

**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. These GTCSD shall apply for commercial transactions between businesses only.

**1. GENERAL PROVISIONS** – These general terms and conditions of sale and delivery (GTCSD) define the rights and obligations of Reinhardt Microtech AG (the “Vendor”) and its Clients (The “Purchaser”) and are exclusively applicable to all the contracts between the parties for the sale of products and/or services (The “Product”) made by Reinhardt Microtech AG. Any general terms and conditions of the Client, shall not be accepted, unless expressly accepted by the Vendor in writing. 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 RFQ with a detailed specification on which the quotation will be based.

Except for any other validity limit expressly defined in the Vendor’s quote, said quote is valid for three months only (90 days) after the date of issue.

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 90 days, except for express agreement given by the Vendor.

**3. PRICES** – The prices stated on quotations are valid for 90 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 and EXW, Wangs Switzerland in accordance with the Incoterms® 2010.

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 of the MIL-STD 883 Method 2032, Class H.

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, necessary permits and approvals received in time (e.g.: sanctions, export control, EUC), technical clarifications, payments/LCs correctly received or other obligations of the Client are fulfilled. 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.

**7. LATE DELIVERY**

7.1 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. Delivery date shall be extended in cases of virus attacks or other attacks of Purchaser’s IT systems accruing despite protective measures were in place that complied with the principles of proper care; hindrances attributable to German, US or otherwise applicable national, EU or international rules of foreign trade law or to other circumstances for which Vendor is not responsible; or in fact that Vendor does not receive its own supplies in due time or in due form.

7.2 In case the delivery is delayed for reasons exclusively attributable to the Vendor and the Purchaser has demonstrably suffered a loss therefrom, the Purchaser may claim a compensation as liquidated damage of 0.5% for every complete week of delay, but in no case more than 5% of the price of that part of the Vendor which due to the delay could not be put to the intended use.

7.3 Purchaser’s claims for damages due to delayed delivery as well as claims for damages in lieu of performance exceeding the limits specified in Article 7.2 above are excluded in all cases or delayed delivery, even upon expiry of a time set to the Vendor to affect the delivery. This shall not apply in cases of liability based on intent, gross negligence, or due to loss of life, body injury or damages for health. Termination of the contract by the Purchaser based on statute is limited to cases where the Vendor is responsible for the delay. The above

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provisions do not imply a change in the burden of proof to the detriment of the Purchaser.

7.4 At the Vendor's request, the Purchaser shall declare within a reasonable period of time whether it, due to the delayed delivery, terminates the contract or insists on the delivery.

**8. CONSIGNMENT/TRANSPORT** – Transport costs shall be borne EXW, Reinhardt Microtech AG Wangs Switzerland in accordance with Incoterms®

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 failed 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 –**

The Vendor may immediately terminate the 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. WARRENTY AND CIVIL LIABILITY**

11.1 The Vendor shall be liable for defects resulting from faulty design, material and workmanship under following conditions:

11.2 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.

11.3 The liability of the Vendor shall not under any circumstances extend to the design of the products, 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.

11.4 There shall be no claims based on defects in cases of insignificant deviations from the agreed quality, of only minor impairment of usability, of natural wear and tear, or damage arising after the passing of risk from faulty or negligent handling, excessive strain, unsuitable equipment or claims based on particular external influences not assumed under the contract, or from non-reproducible software errors. Claims based on defects attributable to improper modifications or

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repair work carried out by the Purchaser or third parties and the consequences thereof are likewise excluded.

11.5 In case of a valid defect, the Vendor shall bear the costs necessary to remedy the defect, insofar as this does not give rise to a disproportionate burden. When selling a newly manufactured product, the Vendor shall reimburse, as required by law, the expenses incurred by the Purchaser in the scope of claims for recourse in the supply chain. In cases in which partial blame for the defects lies with the Purchaser, particularly due to his not fulfilling his obligation to avoid and/or diminish damage, we shall, after redelivery, have a claim for compensation commensurate with the partial blame of the Purchaser.

11.6 Claims for defects by the Purchaser shall end six (6) months after delivery of the Products. Parts which were replaced in the context of warranty do not extend the original warranty period in any way.

The above-mentioned limitations of times shall not apply if the law for buildings, items for buildings, building defects and the purchase of consumer goods (including the right to compensation) mandatorily prescribes longer periods of time. For claims for damages arising from culpable harm of life, body or health; gross negligence, wilful intent or malicious behaviour; as well as according to the Product Liability Act, the legal periods shall apply. Any claims for damages resulting from breach of fundamental conditions of the contract as well as from guarantees shall become statute-barred in twelve (12) months.

11.7 Notification of defects must be reported by the Purchaser to the Vendor without delay in writing.

11.8 In case of valid warranty claims of the Purchaser, the Vendor shall, at his sole discretion, repair the defects or replace the defective components (products) within reasonable time free of charge. The Purchaser undertakes to package the products in compliance with the adequate specifications.

11.9 If repair or replacement is unsuccessful, the Purchaser is entitled to terminate the contract according to the legal provisions. In case of minor defects only, the Purchaser shall have the right to reduce the price. The right to reduce the price in the contract is otherwise excluded. Any further claims for damages the Purchaser may have according to Article 11.10 shall be unaffected.

11.10 The Purchaser shall have no claim for damages based on defects. This shall not apply to the extent that a defect has been fraudulently concealed, the guaranteed characteristics are not complied with, in the case of loss of life, bodily injury or damage to health, and/or intentionally or gross negligent breach of contract on the part of the Vendor. The above provisions do not imply a change in the burden of proof to the detriment of the Purchaser. Any other or additional claims of the Purchaser exceeding the claims provided for in this Article 11. based on a defect, are excluded.

**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. INSPECTION UPON DELIVERY** – The Purchaser is required to immediately 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 immediately report to the Vendor any manifest defects in writing without delay, but no later than within 10 calendar days from arrival of the Products. These complaints must be accompanied by the delivery note or the reference of the manufacturing order. The Purchaser is not entitled to reject any Products due to minor defects.

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 warranty, 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**

16.1 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 (except government agencies involved in an export approval process), 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.

16.2 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.

16.3 Unless otherwise agreed, the Vendor shall provide the Products free from third parties’ industrial property rights and copyrights (hereinafter referred to as “IPR”) with respect to the country of the place of delivery. If a third party asserts a justified claim against the Purchaser based on an infringement of an IPR by the Products made by the Vendor and used in conformity with the contract, the Vendor shall be liable to the

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Purchaser within the time period stipulated in Article 11.6 as follows:

16.4 The Vendor shall choose whether to acquire, at its own expense, the right to use the IPR with respect to the Products concerned or whether to modify the Products such that they no longer infringe the IPR or replace them. If this would be impossible for the Vendor under reasonable conditions, the Purchaser may terminate the contract pursuant to the applicable law;

16.5 The Vendor’s liability to pay damages is governed by Article 18.

16.6 The above obligations of the Vendor shall apply only if the Purchaser (i) immediately notifies the Vendor of any such claim asserted by a third party in writing, (ii) does not concede the existence of an infringement and (iii) leaves any protective measures and settlement negotiations to the Vendor’s discretion.

16.7 Claims of the Purchaser shall be excluded if it is responsible for the infringement of an IPR.

16.8 Claims of the Purchaser are also excluded if the infringement of the IPR is caused by specifications made by the Purchaser, by a type of use not foreseeable by the Vendor or by the Products being modified by the Purchaser or being used together with products not provided by the Vendor.

16.9 Where other defects in title occur, Article 11. shall apply accordingly.

16.10 Any other claims of the Purchaser against the Vendor of its agents or any such claims exceeding the claims provided for in this Article 16., based on a defect in title, are excluded.

**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 shall not be disclosed to third parties without the express prior agreement of the Vendor.

**18. LIABILITY**

18.1 Unless otherwise provided for in the present GTCSD, the Purchaser shall not be entitled to claim for damages based on whatever legal reason, including infringement of duties arising in connection with contract or tort.

18.2 This does not apply if liability is based on:

- a) The Swiss Product Liability Act
- b) Willful intent;
- c) Gross negligence on the part of the owners, legal representatives or executives;
- d) Fraud;
- e) Negligent injury of life, body or health.

In the case of negligent breach of a fundamental condition of the contract the Vendor shall also be liable if there has been gross negligence on the part of non-executives and if there has been slight negligence, limited in the latter case to the reasonably foreseeable damage which is intrinsic to the contract.

18.3 The above provision does not imply a change in the burden of proof to the detriment of the Purchaser.

**19. 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 and construed by the Swiss law, without regards to its conflict of law principles. The United Nations Convention on Contracts for the International Sales of Goods (CISG) shall not apply.