

GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY

Introduction - By validating his order, the Purchaser unreservedly declares his acceptance of the terms of said order, together with all of these general terms and conditions of sale.

1. GENERAL PROVISIONS – These general terms and conditions of sale and delivery (GTCSD) define the rights and obligations of the Company Cicorel SA (the "Vendor") and its Clients (The "Purchaser") and are applicable to all the contracts between the parties for the sale of products and/or services (The "Product") made by Cicorel SA, subject to special conditions or modifications determined by express written agreement between the parties. These GTCSDs therefore cannot be modified by contrary stipulations set put on any document of the Purchaser, regardless of its formulation, without the express written agreement of the vendor.

2. SALE'S CONTRACT FORMATION – It is the full and entire responsibility of the Purchaser to accompany his order with a detailed specification on which the quotation will be based and which sets out the various Product specifications to be defined, the components to be made, or any other indication which is essential for the Product production. Except for any other validity limit expressly defined in the Vendor's quote, said quote is valid for one month only (30 days). Any order addressed to the Vendor which refers to his latest quote, is binding on the Vendor only if it is consistent with this most recent quote and has been received within 30 days, except for express agreement given by the Vendor.

3. PRICES – The prices stated on quotations are valid for 30 days from the date of issue; beyond that time limit, the Vendor reserves the right to amend them without prior notice. The prices are quoted net, exclusive of tax; all costs or disbursements which the Vendor may be called upon to pay for the account of the Purchaser will be re-invoiced in full to the Purchaser. The packaging, all handling costs, transport by land, sea or air, insurance and other charges, shall be payable by the Purchaser, on an ex-works basis. The prices are quoted in a specific currency and the Vendor shall be entitled to change the price in the light of any variation in the exchange rate. Except where otherwise stipulated, the prices may be changed without prior notice. The prices may, in particular, be revised to take account of variations which are deemed to be beyond the Vendor's control, in particular variations in material prices, energy and labor costs which may have occurred between the date on which the price is defined and that of contractual delivery.

4. ORDERS EXECUTIONS - The goods may be delivered with a tolerance on the ordered quantities. In the absence of any specific agreement on this matter, the tolerances on quantities shall fall within a bracket of plus or minus 10 %. Characteristics which are not specified by the Purchaser or by the Vendor shall be compliant with the provisions and norms of the Commission for Standardization of the Electronics Grouping for Western Switzerland (GESO) or the Institute of Printed Circuits (IPC). Changes requested after receipt of quote may result in price adjustments and new execution dates, but the Purchaser shall not be allowed to use such charges as a reason for cancellation of his order.

5. TOOLING-EQUIPMENT-REWORKING – The vendor shall pay a part of the production and material costs for the accessories needed for manufacture of the ordered products: the remainder shall be invoiced to the Purchaser when the first delivery is made. Tooling created for the needs of the Purchaser shall remain in the workshops and/or with the subcontractors of the Vendor. The participation by the Purchaser in the tooling costs only gives him an entitlement to use such tools on the premises of the Vendor and/or at its subcontractors and does not question the vendor's ownership of these tools. In cases where the Purchaser supplies these tools, the Vendor is not responsible for the proper working of these tools or for the duration of their use.

6. DELIVERY DATE – The delivery dates are applicable to the availability of the finished products on the Vendor's sites. The delivery dates are indicated on the quote for guidance only and without obligation on the part of the Vendor. The delivery dates shall be confirmed after the order has been received, but without obligation on the part of the Vendor.

7. LATE DELIVERY – The confirmed delivery date may be extended for any reason which made it impossible for the Vendor to meet his obligations, in particular in the event of "force majeure". For the purposes of these GTCSD, the term "force majeure" denotes an event which is beyond the Vendor's reasonable control, including in particular a strike, an embargo, a tooling accident, riot, war, natural disaster, fire or similar events, such as adverse weather conditions, procurement difficulties, accidental production stoppage, unforeseen development of the market, or similar. A delivery delay shall never justify any order cancellation and/or penalties and claims for compensation of any kind.

8. CONSIGNMENT/TRANSPORT – Transport costs shall be borne solely by the Purchaser. The Products are carried at the risk and peril of the Purchaser who must exercise his right of redress against the carriers, regardless of whether they were designated by the Vendor, in the event of delay, loss or damage, with no possibility whatever of seeking redress against the Vendor. Except, where otherwise agreed by the Purchaser, the Products' consignment for the Purchaser's account shall be made using the means of transport which are deemed to be the most appropriate for the Products by the Vendor. This shall not generate any liability whatsoever on the part of the Vendor. If no instructions are given as to the destination, or if it is impossible to dispatch the products for reasons beyond the control of the Vendor, the delivery shall be deemed to have been made when notice of the availability of the items given: the components shall then be stored at the risk and peril of the Purchaser and the Vendor reserves the right to invoice safekeeping costs. Save where otherwise specified by the Purchaser, the Vendor reserves the right to choose the nature and scope of the packaging, transport, insurance and attestations. If Purchaser provides auxiliary parts/materials to Vendor, these parts must be delivered free of charge to Vendor's address. Vendor does not assume any liability if auxiliary parts are not delivered in time, not delivered in sufficient quantity or not delivered in an acceptable condition. The Purchaser provides to Vendor an agreed additional number of parts in order to guarantee an uninterrupted processing run to the Vendor in case of rejected parts. Vendor does not accept any liability for the technical functional performance or quality deficiency of the auxiliary parts. Vendor reserves the right to refuse to insert the auxiliary parts/materials if these do not meet Vendor's quality requirements and standards. In such cases the Purchaser has to compensate Vendor for any resulting additional costs it may incur. Any test and quality requirements determined by the Purchaser will be binding for Vendor. Financial compensation for Purchaser-provided material that is lost during processing at Vendor is only possible if agreed-upon in writing before the start of the project between Vendor and Purchaser. For experimental or prototype-batches such compensation is not applicable.

9. PAYMENT CONDITIONS – Invoices are payable net without discount within 30 days of their date of issue. In the event of late payment, interest on late performance shall be automatically due at the interest rate invoiced by the Vendor's bank for an unsecured bank loan, subject to a minimum of 5% p.a. The Vendor reserves the right to supply solely on cash on delivery basis or against advance payment, in particular to Purchasers who place a first order or who have filed to respect the time limits for settlement in respect of previous consignments. The Vendor likewise reserves the right to require payment by cheque on delivery of the products if the Purchaser is subject of an expired claim of the Vendor or presents any risk of insolvency. The payment method and the payment of possible installments must be the subject of an explicit agreement set out in the contract. Non-payment of an invoice on its due date and after three reminders or failure to respect any payment date whatsoever automatically, without the need for any special warning, causes all sums still outstanding on any basis whatsoever to fall due for immediate payment (even if they are covered by bills of exchange) and results in the retention, firstly, of the installments collected and, secondly, of the tools and components held by the Vendor, until such time as the outstanding sums have settled in full.

10. AMENDMENT – ORDER CANCELLATION – TERMINATION – A simple delivery delay, failure to comply with a procedure, a case of "force majeure" or any other reason which makes it impossible for the Vendor to perform his obligations, cannot justify an order cancellation and generates no liability on the part of the Vendor. The Vendor may automatically terminate his contract if the Purchaser is declared to be in a state of judicial administration or if his assets are placed in liquidation; the same provision shall likewise apply in the event of any significant change in the Purchaser's legal situation which might reduce his solvency. Nevertheless, a contract termination does not affect claims that have already elapsed between the parties. In the event of any unilateral cancellation at the initiative of the Purchaser, for any reason whatsoever, the Vendor reserves all rights of regress to seek repair of the prejudice caused by the cancellation. The corresponding compensation shall take into account, in particular of the costs of reconstituting turnover, overheads, shutdown of installations etc.... All costs already incurred must be reimbursed. The same applies to any order modification requested by the Purchaser when total or partial execution is suspended for a period of more than three months. The Vendor may likewise decide at his sole discretion to increase the prices.

11. GUARANTEE AND CIVIL LIABILITY – The liability of the Vendor is limited to the execution, to the best of his ability, of the Products according to the drawings and details set out in the specifications agreed between the parties. The liability of the Vendor shall not under any circumstances extend to the design of the printed circuits, the Purchaser to retain full responsibility for the industrial result of the final product. Any liability connected with errors or gaps in the detailed specifications shall rest with the Purchaser. The Vendor gives guarantee for six months. Poor material quality or manufacturing defects must be reported to the Vendor without delay in writing. If the guarantee comes into play, the Vendor shall, at his own discretion, repair the defects or replace the defective components (printed circuits) free of charge. The Purchaser undertakes to package the products in compliance with the adequate specifications. Under no circumstance shall the guarantee cover consequential damages caused by any defect whatsoever in the Products delivered by the Vendor.

12. LIABILITY – The Vendor shall not be held liable for any direct or indirect prejudice or for prejudice which might follow from the defective delivery.

13. SUBCONTRACTING – The Vendor reserves the possibility of subcontracting certain operations without informing the Purchaser. These subcontracting operations shall be entrusted to partners who have been duly authorized by the Vendor.

14. COMPLAINTS – The Purchaser is required to verify the goods at the time when they are delivered and must indicate on the delivery note such reservations as he may intend to enter in respect of the condition of the received Products (identity of the delivered Products with those which were ordered, manufacturing defect, transport damage, etc....) The Purchaser must report to the Vendor any manifest defects in writing without delay, but no later than within 60 calendar days from arrival of the Products. These complaints must be accompanied by the delivery note or the reference of the manufacturing order. No returned goods will be accepted without the Vendor's prior agreement. The Purchaser must supply elements and proof (defect, date on which it was noted and the defect notification, etc....) which will enable him to benefit from guarantee, should the need arise.

15. OWNERSHIP RESERVATION – The Vendor remains the sole owner of the delivered Products until full payment has been made for them. As appropriate, the Purchaser shall give his assistance with the execution of any necessary formality for recording this ownership reservation. This ownership reservation extends to every assembled product incorporating the Products sold, together with any product or claim resulting from the resale by the Purchaser of the Products sold.

16. INTELLECTUAL PROPERTY – Intellectual property of the drawings or other documents submitted by the Purchaser for the study or execution of an order shall remain his property, but he grants the Vendor authorization and entitlement to make copies. The Vendor undertakes not to use these drawings or other documents specific to the Purchaser for his own purposes or for those of a third party, with the exception of the demonstration prototypes which shall remain in his possession. The Purchaser undertakes to release the Vendor from any legal action which may be brought by a third party on grounds of breach of intellectual or industrial property in any document in relation to the work with which the Vendor is entrusted by the Purchaser. The Vendor retains intellectual or industrial ownership in every document produced by him in relation to the request work, even if the Vendor invoices them to the Purchaser.

17. CONFIDENTIALITY – The documents supplied by the Vendor, such as quotations, quality plans, specification files and any document drawn up by the Vendor, remain the intellectual property of the Vendor and cannot be disclosed to third parties without the express prior agreement of the Vendor.

18. APPLICABLE LAW – JURISDICTION PLACE – If no amicable settlement can be reached, any dispute relating to a sale and/or delivery by the Vendor shall fall within the exclusive jurisdiction of the place where the Vendor has his registered office. All contractual relationships between the Vendor and the Purchaser shall be governed by the Swiss law.