mentioned in part 2 of this article shall not be extended after the defects have been remedied.
5. Parts supplied but not assembled by R2R are not guaranteed when improperly installed.
6. R2R's liability is limited to fulfillment of the warranty obligations described in this article. Except in case of gross negligence liability for consequential damages, such as for loss of profits, other indirect damage and damage resulting from third-party liability is excluded.
7. The Customer hereby agrees to indemnify and/or to compensate R2R in respect of all those third-party claims for damages, which have been excluded under these General Terms & Conditions.

Part C: General Terms and conditions regarding installation, conversion and modification of vehicles by R2R Communications B.V.

Article I: Offers

1. Offers made by R2R are non-binding.
2. If the Customer provides data, drawings etc., R2R may rely upon the correctness thereof and its offer shall be calculated based on this information.

Article II: Intellectual property rights

1. Unless explicitly agreed upon otherwise in writing, R2R owns all copyrights and industrial property rights to its offers, designs, images, drawings, (test) models, software etc. which are provided to the Customer.

Article III: Designs and materials

1. The Customer is responsible for correctness of drawings, calculations and designs made by the Customer or on its behalf as well as for the functional suitability of materials prescribed by the Customer or on its behalf.
2. The Customer shall indemnify R2R against any third party claims with respect to the use of provided drawings, calculations, designs, materials, samples, models, etc.

Article IV: Delivery period and potential extension thereof

1. When determining a delivery and/or execution period R2R assumes the order can be carried out under circumstances as currently known to R2R.
2. If circumstances change thereafter, R2R may extend the delivery or execution period by the period it needs to perform the order. If R2R's planning does not allow immediate extension, the work shall be executed at a later time when its planning so permits.
3. In case of additional work the delivery and/or execution period shall be extended by the time R2R needs to have the materials and spare parts delivered, and to carry out the additional work. If R2R's planning does not allow immediate extension, the work shall be executed at a later time when its planning so permits.
4. Excess of the agreed delivery and/or execution period does not entitle the Customer to any compensation claims.

Article V: Transfer of risk

1. The risk for the product passes on to the Customer at the moment that R2R makes it available.
2. As from that moment the Customer bears the risk of storage, loading, transport and unloading.

Article VI: Price adjustments

1. in case one or more cost price factors increase after conclusion of an order agreement, these shall be passed on by R2R to the Customer, if the work at the time of the increase has not yet been completed.

Article VII: Feasibility of the assignment

1. R2R may suspend its work in case circumstances, unforeseen at the conclusion of the agreement and beyond R2R's control, temporarily prevent fulfilment of R2R's obligations.
2. These circumstances include, amongst other things, inability of R2R's suppliers and/or subcontractors to meet their obligations, unforeseen technical circumstances which prevent the agreed execution, fire, loss or theft of tools, loss of materials to be processed, road blockades, strikes or work stoppages and import- or trade restrictions.

3. R2R's suspension right ends when the temporariness lasts more than six months. The agreement may not be terminated before this period has lapsed and only for the unfulfilled part of the obligations. In such case the parties may not claim compensation for damages which result from termination of the agreement.

Article VIII: Modifications to the work

1. Modifications to the work are qualified as additional or reduced work in case:
 - a. the Customer changes the design or specifications; or
 - b. information provided by the Customer is not accurate;
2. Calculation of extra work is based on the value of the price determinants applicable at the time when the extra work shall be performed.
3. Calculation of reduced work is based on the value of the price determinants applicable at the time of conclusion of the agreement.

Article IX: Performance of the work at Customer's location

1. The Customer warrants that R2R can carry out its activities without interruption at the agreed time and that necessary facilities for the performance of the work are available to R2R.
2. The Customer is liable for all damages, including those resulting from loss, theft, fire or damages, to objects belonging to R2R and/or third parties, such as tools and materials intended to be used for the work, which are located in the place where the work is performed.
3. If the Customer fails to comply with the obligations as described in the preceding paragraphs of this article, which shall cause delay in the performance of work, the work shall be performed when the Customer has fulfilled its obligations, starting per the moment R2R's planning schedule so permits. The Customer is liable for all damages resulting from the delay suffered by R2R.

Article X: Completion of the work

1. The work shall be considered completed when:
 - a. the work is put into service by the Customer. If the Customer puts a part of the work into service, then that part will be considered completed;
 - b. Although R2R has notified the Customer in writing that the work is completed, the Customer fails to give notice to R2R in writing within 14 days after the notification whether the work has been or has not been approved;
 - c. the Customer does not approve the work because of minor defects or missing parts, which can be repaired or replaced within 30 days and which do not hamper to put the work into service.
2. In case the Customer does not approve the work, the Customer is required to inform R2R in writing stating the reason with specifications.
3. The Customer shall give R2R a new opportunity to offer the work for completion. The provisions of this article apply once again.
4. The Customer indemnifies R2R for third party claims which regard overdue delivery of the work or parts thereof.