

TERMS OF TRADE

1. GENERAL INFORMATION

1.1 These Terms of Sale and Delivery apply to all offers, sales, and deliveries made by Promovec America Inc., a Delaware corporation, 200 Barr Harbor Drive, Four Tower Bridge, Suite 400, West Conshohocken, PA 10428 (Promovec America Inc.) to Purchaser (each a "Party" and collectively, the "Parties").

1.2 In consideration of the mutual promises evidenced by the purchase order ("PO"), invoice, or other documentation to which these Terms are attached between the Parties, Purchaser agrees that all transactions related to the goods supplied by Promovec (the "Goods") to Purchaser are subject to these Terms.

1.3 In the event of a discrepancy, these terms take precedence over the terms and conditions which may form part of order material or other contracts documents prepared by Purchaser, Promovec's distributors, and dealers, unless otherwise expressly accepted in writing by Promovec.

1.4 Unless otherwise expressly specified in writing, quotations from Promovec are valid for thirty working days from the date of quotation.

1.5 PO from Purchaser constitutes Purchaser's offer to Promovec, and it will only become binding upon Promovec upon Promovec's acceptance of the PO in writing by order confirmation or otherwise.

2. PRICE AND TERMS OF PAYMENT

2.1 All Promovec's prices are stated and offered exclusive of sales tax. Purchaser shall provide Promovec with an appropriate resellers certificate and shall bear sole responsibility for any applicable sales taxes.

2.2 Promovec reserves the right to adjust its prices upon thirty days prior notice through its website (www.promovec.com). All sales are made at a price pending on the date of Promovec's confirmation of the PO.

2.3 Unless otherwise expressly agreed in writing, Promovec's invoices are payable within eight days from date of invoice (the "Due Date"). In the event payment is not received within ten days of the Due Date, interest shall accrue on the outstanding balance from that date forward at the rate of two percent per month.

3. DELIVERY

3.1 If the Goods are in stock, they will be packed (on pallets) as soon as possible, and Promovec will ship and deliver accordingly. The estimated time of delivery - ETA - will be stated in the confirmation of PO.

3.2 In general, the Goods are delivered Ex Works (Incoterms 2020) at Promovec's US warehouse in standard packaging.

3.3 Any delivery date notified or communicated by Promovec is solely an estimate based on Promovec's best knowledge, and delivery dates are therefore not binding on Promovec, unless a specific delivery date has been agreed in writing with Promovec. If a specific delivery date has been agreed in writing, delivery within 14 working days after the agreed specific delivery date shall not be considered a delay.

3.4 Any notices of incomplete deliveries must be received by Promovec within 30 days of receipt of the delivery. Notice of any damaged packaging must be given directly to the carrier upon receipt.

4. NOTICE OF LACK OF CONFORMITY AND WARRANTIES

4.1 Buyer warrants the performance of purchased Goods for their intended use for 24-months after delivery unless otherwise agreed in writing between Purchaser and Promovec. A claim from Purchaser shall include a description of the defect and be accompanied by the necessary and relevant documentation, including information on the order number and photos documenting the defect. All claims shall be sent by email to Promovec America Inc. at sharad@promovec.com. Notice of claim must be given in writing to Promovec America Inc. within a reasonable time and no later than thirty days after the defect has been discovered. This 24-month warranty covers defects in materials, design, or craft, in which Promovec will replace defective parts upon notice and proof of defect as set forth above. The warranty period for repaired parts and replaced goods is 24-months from the applicable repair or replacement date. This warranty will be discontinued and void should Buyer combine or modify the delivered goods without the Seller's explicit and written approval.

4.2 An expanded warranty is provided for selected categories of goods. The component warranty for e-kits and related spare parts is for two years, the battery warranty is for two years (with an option for the end-user to buy an expanded warranty for another three years), and the motor warranty is for three years. In general, the warranty runs from the date of delivery to Promovec's first reseller, unless the Goods are registered at Promovec's website upon sale to an end-user, in which case the warranty period does not start to run until such date of sale.

4.3 A valid receipt of purchase is accepted as a warranty certificate and must accompany the Goods in case of notice of lack of conformity.

4.4 The Goods may only be returned accompanied by a copy of the invoice and a filled-in claim form and only subject to prior agreement with Promovec. If Promovec determines that the Goods are either outside of the warranty the damage or defect is not covered by the warranty, Promovec will not accept the claim. In such a case, the end-user will be responsible for all the related freight charges.

4.5 Notice of lack of conformity relating to batteries:

4.5.1 In cases regarding notice of lack of conformity of batteries: Contact Promovec America Inc. by phone at tel. No. 888.999.2060 Ext 2 or by email at sharad@promovec.com.

4.5.2 If the battery is to be sent to Promovec subject to agreement, the following must be included: Keys to the battery, battery charger, a copy of the invoice for the electric bike, including the battery, read-out report from the BMS, and a description of the battery defect.

4.5.3 Upon receipt, the battery will be checked for defects, and a capacity test will be performed. If Promovec accepts the claim, troubleshooting and battery tests will be performed free of charge, just as Promovec will pay the freight charges of forwarding and returning the battery and the charger. If Promovec cannot detect any defects in the battery or if the result of the capacity test is above 70%, Promovec will not accept the claim. In such a case, the end-user will have to pay for the battery test (96,44USD) and all the related freight charges. A test report will be provided as documentation when the battery is returned.

4.5.4 Promovec indemnifies its distributors and dealers against costs relating to notices of lack of conformity of the battery covered by an expanded warranty. However, this does not include costs or losses attributable to the distributor or the dealer, including registration of the battery after the expiry of the deadline for registration.

5. LIABILITY AND LIMITATION OF LIABILITY

5.1 THE WARRANTIES IN THIS AGREEMENT REPLACE ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, AND ALL OTHER OBLIGATIONS OR LIABILITIES OF SELLER, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OTHERWISE TO THE EXTENT POSSIBLE UNDER APPLICABLE LAW. ALL OTHER WARRANTIES ARE DISCLAIMED AND EXCLUDED BY THE SELLER. THE REMEDIES CONTAINED IN THIS AGREEMENT WILL BE THE SOLE AND EXCLUSIVE REMEDIES OF BUYER, ITS SUCCESSORS, AND ASSIGNS, WHETHER IN CONTRACT, TORT, OR OTHERWISE. THIS LIMITATION APPLIES TO ALL GOODS, SERVICES, AND INTELLECTUAL PROPERTY DURING AND AFTER ANY APPLICABLE WARRANTY PERIOD. SELLER SHALL NOT BE RESPONSIBLE FOR ANY DEFECT OR INJURY CAUSED BY MISUSE OF THE GOODS, INCLUDING ANY USE OF THE GOODS OTHER THAN AS SPECIFIED IN THE INSTRUCTION MANUAL THEREFORE. IN NO EVENT WILL SELLER BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS OR REVENUE, RE-ESTABLISHMENT COSTS, PACKING, FREIGHT, CUSTOMS DUTIES, LOSS OF USE OF THE GOODS, OR COST OF SUBSTITUTED GOODS, PARTS OR SERVICES (EXCEPT AS PROVIDED TO THE CONTRARY HEREIN) THAT ARISE OUT OF PERFORMANCE OR FAIL TO PERFORM ANY OBLIGATION IN THIS AGREEMENT, OR OUT OF NEGLIGENCE IN THE COURSE OF SUCH PERFORMANCE, WHETHER THE CLAIM FOR DAMAGES IS BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, OR OTHERWISE. ANY ACTION FOR AN ALLEGED BREACH OF ANY CONTRACT OF SALE OR OF THE ABOVE-STATED WARRANTY CONCERNING GOODS SOLD BY SELLER TO BUYER MUST BE COMMENCED WITHIN ONE (1) YEAR AFTER THE CAUSE OF ACTION ACCRUES. FURTHERMORE, THE WARRANTY DOES NOT COVER DEFECTS OR BREAKDOWNS FROM NATURAL WEAR AND TEAR, IMPROPER INSTALLATION, HANDLING OR STORAGE, UNINTENDED USE, LACK OF REASONABLE MAINTENANCE OR OPERATION BY BUYER OR BUYER'S AGENT OR REPRESENTATIVE.

6. INTELLECTUAL PROPERTY AND CONFIDENTIAL INFORMATION

6.1 Drawings, specifications and other technical information provided by Promovec remain Promovec's property ("Promovec IP"). Promovec IP must be treated as confidential and may not be distributed, copied or disclosed to a third party for any other purpose than the performance of the Agreement. Drawings, specifications and other technical information provided by Promovec remain Promovec's property ("Promovec IP"). Promovec IP must be treated as confidential and may not be distributed, copied and/or disclosed to third party for any other purpose than the performance of the Agreement.

7. INSOLVENCY

7.1 If Purchaser suspends its payments, or if the contracting party or one of its creditors presents a petition for insolvency proceedings to be instituted against Purchaser, Promovec is entitled to terminate the sales transaction without notice and demand immediate return of the Goods delivered, but not yet paid for. Title to all Goods remains vested in Promovec until paid for in full.

8. FORCE MAJEURE

8.1 Promovec is relieved of its obligation to deliver the Goods or perform the PO if and to the extent that Promovec is prevented from performing its obligations due to events that are beyond Promovec's control and which were unforeseeable at the time of conclusion of the agreement ("Force Majeure").

8.2 Force Majeure includes but is not limited to war, terror, vandalism, pandemic, natural disasters and unusual weather conditions, fire, lack of materials or delivery failure with material subcontractors, strike, and lockout.

8.3 Promovec is obliged to inform Purchaser without delay in the event of Force Majeure.

8.4 In the case of Force Majeure, each Party bears its costs resulting from the Force Majeure Event.

8.5 If the Force Majeure event continues uninterrupted for 60 days or more, either Party is entitled to terminate the Agreement by written notice to the other Party.

9. GOVERNING LAW AND VENUE

9.1 These Terms and any dispute arising from the performance of any transaction related to it will be governed by the substantive laws of the state of Pennsylvania, regardless of conflict of law rules.

9.2 Purchaser at this moment consents and will not object to the jurisdiction of the state or federal courts situated in Pennsylvania for adjudication of any claims, disputes, or causes of action related to the enforcement of this Agreement.

10. OTHER TERMS

10.1 No failure or delay in exercising any right under this Agreement will waive any such right. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provisions of this Agreement, which will remain in full force and effect.