

TERMS AND CONDITIONS OF PURCHASE OF PRODUCTS AND/OR SERVICES (T&C)

These T&C are the terms and conditions under which Elmatica and its Affiliate(s) or any other Elmatica company and its Affiliate(s) mentioned on the purchase order as the legal entity to which Products are sold or Services provided, or, if such reference does not appear on the purchase order, any Elmatica company to which the Product or Service are invoiced. Elmatica and the Supplier are hereafter sometimes referred to individually as Party or collectively as Parties.

1. Purchase Order

The T&C shall be effective ("Effective Date") upon the electronic acceptance of the purchasing order, click-accept, or, if signed in hard copy, the date of last signature, or in the absence of any of the foregoing, these T&C is effective from the date an order is placed by Elmatica.

Elmatica will issue a purchase order, transferring electronically to the Supplier, indicating specific Products and Services, quantity, price, total purchase price, shipping instructions, requested delivery dates, bill-to and ship-to addresses, tax exempt certifications, if applicable, and any other special instructions (collectively a "Purchase Order"). Elmatica shall receive an order confirmation within 24 hours (one working day) or after technical and/or other uncertainties are resolved.

Upon acceptance of a Purchase Order, shipment of Goods or commencement of the Service, the Supplier shall be bound by the provisions of these terms, including all provisions set forth on the face of any applicable Purchase Order, whether the Supplier acknowledges or otherwise signs this Purchase Order, unless the Supplier objects to such terms in writing prior to shipping Goods or commencing Services. Notification is hereby given of objection to any additional or different terms proposed by the Supplier: such terms are not binding for Elmatica unless they are approved in writing by an authorized representative of Elmatica. To the extent that this Purchase Order might be treated as an acceptance of the Supplier's prior offer such acceptance is expressly made on conditions of assent by the Supplier to the terms hereof and shipment of the Goods or beginning performance of any Services by the Supplier shall constitute such assent.

3. Order of Precedence

If a separate agreement between the Supplier and Elmatica for purchase of Products or Services exists, that agreement shall apply in place of these T&C. In case of a conflict or inconsistency between an Order and these Purchase T&C (or the applicable separate agreement(s), if any), the Order shall be superseded.

4. Delivery and Return Management conditions

Elmatica reserves the right to reschedule or change any delivery, including method of shipment and packaging, or cancel any Purchase Order until 14 days before confirmed shipment date or quoted lead time. Elmatica shall not be subject to any charges or other fees as a result of such cancellation. Elmatica reserves the right to cancel an order at any time if the Supplier fails to comply with the terms and conditions hereof, the specific instructions of an Order accepted by the Supplier, failed delivery according to agreement, the Supplier becomes bankrupt or insolvent, the Suppliers business is placed in the hands of a receiver, assignee, or trustee, whether by voluntary act or otherwise, or undergoes any proceeding

analogous to the foregoing.

Elmatica is obliged to pay for the production processes that has been completed and the Non Recurring Expenses (NRE), if a Purchase Order is canceled later than 21 days prior to shipment. The Supplier is obliged to deliver the ordered quantity and the Supplier shall cover all cost due to late delivery, incomplete delivery and transportation costs.

Products and Services hereunder are subject to inspection, test, and approval at any reasonable places and times and in any reasonable manner, including inspection at Supplier's plant during and after period of manufacture. All Products and Services are also subject to inspection and acceptance at Supplier's plant or other point of destination specified on the Order

The Purchase Order will state the accepted delivery window of the Product or Services. Orders shall be delivered according to the Incoterm stated on the Purchase Order. With «Incoterm» we refer to Incoterms® 2010 rules stated by the International Chamber of Commerce. Products can only be returned after Supplier has approved and issued a Return Management Approval (RMA).

5. Payment Terms and Prices

Elmatica shall pay the Supplier according to the credit term and currency set out in the Order. The supplier warrants that the applicable prices are no more than the prices charged to other customers for contemporaneous sales of similar items, in the same or substantially similar volumes, and under substantially similar terms and conditions.

Unless otherwise specified in the Purchase order, the price for the Product or Service is including all taxes and other charges such as shipping and delivery charges, duties, customs, tariffs, imposts and government imposed surcharges. The Supplier will at Elmatica request, specify the price of all such taxes and other charges in its invoices.

Invoices shall be mailed on the date of complete shipment of the Products or Services to the address specified in the Order. Payment of Elmatica shall not constitute acceptance of or be constructed as a waiver of any rights Elmatica may have hereunder for defective or nonconforming Products or Services. Elmatica may set off any amount owed by the Elmatica to the Supplier against any amount owed by the Supplier to Elmatica.

5. Taxes and Compliance

The Supplier shall pay and indemnify Elmatica against all claims and liabilities for the payment of all taxes (including penalties) levied or imposed and related to or assessed upon the profits or assumed profits of Supplier or assessed upon the total remuneration of any Supplier's employees, subcontractors, agents and similar arising from the performance of the agreement, including by the way illustration and not limitation, corporate tax, income tax, personal income tax, social security contributions, property or ad valorem taxes and similar taxes.. If the Supplier has legal responsibilities to collect any taxes directly from Elmatica such taxes shall be separately stated in the invoice. If requested by Elmatica, the Supplier shall provide Elmatica with written evidence of Supplier's due compliance with government payment obligations.

The Supplier will comply with all federal, state and local laws and ordinances, government and administrative orders and regulations applicable to the Products and Services rendered, shipped and used in a customary manner without violation of any such law, ordinance, order or regulation.

6. Warranty

Elmatica shall have thirty (30) days from the date of receipt of the Goods for inspection and acceptance. The Supplier warrants that the Products shall be free of liens, perform in accordance with all applicable specifications, including the Supplier's published specifications and be free from defects in materials and workmanship for a period of two (5) years from delivery of Products. Without limiting Elmatica' right to pursue any applicable remedies, Products not meeting this warranty may in particular be returned to the Supplier for credit or replacement at the Supplier's expense, and at Elmatica's discretion.

Epidemic Failure: Should Products shipped in any 90-day period to Elmatica or should all Products cumulatively received by Elmatica experience a failure rate of more than 3% from the same defect or more than 5% from cumulative defects, the Supplier shall prepare a plan for diagnosing and addressing the problem and will be responsible for all costs incurred by Elmatica and its customers in rectifying such failures.

The supplier shall be held responsible for solderability defects that appear within 12 months after the production date marked on the product, or 6 months for products with Immersion Silver, Immersion Tin and OSP and other chemically applied surface treatments.

The foregoing warranty will not apply if the Product (a) has been altered by the customer, (b) has been subjected to abnormal physical or electrical stress, faulty storage, misuse, negligence, or accident,(c) is sold; or (e) refined or produced after a potential warranty case has been identified.

7. Assignment and Subcontracting

Supplier may not assign any of its rights or delegate any of its obligations under the Purchase Order without the prior written consent of Elmatica.

The Supplier may not subcontract any of its rights or obligations under the Purchase Order without Elmatic's prior written consent. If Elmatic consent to the use of a Subcontractor, the Supplier will guarantee and will remain liable for the performance of all subcontracted obligations, indemnify Elmatica for all damages and costs of any kind, make all payments to its Subcontractor. The Supplier will defend, indemnify and hold Elmatica harmless for all damages and costs of any kind, without limitation, incurred by Elmatica and caused by the Supplier's failure to pay a Subcontractor.

8. Compliance with all Applicable Laws; Export Control

The Supplier shall obtain all licenses, permits and approvals required by any government and shall comply with all applicable laws, rules, policies and procedures including requirements applicable to the use of Products under the laws and regulations, of any government where the Products are to be used (collectively "Applicable Laws"). Customer will indemnify and hold harmless Elmatica, for any violation or alleged violation of any Applicable Laws.

9. Insurance and Indemnification

In the event that Elmatica is required to enter premises owned, leased, occupied or under the control of the Supplier during delivery, manufacturing or installation of a Product or Service called for by a Order, the Supplier agrees to indemnify and hold harmless Elmatica, its officers, employees, customers, agents and representatives from all loss, expense, damages, claims, suits, or liability arising from injury, including death, to persons or property arising from or in any manner growing out of actions of Elmatica.

The Supplier's indemnity obligations set forth herein shall be supported, but in no way limited, by appropriate insurance policies, acceptable to Elmatica, including at least the following policies or equivalent thereto a Comprehensive General Liability including but not limited to COnttractual Liability COver, with limits in respect of bodily injury and/or property damage of not less than two million US Dollars (US\$ 2,000,000) per occurrence and Workman's compensation in compliance with local statutory requirements, and/or Employer's Liability with limits of no less than one million US Dollars (US\$1,000,000) per occurrence.

10. Gratuities

The Supplier warrants that neither it nor any of its employees, agents, or representatives have offered or given, or will offer or give, any gratuities to Elmatic's employees, agents or representatives for the purpose of securing this contract or securing favorable treatment under this contract

11. Intellectual Property Rights

The Supplier warrants that the Products and Services covered by the Order and any use or sale of them will not infringe any patents, copyrights, trade secrets, trademarks or any other intellectual property rights now existing under the laws of or hereafter existing or issued by any State. The Supplier agrees to defend protect, indemnify, or save harmless Elmatica, its successors, assigns, distributors or dealers, customers and users of its product against all suits at law or in equity, and from all damages and expenses resulting from claims and demands whether or not rightful, for actual or alleged infringements or any patent or trademark by reason of any use of sale of the Products and Services covered by the Order.

12. Confidentiality

The Supplier acknowledges that during the performance of an Order, any information from Elmatica or its Affiliate, disclosed to, or obtained by, the Supplier or its Affiliate as a result of said performance shall be deemed confidential and proprietary to Elmatica

The Supplier agrees to treat as secret and confidential, and not to at any time during performance hereof and then (10) years thereafter, disclose, or distribute, or publish, or copy, or reproduce, or sell, or lend, or manipulate, or otherwise make use of, or permit use to be made of, any Confidential Information, except for the purpose of performing the Order and except with Elmatica's prior written consent. The Supplier agrees to disclose the Confidential Information, in whole or in part, only to Supplier's officers, directors and employees strictly on a need-to-know basis.

The foregoing shall not apply to any Confidential Information that can be shown to have been previously known to the Supplier at the time of disclosure, is independently developed by the Supplier without breach of these T&C, is lawfully obtained from a third party without restriction on use or disclosure, is or becomes part of the public domain through no fault of the Supplier, or is disclosed pursuant to any kind of judicial or governmental requirement or order, provided that the Supplier takes reasonable steps to give Elmatica sufficient prior notice in order to contest such requirements or order.

The Supplier shall use the same degree of care to avoid unauthorized disclosure of the COntidential INformation as it employs with respect to its own confidential (proprietary information of like quality and nature, but employing no less than a reasonable standard of care.

The Supplier shall not advertise or publish the fact that Elmatica has contracted with the

Supplier, nor use Elmatica's name in any advertisement, publication, brochure or website.

13. Software and Intellectual Property Rights

Elmatica hereby grants the Supplier a non-exclusive, non-transferable, non-sublicensable license to use the software contained in Elmatica usage/cooperation solely for the internal business purposes for Elmatica.. Except as otherwise agreed by the parties hereto in writing, the Supplier will not use the Software as a service provider or as part of a Product or Service offering to third parties without Elmatica's prior written consent.

14. Terms and Termination

The terms of this Agreement shall commence on the Effective Date and continue thereafter for a period of five (5) year, unless sooner terminated as set forth below. The terms of this Agreement shall be automatically renewed thereafter, for successive one (1) year periods, unless at least forty-five (45) days prior to the date of any such renewal, either party shall have given written notice to the other of its intention that these terms shall not be renewed. If either party breaches a material provision of this Agreement and fails to cure such breach within thirty (30) days after receiving written notice of the breach, the non-breaching party will have the right to terminate this Agreement, including all licenses granted to Customer hereunder, at any time. Customer's breach of a payment obligation constitutes a default the date the payment is due and Elmatica will have the right to terminate this Agreement immediately. All accrued obligations, shall survive the termination of this Agreement.

15. Assignment; Entire Agreement Modifications

Neither party may assign or delegate its rights or obligations under this Agreement without the prior written consent of the other; such consent not to be unreasonable withheld or delayed. No modification, addition or deletion, or waiver of any of the terms and conditions of this Agreement will be binding on either party unless made in a non-preprinted agreement clearly understood by both parties to be a modification or waiver, and signed by a duly authorized representative of each party.

16. Force Majeure

Neither party shall be liable for any delay or failure in performance or obligations due to events outside the defaulting party's reasonable control under this Agreement due to any Act of God, fire, casualty, flood, earthquake, war, strike, terrorism, lockout, epidemic, destruction of production facilities, riot, actions of government entities, insurrection, material unavailability, or any other cause beyond the reasonable control of the Party invoking this section, and if such Party shall have used its commercially reasonable efforts to mitigate its effects, such Party shall give prompt written notice to the other, its performance shall be excused, and the time for the performance shall be extended for the period of delay or inability to perform due to such occurrences. Regardless of the excuse of Force Majeure, if a Party is not able to perform within ninety calendar days after such event, the other may terminate this Agreement. This does not apply to outstanding invoices.