

1 – Applicability

These general sales terms and conditions (hereinafter referred to as “GTC”) establish the rights, obligations, and remedies of TRONIC’S MICROSYSTEMS S.A. and its subsidiaries (hereinafter referred to as “TRONICS”) and the respective ordering party (hereinafter referred to as “Customer”) in connection with components and/or services of TRONICS (“Products”). Legal relations between TRONICS and Customer in connection with Products shall be solely governed by the present GTC. These GTC shall apply to the exclusion of, and shall prevail over, any terms and conditions of the Customer (including any pre-printed standard terms and conditions on the reverse of, or attached to, any order or any other correspondence issued by the Customer in connection with a contract). Such terms and conditions of Customer are excluded. TRONICS’ failure to object to such standard terms and conditions shall not be regarded as a waiver of this exclusion.

2 – Orders

Customer’s orders shall be confirmed by TRONICS written acknowledgement of receipt. TRONICS shall be entitled to accept the Customer’s orders within a time period of ten (10) days. Once acknowledged by TRONICS, no order may be cancelled by the Customer without TRONICS prior consent.

3 – Terms of Delivery

The delivery dates are given only for guidance purposes and shall be nonbinding target dates. A delay in delivery shall neither entitle the Customer to cancel the order nor to receive any compensation whatsoever. Should a case of force majeure occur (including fire, flood, accident, riot, war, sabotage, strike, embargo...), the fulfillment of TRONICS obligations will automatically be suspended and TRONICS may elect at its own discretion to cancel the order. TRONICS reserves the right to modify and change the deliverables before completing the delivery to the Customer, provided any such modification or change does not constitute a major change in the sense of Product form, fit, function or performance. Partial deliveries and delivery in advance shall be permitted.

The Products shall be deemed delivered “EXW”, TRONICS site of manufacture, unless specified otherwise (Incoterms 2010). Risks of loss and damage shall pass to the Customer upon said delivery.

4 – Claims

The Customer shall have thirty (30) days from the delivery date to check the conformity of the products or services with the order. In case TRONICS has not received any claim, by registered letter with acknowledgement of receipt, upon expiration of such time limit, the Products or services shall be deemed accepted by the Customer. The Products shall be returned only with TRONICS written consent and the Customer shall provide all means of evidence regarding the existence of any defect or lack of conformity. Return of the Products shall always be at Customer’s risks and expenses.

5 – Warranty

Products: TRONICS warrants that the Products shall substantially comply with the specifications for a period of twelve (12) months from its delivery date. In the event that any such Products fail to comply with the foregoing warranty, TRONICS shall, at its option and as Customer’s sole and exclusive remedy, either repair or replace such Products, or, in the event the foregoing options are not commercially practicable, refund to Customer any amounts paid for the applicable Products.

This warranty does not apply to engineering samples or prototypes, which are delivered “as is”.

This warranty does not apply to non-conformities or defects deriving or resulting from (i) improper handling, testing, installation or use, (ii) unauthorized alterations or modifications, (iii) use not covered by the specifications or use for specific applications, (iv) accident, fair wear and tear, tampering, improper operation or improper storage.

Services: If the services do not comply with the agreed scope of work, TRONICS shall proceed to the corrections and modifications, to the exclusion of any other remedy.

TRONICS MAKES NO OTHER WARRANTY AND EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE EVEN IF THAT PURPOSE IS KNOWN TO TRONICS, OR ANY WARRANTY RELATING TO PATENTS, TRADEMARKS, COPYRIGHTS OR OTHER INTELLECTUAL PROPERTY.

6 – Retention of title

Title of the ordered Products shall pass to the Customer upon full and definitive payment of the invoiced price. In case of non-payment at any of the specified terms, the return of the ordered Products might be claimed. Notwithstanding the retention

of title, the risk of loss and damage caused to or by the Products shall pass from TRONICS to the Customer upon delivery of the Products.

7 – Intellectual property rights

Products: Unless otherwise agreed to in writing, TRONICS reserves all rights, title and interest with regards to its Products datasheets, Products manuals, specifications, quotations, drawing and any other documents that may be forwarded together with the Products.

Services: Unless otherwise agreed to in writing, all documents, plans, reports and more generally all information developed by TRONICS through the performance of the services (the “Results”), likely to be protected by industrial or intellectual property rights, shall be deemed the exclusive property of TRONICS which can use them for any purpose whatsoever without any compensation to the Customer. In the event that the Results may be patentable, only TRONICS shall have the right to apply for patents, as the case may be.

8 – Use of the Results

Unless otherwise agreed to in writing, TRONICS shall freely use the Results, without any restriction, either for its own benefit or for third parties, to exploit them free of charge or for payment, in any form, under any circumstances and without any geographical limitation or any other limitation. TRONICS shall be free to disclose the Results to any third party and to reproduce them without any limitation whatsoever.

The Customer shall refrain from disclosing all or part of the Results to third parties and from using them, for its own benefit or for third parties, without the prior written consent of TRONICS.

9 – Prices

The prices payable for the Products delivered as per section 3 shall be those effective at the date of delivery. The prices of the Products and services are exclusive of any Sales Tax or other Value Added Taxes, freight and insurance costs which shall be borne by the Customer.

10 – Payment Terms

The Customer shall effect all payments within thirty (30) days net from the date of invoice. All payments shall be effected on the bank account indicated by TRONICS. Any bank charges shall be borne by the Customer.

No discount for early payment shall be granted.

Delayed payment shall automatically, without notice, bear interests at the latest ECB (European Central Bank) rate plus 10 %. Interests shall be paid to TRONICS upon its first request.

Every legal expenses incurred by the recovery of the due amount shall be borne by the Customer.

Should the Customer be delinquent in payment of any sum, TRONICS may suspend or cancel every pending order or service, without prejudice to any other right or remedy.

11 – Foreign Trade Law

1. In case of delay with the fulfilment of the parties’ obligations under any order confirmed by TRONICS (“Contract”) caused by licensing requirements, confirmation requirements or similar requirements or procedures of the applicable foreign trade law (especially national and international (re-)export control and/or customs regulations, including embargos) imposed by the European Union, Germany and other member states of the European Union, the United States of America, as well as the countries of production and/or supplier country of the Products (“Trade Law”), the time of performance for such obligations is extended accordingly.
2. TRONICS and Customer may refuse to fulfil their obligations under a Contract, insofar as the fulfilment is prohibited or impaired by Trade Law. The reason for such refusal shall be communicated to the other party without undue delay. A lack or delay of such communication does not prevent TRONICS and/or Customer to refuse to fulfil their obligations under a Contract.
3. Notwithstanding other information obligations stipulated in the Contract, each party shall support the other party to obtain all information and documents necessary to abide by the Trade Law or all information requested by authorities in that regard. Such obligation may especially include information on the end customer, the destination and the intended use of the Products.
4. If applicable Trade Law necessitates a license or a confirmation by authorities due to the parties’ obligations under the Contract for an act by a party and such license/confirmation is (a) denied or (b) not issued by the competent authority within a period of 6 months after the agreed delivery date, each party may declare the avoidance of the Contract, insofar as the act requires a license/confirmation. Each party may declare the avoidance of the Contract insofar as the fulfilment of the obligation under the Contract infringes upon Trade Law for reasons other than those mentioned in the foregoing provisions of this paragraph 4. If only a part of the obligation is affected by reasons mentioned in this paragraph 4, each party may declare avoidance of the whole

Contract if the respective party has no interest in part performance. The aforementioned provisions shall be without prejudice to the termination of the Contract for reasons other than those described herein above.

5. If Customer transfers Products (regardless of the processing status, unprocessed or processed and/or incorporated in Customer's products or systems), prototypes, services, software and/or pertaining technology/technical data delivered by TRONICS, to third parties ("Transfer" or Transfers"), Customer shall comply with and warrants to abide by the Trade Law. Furthermore, before entering into a contractual obligation related to Transfers Customer warrants that it does not infringe upon Trade Law. Considering the likewise illegal indirect provision of economic resources due to embargo regulations (as part of the Trade Law), Customer shall only engage in Transfers if – hypothetically – such embargo regulation did not hinder TRONICS to provide economic resources to the third party in Customer's stead. Prior to any Transfers to third parties Customer shall in particular check and guarantee by appropriate measures that
 - There will be no infringement of embargo regulations (as part of the Trade Law defined above) by any Transfer or by provision of other economic resources in connection with those Products or Transfer, also considering the limitations of domestic business and prohibitions of by-passing those embargos;
 - Such Transfers are not intended for use in connection with armaments, weapons or missiles capable of delivering weapons and/or nuclear technology;
 - The regulations of all applicable Sanctioned Party Lists of the European Union, the United States of America and of any other countries concerning the trading with entities, persons and organizations listed therein are considered.

Upon request of TRONICS, Customer is obligated to provide all information to TRONICS regarding the final end-user, final destination and intended end-use of the Products and/or technical support/services, and to forward the above information to TRONICS prior to the delivery, selling or making the Products and/or Customer's goods usable or available. Customer hereby confirms that it is not a natural or legal person, entity or body with which the conduct of any business or transaction is restricted or prohibited by Trade Law (a "Sanctioned Person"), nor is owned or controlled by such a natural or legal person, entity or body. Customer warrants that it will immediately inform TRONICS if it becomes a Sanctioned Person or becomes owned or controlled by a Sanctioned Person. Customer shall indemnify and hold harmless TRONICS and its affiliated companies from and against any claim, proceeding, action, fine, loss, cost and damages arising out of or relating to any non-compliance with Trade Law by Customer as set forth herein, and Customer shall compensate TRONICS for all damages, losses and expenses resulting thereof.

6. The provisions of this Section 11 shall apply mutatis mutandis to other foreign trade law that is (in accordance with this law) applicable to the Contract. In particular, TRONICS and Customer may refuse to fulfil their obligations under a Contract, insofar as the fulfilment is prohibited or impaired by other foreign trade law that is (in accordance with this law) applicable to the Contract.
7. Unless otherwise explicitly agreed in Section 11 5. above, claims for damages by the respective other party based on delays, prohibitions or impairments and/or avoidance of Contract as set forth above and/or arising out of or in connection with the provisions of this Section 11 are excluded.
8. Customer shall not sell, export or re-export, directly or indirectly, to the Russian Federation and/or Belarus or for use in the Russian Federation and/or Belarus any Products supplied under or in connection with these GTCs and/or any order confirmed by TRONICS (Contract) that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014 and/or Article 8g of Council Regulation (EC) 765/2006 (in each case, as amended from time to time). Customer shall undertake its best efforts to ensure that the purpose of Section 11 8. sentence 1 above is not frustrated by any third parties further down the commercial chain, including by possible resellers. Customer shall set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of Section 11 8. sentence 1 above. Any violation of the Trade Law by Customer, in particular, any violation of the provisions of this Section 11 8., shall constitute a material breach of an essential element of these GTCs, and TRONICS shall be entitled to seek appropriate remedies, including, but not limited to:
 - termination of any supply agreements, including but not limited to Contracts; and
 - claims for damages.

TRONICS shall inform Customer without undue delay about the reasons behind the chosen remedies. Customer shall immediately inform TRONICS about any problems in applying Section 11 8. sentences 1, 2 and 3 above, including any relevant activities by third parties that could frustrate the purpose of Section 11 8. sentence 1 above. Customer shall make available to TRONICS information concerning compliance with the obligations under Section 11 8. sentences 1, 2 and 3 above within two weeks of the simple request of such information.

9. In connection with Customer's purchase of Products, Customer may potentially receive certain intellectual property rights, trade secrets and/or other information that fall under the scope of Article 12ga of Council Regulation (EU) No 833/2014 as amended from time to time ("Intellectual Property Rights and/or Trade Secrets"). Intellectual Property Rights and/or Trade Secrets may include for instance technical information relating to TRONICS Products. Customer shall not, directly or indirectly, use, distribute, disclose, (sub-)license, or in any way disseminate Intellectual Property Rights and/or Trade Secrets to any third party in the Russian Federation. Also, Customer shall not, directly or indirectly, use, distribute, disclose, (sub-)license, or in any way disseminate Intellectual Property Rights and/or Trade Secrets in connection with the direct or indirect sale, supply, transfer, export or re-export of items relevant under Article 12ga of Council Regulation (EU) No 833/2014 to the Russian Federation or for use in the Russian Federation. Customer is required to include a clause in contracts with sublicensees of Intellectual Property Rights and/or Trade Secrets that is materially identical to the preceding sentence. In all instances, prior to the use, distribution, disclosure, (sub)licensing or dissemination of Intellectual Property Rights and/or Trade Secrets, Customer must obtain the express permission of TRONICS. The provisions of Section 11 8. sentence 2 to and including sentence 6 shall apply mutatis mutandis to the provisions of this Section 11 9. herein above.
10. Customer and TRONICS agree that the provisions of Section 11 8. above shall apply mutatis mutandis to the extent that TRONICS will be required by future provisions of EU sanctions regulations to contractually prohibit Customer from selling, exporting or re-exporting TRONICS Products to any country other than the Russian Federation and/or Belarus or for use in any country other than the Russian Federation and/or Belarus. Customer and TRONICS further agree that the provisions of Section 11 9. above shall apply mutatis mutandis to the extent that TRONICS is required by future provisions of EU sanctions regulations to contractually prohibit Customer from using, distributing, disclosing, (sub-)licensing or disseminating Intellectual Property Rights and/or Trade Secrets to any third party in any country other than the Russian Federation, in particular, in connection with Customer's sale, supply, transfer, export or re-export of certain items to any country other than the Russian Federation or for use in any country other than the Russian Federation.

12 – Customer's ABAC compliance certification

Customer will comply with the U.S. Foreign Corrupt Practices Act ("FCPA"), the U.K. Bribery Act and other anti-corruption laws applicable to Customer and/or TRONICS. Customer further certifies that it:

1. Has not offered, caused to be offered, any money or thing of value to any foreign government or private sector individual in exchange for any business advantage to Customer and/or TRONICS.
2. Has not offered, caused to be offered, any money or other thing of value to any person, while knowing or having reason to know that such person has offered or caused to be offered any money or other thing of value to a foreign government official or private sector individual in exchange for any business advantage.
3. Does not know or have reason to believe that any Customer employee, consultant, sub-agent, or representative has violated, or caused TRONICS to violate, the FCPA, the U.K. Bribery Act, or other applicable anti-corruption laws.
4. Will abide by the FCPA, the U.K. Bribery Act and other applicable anti-corruption laws in connection with the assembly, use, and/or sale of TRONICS Products.
5. Shall immediately notify TRONICS should it learn of, or have reason to know of, any violations of the FCPA, the U.K. Bribery Act, other applicable anti-corruption laws in connection with the assembly, use, and/or sale of TRONICS Products.

13 – Liability

In no event shall TRONICS be liable to the Customer or to any third party for any indirect damages arising out of or in connection with the execution of an order, including but not limited to financial losses, loss of business, loss of goodwill, hurt of the image, loss of profits, loss of order. However, it is expressly agreed that in case TRONICS liability is involved, based on a default or negligence proven by the Customer, the Customer's sole remedy shall be limited to the reimbursement of the amount paid by the Customer for the particular Product or service having caused the direct damage.

14 – Confidentiality

The Customer shall not disclose, in any manner, any confidential information that it may obtain from TRONICS. The term "confidential information" shall include, without limitation, any technical, commercial or financial information. The Customer shall take all reasonable steps, especially towards its employees, to maintain all confidential information in strict confidence.

15 – Applicable Law and Jurisdiction

These GTC shall be in all respects governed by and construed in accordance with the laws of Germany, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods, 1980 and any successor thereto. Any litigation arising out of these GTC shall be finally settled by the commercial court of Munich, Germany.