

## GENERAL TERMS AND CONDITIONS OF SALE for TOP-ELECTRONICS USA (SELLER)

**1. Acceptance.** The terms of sale contained herein apply to all quotations made and purchase orders received by Seller and hereby become the exclusive binding agreement between the parties regarding the Products contained on the face of this document. THE ACCEPTANCE OF ANY OR ALL OF BUYER'S PURCHASE ORDER IS CONDITIONAL UPON BUYER'S ASSENT TO THE TERMS AND CONDITIONS IN THIS DOCUMENT AND IN SELLER'S RETURNED MERCHANDISE AUTHORIZATION (RMA) POLICY, INCORPORATED BY REFERENCE HEREIN, IN LIEU OF THE TERMS CONTAINED IN BUYER'S PURCHASE ORDER. Seller hereby rejects all provisions contained in communications from Buyer that conflict with or are inconsistent with the terms contained herein. Seller's failure to object to any of the provisions contained in Buyer's documentation shall not be deemed a waiver of these provisions.

**2. Prices/Taxes.** Buyer will be billed at the prices stated in the Sales Acknowledgment. If such price is different from the price quoted to Buyer, Buyer may, upon ten (10) days written notice from the date Seller gives such notice to Buyer, cancel this order without liability. Failure to give such notice to Seller shall be deemed an acceptance of the new price. If the prices shown on the Sales Acknowledgment are based on the purchase of a particular quantity of goods and Buyer fails to purchase that quantity, Seller shall have the right, in addition to any other remedies at law or equity, to the difference between the stated price and Seller's standard prices for such goods in the quantity purchased by Buyer.

Unless otherwise specified or required by law, all prices will be quoted and billed exclusive of customer duties or taxes, and Buyer shall be responsible for all such applicable duties and taxes. If exemption from such taxes is claimed, Buyer must provide a certificate of exemption at the time the Purchase Order is submitted to Seller, and shall indemnify Seller for any unpaid taxes in the event such exemption is not applicable.

**3. Terms of Payment.** The terms of payment are thirty (30) days from the date of invoice. Any invoices not paid within thirty days shall accrue interest at a rate of 18% per annum, or 1½ % per month, except as otherwise provided by law. Accrued collection costs, including, but not limited to, legal fees and expenses shall also be payable by the Buyer as accrued. Seller reserves the right to require payment in advance or C.O.D. and otherwise to modify credit terms. When partial shipments are made, payments shall become due in accordance with the designated terms for each shipment. If Seller accepts partial payment in an amount less than the full amount of any invoice, such acceptance shall neither constitute a waiver of Seller's right to collect the balance nor an accord and satisfaction, notwithstanding Seller's endorsement of a check or other instrument. If, in Seller's judgment, the financial condition of Buyer at any time does not justify continuance of production or shipment of the terms of payment, Seller may require full or partial payment in advance, and, in the event of bankruptcy or insolvency, Seller shall be entitled to cancel any order then outstanding without waiving any claims in law or equity. If Buyer fails to comply with payment terms, Seller reserves the right to withdraw credit, suspend or cancel performance under any or all Purchase Orders or agreements and all Buyer's obligations to Seller shall become immediately due and payable.

**4. Title and Delivery.** Shipment shall be FCA, Seller's named shipping location, and the manner of shipment shall be at Seller's option. Buyer shall be responsible for all shipping charges. All claims for loss or damage during shipment must be filed by Buyer with the carrier. The sale of any of Seller's products to Buyer in no way conveys to Buyer, either expressly or by implication, any intellectual property license whatsoever. Seller expressly reserves its rights under any such claim.

**5. Destination Restrictions.** (a) Restricted Destinations. – Any goods that are sold to Buyer will not be knowingly sold, supplied or delivered, directly or indirectly to any destination that at the time of sale or delivery is an embargoed destination under the laws or policy of the United States or the European Union, including Cuba, Iran, Sudan, North Korea, and Syria, or to any person or entity subject to sanctions under U.S. or EU laws. (b) Final Destination Documents. – Seller may at any time require the Buyer to provide any relevant documents for the purpose of verifying the final country of destination of the goods and the Buyer undertakes to advise the Seller, upon request, of the country of destination of the goods

**6. Warranty/Disclaimers.** Seller warrants that the Products delivered hereunder will be in accordance with Seller's specifications under normal use and service for a period of one year from delivery. Products are not warranted to cover medical applications that are life threatening or life sustaining. Deviations from specifications which do not materially affect performance of the Products covered hereby shall not be deemed to constitute defects of material or workmanship or failure to comply with Product specifications. Seller warrants that, at the time of sale, the Products sold to Buyer do not infringe any patent, copyright, trade secret, trademark or any other proprietary right of any third party. Seller warrants that performance hereunder does not contravene the terms, provisions or conditions of any instrument or contract between Seller and any third parties. The warranties contained herein shall extend only to Buyer and shall not apply to Buyer's affiliates or customers. BUYER ACKNOWLEDGES AND AGREES THAT THE PROVISIONS CONTAINED IN THIS WARRANTY CONSTITUTE THE SOLE AND EXCLUSIVE REMEDY AVAILABLE TO IT WITH REGARD TO THE PRODUCTS. EXCEPT FOR THE EXPRESS WARRANTIES PROVIDED IN THIS SECTION AND FOR THE INDEMNIFICATIONS GRANTED IN SECTIONS 6, ALL WARRANTIES, WHETHER EXPRESS, IMPLIED OR STATUTORY, ALL GUARANTEES AND ALL REPRESENTATIONS AS TO PERFORMANCE, INCLUDING ALL WARRANTIES WHICH, BUT FOR THIS PROVISION, MIGHT ARISE FROM COURSE OF DEALING, CUSTOM OR TRADE AND INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT OF THIRD PARTY RIGHTS WITH RESPECT TO THE PRODUCTS FURNISHED BY SELLER HEREUNDER, ARE HEREBY EXPRESSLY EXCLUDED AND DISCLAIMED BY SELLER.

**7. Indemnification.** Both Buyer and Seller agree to indemnify and otherwise hold each other harmless from any and all claims, losses, damages, settlements, judgments, expenses (including reasonable attorneys' and witness' fees) and liabilities arising from or based upon the infringement or alleged infringement of the other party's patent, copyright, trade secret, trademark or any other proprietary right of any third party with respect to its products.

**8. Limitation of Liability.** IN NO EVENT SHALL SELLER BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, PUNITIVE, SPECIAL OR OTHER DAMAGES WHATSOEVER RESULTING FROM SELLER'S PERFORMANCE OR FAILURE TO PERFORM UNDER THIS AGREEMENT OR THE FURNISHING, PERFORMANCE OR USE OF ANY GOODS SOLD PURSUANT HERETO, WHETHER DUE TO BREACH OF CONTRACT, BREACH OF WARRANTY, STRICT LIABILITY, PRODUCT LIABILITY, THE NEGLIGENCE OF SELLER OR OTHERWISE. SELLER'S LIABILITY SHALL BE LIMITED SOLELY TO THE REPAIR OR REPLACEMENT OF PARTS OF THE PRODUCT UNDER THE WARRANTY CLAUSE HEREIN IF THE APPLICABLE WARRANTY PERIOD DESCRIBED IN THAT SECTION HAS NOT EXPIRED. If such warranty period has expired, Seller shall not be liable for any damages or injuries. It is agreed, however, that in no event shall Seller's liability exceed the U.S. dollar amount equal to the amount paid by Buyer for the cost of the Products paid by Buyer. THE DAMAGE LIMITATIONS PROVIDED IN THIS AGREEMENT AND THE REMEDIES STATED HEREIN SHALL BE EXCLUSIVE AND SHALL BE BUYER'S SOLE REMEDY. THIS LIMITATION ON LIABILITY SHALL SURVIVE FAILURE OF ANY ESSENTIAL PURPOSE.

**9. Confidential Information.** Neither Seller nor Buyer shall publicly announce or disclose the existence of this contract or its terms and conditions or advertise or release any publicity regarding this contract without prior written consent of the other party.

**10. Cancellations.** ALL ORDERS are non-cancellable and non-returnable (NCNR). Buyer may reschedule any Product shipment only once up to one hundred and eighty (180) days beyond the original scheduled shipment date without liability. No rescheduling or cancellation shall be permitted within thirty-five (35) days of the scheduled shipment date. In the event Buyer cancels or reschedules within this period, Buyer shall be liable to Seller for the entire Product price.

**11. Security Agreement.** Buyer hereby grants to Seller, its successors and assigns, a security interest in the Products to secure payment of the purchase price of the Products. Default in payment of such price or any part of the price when due shall permit Seller, at its sole discretion, to declare all obligations of Buyer immediately due and payable, and in such event, Seller shall have all the rights and remedies of a secured party under applicable law. In connection with the security interest granted herein, Seller is expressly authorized, at its discretion, to file one or more financing statements or other notices under applicable law naming Buyer as debtor and Seller as secured party. Buyer agrees to execute such documents requested by Seller to record and otherwise perfect this security interest.

**12. Force Majeure.** Seller shall not be liable for any loss, delay or failure to perform resulting from any force majeure event, including Acts of God, fire, natural disaster, labor stoppage, war or military hostilities, inability of carriers to make scheduled deliveries, or any act beyond the reasonable control of the Seller. Any delivery date may be extended, at Seller's option, to the extent of any delay resulting from any force majeure event.

**13. Notice.** Any notice or report required or permitted by these terms and conditions shall be in writing and shall be deemed given if delivered personally or if sent by either party to the other by certified or registered mail, return receipt requested, postage prepaid, addressed to the other party to its address as set forth on the face of this Sales Acknowledgment or at such other address as such party shall designate by notice hereunder. Where Buyer is giving notice to Seller, all notices shall be sent to the attention of Buyer's account representative or customer service representative.

**14. Governing Law.** The terms and conditions of sale stated herein shall be governed by and construed according to the laws of the State of Arizona without regard to conflict of law's provisions. Each party consents to jurisdiction in Pinal County Superior Court, State of Arizona or in the United States District Court, District of Arizona.

**15. Compliance with laws.** Buyer agrees that it will comply with, and will use reasonable endeavors to ensure that any third party used by Buyer to fulfill its obligations will comply with, all laws, rules, regulations, decrees, or official governmental orders of the US and UK relating to anti-bribery, anti-corruption and/or anti-money laundering, and any other anti-corruption laws, applicable to the Seller or its ultimate parent company in connection with this transaction.

**16. Modifications.** No modifications to these terms and conditions herein shall be enforceable except when in writing and signed by both parties, unless otherwise expressly stated herein.

**17. Severability.** Any provision hereof which is prohibited or unenforceable shall, as to such jurisdictions, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity of such provision in any other jurisdiction.

**18. Waiver.** No waiver of any breach of any provision of these terms and conditions shall constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provisions hereof, and no waiver shall be effective unless made in writing and signed by an authorized representative of the waiving party.

**19. Attorney's Fees.** In any claim arising under these terms and conditions, the prevailing party shall be entitled to recover reasonable attorney's fees and costs.

**20. Entire Agreement.** The terms and conditions contained herein constitute the entire agreement between Buyer and Seller with respect to the Products on the face of this Sales Acknowledgment.