

2023

SPARES IN **MOTION**

REFURBISHMENT TERMS AND CONDITIONS

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ADDITIONAL TERMS AND CONDITIONS FOR REFURBISHMENT AND EXCHANGE SERVICES

Article 1 – Agreement

These additional terms and conditions are an addition to Spares in Motion's General Terms and Conditions of Sales (the "General Terms") and govern the terms on which SIM agrees to the Exchange of Components to the Customer and the Repair or Refurbishment of Removed Components for the Customer, and the Customer agreed to be bound by both these Additional Terms and Conditions for Refurbishment and Exchange Services (the "Additional Terms") and the General Terms.

Article 2 – Definitions

In these Additional Terms, the following definitions shall apply:

- ✓ **Beyond Economical Repair or BER** means that the cost of Refurbishment of a Component will exceed 60% of SIM's current selling price of an identical, new Component, or 80% of SIM's current selling price of an identical, refurbished component, whichever is lower.
- ✓ **Component** means any wind turbine component or sub-assembly specified in an Order.
- ✓ **Core Unit** means a Removed Component which is sent for Refurbishment by the Customer to SIM to close an Exchange Component loop after which it will become a part of SIM's stock.
- ✓ **Customer** means any natural or legal person registered at the trade register of the Chamber of Commerce and with whom SIM enters into an agreement with or does an offer.
- ✓ **Day** means a calendar day.
- ✓ **Exchange** means SIM provides the Customer with an Exchange Component in exchange for a Core Unit from the Customer.
- ✓ **Exchange Component** means new or Refurbished Components that are to be sent by SIM to Customer in exchange for a Core Unit.
- ✓ **Inspection Report** means such a report, which describes the observed damage of a Removed Component and provides details of the scope of work to bring the Component back to Repaired or Refurbished condition.
- ✓ **Maintenance** means the actions of Repairing or Refurbishing a Component.
- ✓ **Normal Wear and Tear** means a process of wear caused by a normal use of the Component according to the wind turbine manufacturer or Component manufacturer manuals and other related documentation.
- ✓ **Order** means (i) any order submitted by the Customer for a Refurbishment or Repair of a Component or (ii) an Exchange order submitted by the Customer to SIM.
- ✓ **Removed Component** means a Component that is removed from a wind turbine in need of Maintenance which either (i) has been or is to be replaced by the Exchange Component, or (ii) has been sent directly to SIM for Maintenance.

- ✓ **Repair** means the actions required to correct the observed damage of a Removed Component.
- ✓ **Repaired Component** means a Component that has been Repaired and has no known defects, and so it is fit for service.
- ✓ **Refurbishment** means the actions required to bring the Removed Component to an “as new” condition.
- ✓ **Refurbished Component** means a Component that has been Refurbished and has been brought to an “as new” condition.
- ✓ **Maintenance Report** means such a report, which describes the observed damage of a Removed Component, inspection findings, work performed, parts replaced, and tests performed.
- ✓ **SIM** means the company with limited liability Spares in Motion BV, registered with the Chamber of Commerce under number 54956242, and all its subsidiaries including but not limited to Spares in Motion Spain S.L. and Spares in Motion Inc.

Article 3 – Refurbishment Services

3.1 Order Processing and Acknowledgement

Order Details

Each Order shall include an order number, customer name, and for each Component the part number, quantity, description, serial number, nature of complaint or reason for removal, if known, and work requested (Repair or Refurbish).

Order Acknowledgement

SIM’s Order Acknowledgement shall include Customer’s order number, and for each Component, part number, quantity, description, serial number, and work requested (Repair or Refurbish).

Order Fulfilment

SIM shall not start the Maintenance of any Component unless SIM has received the corresponding Order. In case no Order is received by SIM after receipt of the Component concerned, SIM shall notify the Customer and Customer shall provide with the required Order.

Inspection Report

At the Customer’s request, SIM will provide an Inspection Report of the Components sent for Maintenance. If the Customer requires additional details to be included on the Inspection Report other than the ones considered necessary by SIM, SIM will charge the Customer for the costs for making such a report.

3.2 Quotation and Pricing

SIM shall issue a quotation to the Customer indicating the price for the work to be performed on the Components sent to SIM for Maintenance. The quotation shall be applicable if the Customer places its Order or approves the quotation within the quotation validity period.

In case there is a valid fixed price agreement between SIM and the Customer for the Component received, a quotation is not going to be issued by SIM, and the price for the Maintenance of the Component is the fixed price on said agreement.

Beyond Economical Repair (BER)

If SIM expects that the cost of Repair or Refurbish of a Component will be BER, SIM will notify the Customer, and the Customer shall indicate to SIM one of the following orders:

- a. Customer accepts the cost and indicates to SIM to proceed with the Repair or Refurbishment. If the Component is considered BER the fixed price agreed with the Customer is not applicable.
- b. Component to be scrapped by SIM without compensation to the Customer. Transfer of title shall take place upon receipt of said order of Customer.
- c. Component to be returned to Customer at Customer's expense.

The absence of SIM's BER advice as mentioned in this article shall not constitute a guarantee that after completion of the Maintenance of the Component the costs will not exceed the BER level for the Component. In the event a Component is determined to be BER during the Maintenance process, SIM will inform the Customer and if Customer notifies SIM with instructions b. or c., the costs for work already performed shall be reimbursed by the Customer to SIM.

3.3 Acceptance and Delivery

Delivery to SIM

Removed Components shall be delivered DDP SIM's designated address, with all required documentation for performing the Maintenance and shall be properly packed to avoid damage during transportation.

Upon agreement between SIM and the Customer, the Removed Components may be delivered Ex-Works Customer's designated address, in which case the Customer is responsible to properly pack the Components with the required documentation for performing the Maintenance.

Delivery to Customer

For delivery of the Components the terms and conditions as set forth in Article 7 of the General Terms shall apply.

Title and Risk

Title to and risk of loss of or damage to the Component shall at all times during the Maintenance of the Component remain with the Customer.

Maintenance Report

After Maintenance of the Components and on Customer's request, SIM shall provide the Customer a Maintenance Report, which shall be sent to the Customer at the delivery of the Component.

Acceptance

Within fifteen (15) Days after delivery by SIM of the Component, Customer shall notify SIM via email of any alleged nonconformity of the Component with the Customer's Order as acknowledged by SIM, indicating the reasons for the nonconformity.

Upon receipt of such notification, SIM shall make an initial investigation and inform the Customer whether SIM agrees on the existence of said nonconformity, and, if any, indicate any corrective action that SIM will apply. If the return of the Component is required, the Customer shall arrange the shipping of the non-conforming Component to SIM's facility.

If SIM is not notified by the Customer of any nonconformity within the period mentioned in this article, Customer shall be deemed to have accepted the Component and to have waived all its claims in respect, except for the applicable warranty provisions.

3.4 Warranty

The terms and conditions as stated in Article 8 of the General Terms shall be applicable. In addition, the following conditions apply:

- a. The warranty period for Repaired Components are twelve (12) months after delivery of the Component by SIM to Customer. The warranty shall be limited to the work that was performed on the Component.
- b. The warranty period for Refurbished Components are twelve (12) months after delivery of the Component by SIM to Customer. The warranty covers the complete Component.
- c. Normal Wear and Tear and regular Maintenance tasks shall not constitute a defect under this warranty.

Article 4 – Exchange Services

4.1 Exchange Transaction Description

An Exchange is a transaction between the Customer and SIM, under which SIM sends to Customer an Exchange Component and the Customer has the obligation to return a Core Unit to SIM on the terms and conditions set forth in this Additional Terms' document.

The Exchange Components shall be in new or in Refurbished condition.

4.2 Order Processing and Acknowledgement

Order Details

Each Order shall include an order number, customer name, and for each Exchange Component the part number, quantity, description, and delivery instructions.

Order Acknowledgement

SIM's Order Acknowledgement shall include Buyer's order number, and for each Exchange Component, part number, quantity, description, condition, and the scheduled availability date.

4.3 Quotation and Pricing

SIM shall issue a quotation to the Customer indicating the price for the Refurbishment of the Core Unit sent to SIM to close the Exchange loop. The quotation shall be applicable if the Customer places its Order or approves the quotation within the quotation validity period.

In case there is a valid fixed price agreement between SIM and the Customer for the Component received, a quotation is not going to be issued by SIM, and the price for the Refurbishment of the Component is the fixed price on said agreement.

Beyond Economical Repair (BER)

If SIM expects that the cost of the Refurbishment of a Core Unit will be BER, SIM will notify the Customer, and the Customer shall indicate to SIM one of the following orders:

- a. Customer will deliver another Core Unit in repairable condition for SIM to close the Exchange loop.
- b. Customer agrees to pay the additional costs to Refurbished the Core Unit.

The absence of SIM's BER advice as mentioned in this article shall not constitute a guarantee that after completion of the Refurbishment of the Core Unit the costs will not exceed the BER level for the Component. In the event a Core Unit is determined to be BER during the Refurbishment process, SIM will inform the Customer.

4.4 Acceptance and Delivery

Delivery to Customer

For delivery of the Exchange Component the terms and conditions as set forth in Article 7 of the General Terms shall apply.

Delivery to SIM

Core Units shall be delivered DDP SIM's designated address, with all required documentation for performing the Refurbishment and shall be properly packed to avoid damage during transportation.

Upon agreement between SIM and the Customer, the Core Units may be delivered Ex-Works Customer's designated address, in which case the Customer is responsible to properly pack the Components with the required documentation for performing the Refurbishment.

Title and Risk

For the Title of the Exchange Components delivered to Customer by SIM the terms and conditions as set forth in Article 6 of the General Terms shall apply.

Once the Core Unit has been received and inspected by SIM or one of its designated partners, and if it is considered to be in repairable condition, SIM will notify the Customer that the Core Unit has been accepted and the full and legal title of the Core Unit becomes vested into SIM. If the Core Unit is determined to be BER, according to Article 4.3 of these Additional Terms, the provisions from this Article apply.

From the time of delivery, risk of loss or damage to the Exchange Component shall be for the Customer. From the time of receipt, risk of loss of or damage to the Core Unit shall be for SIM.

Acceptance

Within fifteen (15) Days after delivery by SIM of the Exchange Component, Customer shall notify SIM via email of any alleged nonconformity of the Exchange Component with the Customer's Order as acknowledged by SIM, indicating the reasons for the nonconformity.

Upon receipt of such notification, SIM shall make an initial investigation and inform the Customer whether SIM agrees on the existence of said nonconformity, and, if any, indicate any corrective action that SIM will apply. If the return of the Exchange Component is required, the Customer shall arrange the shipping of the non-conforming Exchange Component to SIM's facility.

If SIM is not notified by the Customer of any nonconformity within the period mentioned in this article, Customer shall be deemed to have accepted the Exchange Component and to have waived all its claims in respect, except for the applicable warranty provisions.

Delay

Except in case of Force Majeure as specified in Article 11 of the General Terms, if Customer fails to deliver the Core Unit within fifteen (15) days after delivery of the Exchange Component, Customer shall make a late delivery payment of five percent (5%) of SIM's current sales price for such new or Refurbished Component for each calendar week of delay up to a maximum of 100% of SIM's current sales price. This provision shall not affect any rights of SIM hereunder or under applicable Law.

4.5 Warranty

The terms and conditions as stated in Article 8 of the General Terms shall be applicable. In addition, the following conditions apply:

- a. The warranty period for Exchange Components are twelve (12) months after delivery of the Component by SIM to Customer. The warranty covers the complete Component.
- b. Normal Wear and Tear and regular Maintenance tasks shall not constitute a defect under this warranty.