

General purchasing terms and conditions

These General Terms and Conditions constitute an integral and substantive part of every purchase order for any type of material goods issued by JTC Micro Electronics to a supplier and they are valid, effective and in force unless indicated otherwise in the order. In the event of a conflict between the general terms and the particular terms contained in the Order, the latter take precedence. Acceptance of the Order constitutes express acceptance of Terms and Conditions specified here and exclusion of the Supplier's own terms and conditions.

I. ORDERS

The order comes into effect, i.e. a contract is concluded, when the Buyer receives the Supplier's confirmation and acceptance of it without modifications or reservations, with such written confirmation and acceptance to be given within (7) days of receipt of the Order. In absence of acknowledgement by such deadline, and if the Order is not rejected in writing within that term, it is considered to have been tacitly accepted by the Supplier and the contract comes also into effect. Unless expressly approved in writing by the Buyer any differences or modifications set forth in the order confirmation as compared with the wording of the order will not be considered valid. The Buyer reserves the right to modify its order with reasonable notice prior to commencement of the supply.

II. PRICES, INVOICING AND PAYMENT

The prices set forth in the Order are fixed and not subject to change and are denominated in the currency indicated therein. Such prices may not be changed or adjusted as the result in the exchanged rates. In order for any increase to be valid and binding on the Buyer, it must be agreed upon by the parties in writing in the form of specific modification of the order. Unless different terms and conditions are agreed between both parties, supply is to be made "Delivery Duty Paid" (DDP Incoterms) to the place of delivery of the goods, including packaging costs and any other costs associated with the Order. The supplier is obligated to send invoices to the address indicated on the invoice. Invoices must contain the Order number and reference, the amount and description of goods, details concerning the shipping document and the price and banking information that enables the payments and they must comply with the rules and laws in force. Payment is subject to the Buyer having accepted the supply without reservation in accordance with the terms and conditions set forth in the Order. Absent prior written agreement between the parties, the amounts due to Supplier in exchange for the supply may not be assigned to the third parties.

III. PACKAGING AND DELIVERIES

Unless the Buyer requests special packaging on the order, the Supplier must supply the Goods in suitable packaging, taking into account the nature of the Goods and taking all necessary measures to protect the Goods against weather, corrosion, loading and unloading accidents, transport or storage conditions, vibrations, shocks, etc. In any event, the Goods must be packaged and labelled in a way that is consistent with the good commercial practice and sufficient to ensure that they are delivered intact to the specified destination. The supplier must mark all parcels and containers with instructions for handling or shipping and clearly identify the items that require special care, indicating the precautions to be taken. The Supplier must mark every parcel and container with instructions for handling or shipping and clearly identify the items that require special care, indicating precautions to be taken. The Supplier must label every parcel and container with shipping information, Order number, shipping date, name and address of the sender and the recipient. The Supplier is solely responsible for any damage to the Goods and for extra expenses attributable to insufficient packaging and labelling. Each shipment and delivery must be accompanied by the required technical documentation and testing certificates, as well as by a shipping document that complies with current regulations and contains the information necessary to clearly identify the Order the number and type of Goods contained in it and the recipient. At the Supplier's expense and in accordance with the procedure set forth in the Section 6, below, the Supplier shall have the right to reject parcels and packaging sent with missing, incomplete or clearly damaged data.

IV. EXECUTION AND TERMS OF DELIVERY

The supply must be carried out in accordance with the highest standards and strict conformity with these Terms and Conditions, the terms of the Order and its attachments, technical requirements of the Supplier and the laws and regulations in effect. The Buyer reserves the right at all times to verify the technical, qualitative and quantitative characteristics of the supply, including at the Supplier's place of business. Such verifications may also be performed in the presence of the Buyer to terminate the contract, without prejudice to the compensation of any damage, expense, cost or burden. Where the Order specifies a fixed date of delivery, the supply cannot be made in advance, unless expressly agreed upon between parties.

V. RECEIPT, INSPECTION AND REFUSAL OF THE GOODS

Unless agreed otherwise between the parties in writing, transfer of title takes place at the moment the Goods arrive at the buyer's facility or other agreed destination. Any clause of the Supplier providing for retention of title will be deemed void. Transfer of risk takes place in conformity with the Incoterms rules in effect and applicable to supply. The Buyer may perform a qualitative and quantitative control following receipt of supply and it has the right to refuse the Goods that do not conform to the relevant Order and/or technical specifications and applicable requirements. The Supplier must be given in written notice of non-acceptance if the Goods. The Supplier undertakes to



deliver to the Buyer, concurrent with the delivery of the Goods, the Declaration of Conformity concerning the Order and the Technical and Quality Requirements in conformity with the standards CEI UNI EN ISO IEC 17050-1 and -2 unless the Buyer specifically requests otherwise in writing as well as the Certificate of Origin of the Goods. The Buyer may object to flaws and defects in the supply within 30(thirty) days of respectively delivery in the event that same are obvious or discovery in the event that same are latent. A supply that is found to be non-conforming in terms of either quality or quantity and it is not accepted by the Buyer, must be taken back by the Supplier at its sole responsibility and expense within 7(seven) days of receipt of non-acceptance and be immediately replaced with conforming Goods. Upon expiry of the aforementioned deadline, the Goods will be returned by the Buyer to the Supplier at the latter's expense. Acceptance of the Goods in no way limits the warranty set forth in Section 7, below.

VI. WARRANTY

Unless agreed otherwise in writing between the Parties, the Supplier expressly warrants that for a period of 24 (twenty-four) months following delivery, the supply will be free of flaws and defects and conform to the technical specifications and requirements specified in the Order and that the Goods supplied to the Buyer will function properly and be capable of immediate use. During the warranty period, the Buyer must give the Supplier written notice of any defect of malfunctioning in the Goods and the Supplier must promptly replace or repair the Goods at its sole expense. The Supplier must provide a warranty of additional 24 (twenty-four) months for any replacement, repair or correction undertaken during warranty period. In the event that the Supplier does not replace or repair the Goods or correct a defect of malfunctioning, the Buyer has the right to in its sole discretion a. to perform or have a third party perform the replacement, repair or correction and charge to Supplier for related costs and damages incurred; b. to return the Goods and demand the Supplier to have a full refund of the price paid, without prejudice to a claim of additional damages suffered. The Supplier agrees that the warranties provided here in are in addition to any warranties required by law or expressly provided by the Supplier and to any other warranties, whether express or implied, that are applicable to the relevant purchase. Such warranties survive any inspection, test, acceptance or payment by the Buyer. There is no waiver in the event of acceptance of non-conformity Goods. In the event that the buyer its customers or the competent authorities should decide to recall from the market a supply or a product, which includes the Goods, on account of any flaw or malfunctioning attributable to a defect in the Goods, the Supplier must compensate any damage suffered by the Buyer, including any damage to its reputation as well as any expenses and/or costs incurred. The Supplier warrants to the Buyer that it will cover all damages and costs that may result from failure to execute the Order and from consequent inability of the Buyer to meet its obligations to its customers. The Supplier undertakes to obtain product liability insurance from a leading company and to present documentation of the same buyer upon request.

VII. INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS

The Supplier warrants that the supplied Goods will in no way infringe any patent, license, industrial model or design, copyright or other third party intellectual or industrial property right. The Supplier warrants that it has the full right to use and resell such Goods. The Supplier agrees to indemnify the Buyer against any claim or action and/or compensate the Buyer in defending such claim or action and to compensate the buyer for any damage, loss or detriment suffered as a direct or indirect consequence of such claim or action.

VIII. CONFIDENTIALITY

All data, technical and commercial information, designs, materials, components, samples, processes of one party of which the other party in any way gains knowledge or comes into possession in connection with performance of the contractual relationship associated with the Order are to be kept strictly confidential. Accordingly, each party and its employees, assistants and collaborators must keep such information in confidence refrain from disclosing it to the third parties, ref

rain from using it for purposes other than the subject of the contract in effect between the parties and where requested, promptly return it to the disclosing party without keeping any copies.

IX. CANCELTION

The Buyer has the right to cancel the Order: a. prior to receiving confirmation of the Order by the Supplier; b. upon the occurrence of one of the following events: i. the Supplier fails to deliver the Goods to the Buyer by the Dates specified in the Order; ii. The Supplier fails to honor its warranty obligations; iii. The Supplier is in breach of one of its obligations under these Terms and Conditions and fails to cure breach within 30(thirty) days of receipt of written notice thereof from the Buyer; or (iv) insolvency, bankruptcy of Buyer or any Business Partner. Moreover, the Buyer has the right to cancel the Order at any time, either in full or in part, without prejudice to compensation of the duly documented costs incurred by the Supplier in executing the Order. Upon receipt of the request to cancel the Order, the Supplier must immediately suspend all activities relating such Order and take all steps to minimize the costs and losses resulting from cancellation. The Buyer shall also be entitled to cancel this Order without assigning any reasons or becoming any way liable in such cancellation, prior notifying the Buyer with 14 (fourteen) days before shipment.



X. PLACE OR JURISDICTION APPLICABLE LAW

Tongeren (Belgium) is the exclusive place of jurisdiction for any and all disputes arising under or related to the contracts for purchase of the Goods, as well as for the interpretation, performance and validity of such contracts and these Terms and Conditions. Belgian law is applicable.

XI. RIGHT OF ACCESS

Subject to reasonable advance notice, the Buyer reserves the right to enter the Supplier's site for the purpose of verifying fulfilment of the contractual obligations and the conformity of Supply. During such inspection visits, the Buyer may be accompanied by the end customer and by any consultants. During the inspection visit, the Supplier must support the Buyer and ensure access to all relevant documents, records and information. In the event that the Supplier refuses to grant access to its site or to relevant information, the Buyer may terminate the contract immediately, without prejudice to compensation or additional damages suffered.

XII. TECHNICAL SPECIFICATIONS AND CHARACTERISTICS

The Supplier undertakes to supply the Goods described in the purchase Order in conformity with the characteristics specified in the purchase Order and its attachments and with technical specifications. The Supplier must comply with the technical requirements concerning the product, samples, tests and inspections, verifications (including verification of production process) as specified in the purchase Order and its attachments and in the Supplier's technical documents. Changes to the documents applicable to the supply, either by the Buyer or by the Supplier, must be suitably documented. The Supplier must comply with the legal and regulatory provisions in force in the country in which the Goods are produced that are applicable to manufacture, packaging and delivery. Except where indicated otherwise in the purchase Order, the Goods must be produced in conformity with the most recent standards for the relevant technical specifications and industrial processes.

XIII. CHANGES OF TECHNICAL SPECIFICATION

In the event of any changes to the technical specifications for the Goods, to processes or to production sites, including any changes in the supply chain, the Supplier must immediately notify the Buyer at the latest, prior to delivery the Goods and obtain its approval to implement such changes. In the event that the Buyer does not accept the changes, it may, at its sole discretion, cancel the purchase Order without incurring additional costs, expenses or obligations of any nature.

XIV. QUALITY MANAGEMENT SYSTEM AND RECORDS

The Supplier warrants that it is in possession of quality management system suitable for its business and the sector in which it operates. Such system, must be regularly certified by the recognized competent bodies. The Supplier agrees to periodically submit to an audit to verify that the relevant procedures, times and methodologies do not conflict with laws in force and where the outcome of the checks is positive, to be included in the Buyers' vendor list. Acceptance of the Order constitutes an obligation on the part of the Supplier to ensure that paper and/or electronic records are maintained for all documentation for a period of at least 10(ten) years, unless expressly specified and/or requested otherwise by the buyer.

XV. CODE OF ETHICS

By expressly or tacitly accepting the Order, the Supplier acknowledges the rules set forth in the Code of Ethics adopted by the Buyer which form an integral and substantive part of the Order, accepts them in full, and undertakes not to engage in conduct that is contrary to them. Failure on the part of the Supplier to meet such obligation constitutes a material breach of the contract justifying its anticipatory termination.

XVI. MISCELLANEOUS

In the event that one or more previous of these Terms and Conditions should be null, ineffective or invalid they are to be considered void, and all other previous remain in full force and effect. The Supplier undertakes to comply with all laws and regulations and government decrees concerning its business in connection with fulfillment of the Order and to hold harmless the Buyer of all liability resulting from violation of such laws. Failure by the Supplier at any time during execution of the supply to comply with applicable laws concerning occupational health and safety, as well as with requirements concerning safety of the Goods, constitutes grounds for anticipatory termination and entitles the Buyer to suspend the contract with immediate effect. Absent the Buyer's prior written consent, the Order may not be assigned to subcontractors, nor may be supply to entrusted to same.

Expressly accepted by the Supplier

