

GENERAL PURCHASING TERMS AND CONDITIONS OF WITSCHI ELECTRONIC LTD.

1. General

- 1.1 The following "General purchasing terms and conditions" of Witschi Electronic Ltd in CH-3294 Büren a.A. (referred to hereinafter as "Witschi") are applicable for all purchasing commitments of Witschi, unless an alternative mutual agreement has been reached in writing.
- 1.2 The vendor herewith expressly waives the right to assert any claims relating to "General Contractual Conditions" of their own.

2. Order placement

- 2.1 Legally binding orders can be placed by letter post, fax, various forms of electronic data transmission, verbally or by telephone.
- 2.2 Passing an order on to third parties in its entirety or partially requires the express prior approval of Witschi.
- 2.3 Every order must be acknowledged in writing within fourteen (14) days of the order date as long as an immediate delivery is not taking place. Witschi is entitled at any time to cancel orders not acknowledged within this period.

3. Prices and terms of payment

- 3.1 The agreed prices are fixed prices and include all ancillary costs, such as packaging, transport costs, etc. Price changes or reservations in this regard are only binding if and as long as they have been expressly approved by Witschi in writing.
- 3.2 Payments by Witschi take place irrespective of the inspection of goods when they arrive at the delivery point. Payments or part payments by Witschi do not represent acceptance of quantity, price and quality. In this regard, the legal rights of Witschi therefore remain fully guaranteed even after payment for the goods.
- 3.4 Unless otherwise agreed, payments are to be made according to the terms and conditions specified on the order.
- 3.5 The assignment of existing claims against Witschi, as well as offsetting with counterclaims, is only permissible with the written approval of Witschi.

4. Materials, drawings, tools, models and other resources

- 4.1 Materials, drawings, tools, models and other resources that are made available to the vendor by Witschi, or which are manufactured at Witschi's cost, remain the property of Witschi.
- 4.2 The above-mentioned resources and/or materials must not be made available to third parties and are only to be used for the fulfilment of the order. Resources or materials that have not been used, if requested by Witschi, or at the latest on delivery of the goods, are to be returned in perfect condition or, if expressly agreed, to be stored by the vendor until they are recalled.
- 4.3 As long as the order from Witschi concerns the individual manufacture of small parts and components in the sense of a work contract (Art. 363 ff. Swiss Code of Obligations), Witschi retains unrestricted use of the intellectual property, as well as exclusive application to all designs and development results in this regard. Without express written approval, designs and developments may not be made accessible to third parties either in whole or in part, nor be used for the supplier's own or other purposes.

5. Delivery date

- 5.1 The delivery deadlines and delivery dates specified by Witschi are binding (also in the case of partial deliveries). They shall be regarded as adhered to if the goods arrive at the delivery point by the date of expiry.
- 5.2 Delivery delays occur without any warning.
- 5.3 If Art. 5.5 does not apply, in the event of any delivery delays, Witschi reserves the right to indemnity claims, cancellation of the order or reduction of the order quantity.
- 5.4 Witschi is not obliged to accept premature deliveries. If Witschi keeps premature deliveries, the resulting additional costs (e.g. storage costs) can be set against the purchase price. In spite of any premature delivery, payment deadlines are calculated from the due delivery or invoice date.
- 5.5 For delayed deliveries, Witschi is entitled to claim compensation for delay as long as a loss can be attributed to this delay. The

compensation for each full week of delay is a maximum of 0.5%, but no more than 5% in total, calculated on the contract price of the part of the delivery that has been delayed. After expiry of 3 weeks, the options stated in Point 5.3 are also open to Witschi.

6. Fulfilment

- 6.1 Unless agreed differently, delivery is to be made to the place of fulfilment designated by Witschi.
- 6.2 Benefits and risks are transferred to Witschi on delivery of the goods to the place of fulfilment.
- 6.3 A detailed delivery note is to be included with every delivery, which indicates at least the order number, order item, item description and quantity delivered. Quantities specified on orders must be complied with. Witschi reserves the right, if no prior agreement has taken place on increased or reduced deliveries, to make surplus parts available to the vendor against full compensation for expenses and in the case of reduced quantities to insist on fulfilment of delivery of the ordered quantity.
- 6.4 The vendor takes on responsibility for the delivery according to contract of right and proper goods in perfect condition made with flawless raw materials, suitable for the intended purpose. Also applicable here in particular are compliance with the official and statutory safety regulations of the manufacturer- and country of destination. The vendor guarantees, also in case of the approved forwarding of the order to a third party, that the delivery complies with the requirements outlined above and that any information with which he has been entrusted will remain confidential. Witschi is entitled to return to the vendor incorrect or inadequate goods at the vendor's expense and to demand perfect replacements.
- 6.5 For products freely available on the market, the proof of quality is regarded as a given, as long as the relevant test reports of the manufacturer can be viewed on request. Products specially manufactured or prepared for Witschi must be accompanied by a test report confirming that the agreed specifications have been fulfilled in their entirety. The test report must be capable of being traceably linked with the products of the relevant delivery. Products are to be tested according to the standard DIN ISO 2859 Part 1 using random samples. As long as the order does not mention any special requirements, the

test parameters are to be specified by the supplier according to industry-standard samples and quoted in the test report. In the case of deliveries involving series production, the first sample taken and made available to Witschi by the supplier before the first series is produced shall apply. After initial sampling, both the supplier and Witschi will be in possession of a labelled, clearly defined sample. This sample will retain its validity until such time as Witschi recalls it.

7. Guarantee

- 7.1 The vendor assumes responsibility for guaranteeing for a period of 24 months after they are resold by Witschi to its customers, but for a maximum of 36 months after their delivery, that parts supplied by him comply with regulations and agreements in terms of materials, design, processing and functionality. In the case of replacement deliveries or after completion of the repair of faulty goods, the guarantee period starts afresh.
- 7.2 Goods delivered are to be inspected as soon as possible after receipt, but at the latest during further processing or commissioning and any defects communicated to the vendor immediately. However, as it is impossible in the case of most deliveries to immediately check that goods conform to the contract, the vendor recognises that the notification of defects without compliance with a notification deadline shall be regarded as effected in good time, as long as this is communicated during the guarantee period. This ruling only applies as long as the parties have not concluded a "Special quality or supplier agreement".
- 7.3 In a case of defective delivery, Witschi, if it chooses, can request the immediate free-of-charge rectification of the deficiency or the delivery of faultless goods. The right is reserved to claim for redhibition, a price reduction and assertion of all claims for compensation. Witschi can withhold payment in whole or in part, until, as long as replacement is requested, the vendor meets his obligation to deliver perfect replacement goods or the situation in respect of redhibition, price reduction and compensation is clarified in a binding manner.
- 7.4 The vendor takes on the guarantee to fully indemnify Witschi against all claims from third parties because of all types of infringement of property rights, either alleged or committed.

8. Company and registered trademarks

8.1 As long as Witschi desires this, the company and registered trademarks are to be applied as directed to goods ordered by Witschi. Items marked in this manner may be delivered exclusively to Witschi. Goods about which Witschi has complained and then returned and which are provided with its company - or registered trademark, must, after consultation and written confirmation, be rendered unusable.

9. Product liability

9.1 Witschi will inform the vendor immediately about any product defects detected in goods it has supplied if the defect has led to or could lead to an accident resulting in a fatality, personal injury or damage to property and will agree upon further action with the vendor. The vendor will assist Witschi in dealing with injured parties and exonerate Witschi from authorised claims, as long as they can be traced back to product faults in the goods delivered by the vendor and for which Witschi or the vendor are liable according to the Swiss Federal Act on Product Liability. Claims are only regarded as authorised if they either have been recognised by the vendor or have been found in favour of the injured party in a legally binding procedure managed by Witschi. The vendor will reimburse Witschi for all costs resulting from this. The vendor adopts all costs for recall actions which are necessary from the viewpoint of product liability and can be traced back to the vendor's contribution.

10. Place of jurisdiction/applicable law

10.1 These "General purchasing terms and conditions of Witschi Electronic Ltd" are subject to Swiss Law and the place of jurisdiction is the registered office of Witschi, CH-3294 Büren a.A.

VA54.41 Original document German 11.12