

## GENERAL TERMS AND CONDITIONS OF PURCHASE

of

**Micronit B.V.**

### Article 1 – Definitions

In these purchase conditions ('the General Purchase Conditions') the following definitions apply:

**Micronit:** Micronit B.V., having its registered office at Colosseum 15, 7521PV Enschede, The Netherlands;

**Supplier:** the potential contracting party with Micronit;

**Order:** every order from Micronit to the Supplier for the supply of Products;

**Agreement:** every agreement made between Micronit and the Supplier, including any amendment or addition thereto;

**Products:** everything supplied or to be supplied to Micronit under an Order, including packaging;

**Specification:** the description of the Products ordered by Micronit, contained or referred to in the Order or Agreement;

**Default:** any occasion when the Products do not match the Specification or when the Products do not otherwise function properly.

### Article 2 – General

2.1 These General Terms and Conditions of Purchase shall apply, with the express rejection of the Supplier's general terms and conditions, to the entire legal relationship between Micronit B.V. (hereinafter: Micronit) and the Supplier with regard to the supply of Products to Micronit including requests for quotations and future agreements.

2.2 Additions to and/or deviations from these Terms and Conditions of Purchase are only binding if and to the extent that Micronit has expressly accepted them in writing. Any additions and/or deviations agreed upon will only apply to the Agreement concerned.

2.3 For the purpose of these Terms and Conditions, 'in writing' is also defined as: by written message, e-mail, the Internet, or other electronic media.

2.4 Insofar as these Terms and Conditions are also drawn up in a language other than English, in the event of any conflict the English text shall always prevail.

2.5 The Quality Agreement forms an integral part of the agreement and by accepting these terms and conditions, Supplier acknowledges that they comply with the requirements stated in the Quality Agreement.

### Article 3 – Orders

3.1 Unless expressly stated otherwise, all offers and price quotations of the Supplier shall be binding and irrevocable.

3.2 If a written Order by Micronit succeeds an Offer by the Supplier, the Agreement shall be deemed to be concluded at the moment the order is sent by Micronit.

3.3 If Micronit places a written Order without a prior quotation from the Supplier, the Agreement shall be deemed to have been concluded if Micronit has received a signed order copy from the Supplier not later than 10 days after the date of the order.

3.4 Any changes or additions in or to Orders by the Supplier shall be binding only if and in as far as they have been confirmed by Micronit in writing. Micronit shall accept only delivery of Products which Micronit has ordered.

### Article 4 – Prices

4.1 All sums mentioned in quotes, special offers, agreements and orders shall be exclusive of VAT but inclusive of all other taxes, costs and fees (for example import and export duties).

4.2 The prices quoted shall be stated in Euro unless the parties have agreed otherwise in writing.

4.3 A price agreed on cannot be increased by the Supplier, even if the Supplier is confronted by a price increase, unless Micronit explicitly agrees with the price increase in writing.

4.4 Micronit can demand that the Supplier keeps to an offer made.

4.5 Additional costs which have not been explicitly accepted in writing by Micronit are not eligible for payment.

### Article 5 – Delivery and packaging

5.1 The delivery times referred to in the order, the offer or the Agreement shall be regarded as deadlines.

5.2 In the event of a delivery delay, the Supplier will immediately be in default without prior notice of default being required. If the Supplier is in default, Micronit will be entitled to terminate the Agreement and/or demand compensation (e.g. compensation of the extra costs that it was compelled to incur to reasonably replace the Products not delivered by the Supplier).

5.3 In the event that the Supplier knows or ought to know that it is unable to observe the delivery time to which it has agreed, it must notify Micronit hereof without delay giving reasons. In the event that the Supplier fails to notify Micronit hereof in time, or fails to give a reason, its invoking of the non-attributable exceeding of the delivery time will not be accepted. This will also be the case in the event of force majeure.

5.4 In the event of failure to deliver part of that

agreed on time, Micronit will be entitled to return the part previously delivered at the expense and risk of the Supplier.

5.5 The terms and conditions of delivery shall be agreed per transaction. All terms and conditions of delivery shall apply in accordance with the Incoterms in force at the moment of conclusion of the Agreement.

5.6 The Products shall be delivered with all relevant certificates and documents as stipulated in the Agreement.

5.7 The Products must be properly packaged and secured in such a way that they reach their destination in good condition during normal transport. The Supplier will take out sufficient insurance to the satisfaction of Micronit against risks that can reasonably be considered present during transport.

5.8 The Products will be delivered by the Supplier or sent for delivery to the agreed place or places in the manner as determined in the order or agreed afterwards.

#### **Article 6 – Acceptance and complaints**

6.1 The Products to be delivered by the Supplier must comply with the specifications, delivery and packaging instructions, legal provisions and other governmental requirements agreed upon, as well as all other requirements that Micronit may make concerning these products, both with regard to quality and quantity.

6.2. Only the quantity as ordered in the agreed packaging size will be accepted.

6.3 Before or following delivery of the Products by the Supplier, Micronit will have the right to have the Products inspected before approving them. The Supplier shall allow Micronit to have the concerned Products examined by an expert or an independent inspection service.

6.4 If the (partially) delivered Products are rejected, Micronit is entitled, at its own discretion to:

- returning the Products delivered at the expense of the Supplier as well as proper performance, possibly in combination with compensation; or
- termination of the Agreement in conformity with that stipulated in article 13 of these Terms and Conditions; or
- partial termination/partial performance, possibly in combination with compensation; or
- a price reduction, with the understanding that the Supplier cannot unilaterally determine the price reduction justified by the defects concerned. The parties must reach an Agreement with regard thereto.

6.5 The Supplier will document Micronit complaints. Complaints will be thoroughly investigated, impact on Products/services assessed

and corrective actions implemented where applicable by Supplier.

#### **Article 7 – Inspection of the Products/audits**

7.1 Before shipment the Supplier will carefully examine and test whether the goods are in accordance with what has been agreed upon.

7.2 The Supplier will also provide Micronit with a certified copy of its inspection and test reports upon request. If Micronit so desires and has notified Supplier of this in good time, this inspection and testing must be carried out at Micronit's expense by an independent research institute to be specified by Micronit.

7.3 Supplier must notify Micronit of Defaults within three (3) working days.

7.4 Micronit shall have the right, upon reasonable notice (no less than 4 weeks), to audit Supplier's facility (or facilities) in accordance with article 13 of the Quality Agreement.

#### **Article 8 – Payment**

8.1 Payment shall take place within the agreed payment period in the purchase order after Micronit has received the invoice, provided that the Products delivered by the Supplier have been fully approved by Micronit.

8.2 If the Supplier does not or not completely fulfil one or more of its obligations under the agreement or under these Terms and Conditions, Micronit shall be entitled to suspend payment to the Supplier.

8.3 Micronit is entitled to set off outstanding invoices against its own demands for payment vis-a-vis the Supplier.

#### **Article 9 – Ownership**

9.1 The ownership of the Products shall be transferred to Micronit not later than the moment of delivery without prejudice to Micronit's right to reject the Products.

9.2 In the event that the Products to be delivered by the Supplier are subject to other rights than the ownership right of the Supplier, the Supplier must notify Micronit hereof without delay.

9.3 Micronit is free at all times to resell and/or to supply Products delivered by the Supplier to third parties.

9.4. In the event Micronit makes payment(s) prior to delivery, the title/ownership to the Products shall be transferred to Micronit at the time of payment, in proportion to the amount paid.

## **Article 10 – Liability**

10.1 The Supplier is liable for damage to and by the Products, occurring during the warranty period stated in the order.

10.2 In order to fulfill its liability obligations, the Supplier is obliged to repair the Products or the defective parts thereof free of charge within a reasonable period of time or to replace them with new ones.

10.3 The Supplier is liable for damages caused by hidden defects. In the event that Micronit develops new products/technology using the Supplier's Products, Supplier will be liable for damage caused by hidden defects occurred during and after development of the final Products.

10.4 The Supplier shall be liable for all damage which may occur to or through the Products supplied as a consequence of faults or defects in the Products supplied, or as a consequence of an act or omission by the Supplier or its personnel. The liability shall cover, inter alia, damage resulting from delay in delivery, damage to Products belonging to third parties, loss of profits, damage in connection with product liability and other indirect damage, which may be suffered by Micronit or by third parties.

10.5 The Supplier shall hold Micronit harmless and indemnify Micronit for any and all claims, costs, including legal costs, losses, suits, judgements from or against Micronit and/or third parties, including customers, in any way connected with or related to defects in the products or with the execution of an order.

10.6 In the event that the Supplier has supplied Products to Micronit that are the property of a third party, the supplier will indemnify Micronit against all claims of this third party related to damage caused by and/or with the Products which the Supplier has delivered as well as damage caused to the Products themselves.

10.7 Micronit is not liable for any loss suffered by the Supplier or its personnel, unless such loss is the result of gross negligence or intent on Micronit's part.

## **Article 11 – Recall**

11.1 The Supplier is liable for any costs and losses suffered by Micronit as a result of a recall to Micronit itself or third parties.

11.2 The Supplier will indemnify Micronit against claims with regard to recalls that a third party to which Micronit has resold the Products delivered by the Supplier has carried out or has caused to carry out.

11.3 In case of a recall, the Supplier shall notify Micronit within three (3) working days about the initial actions.

## **Article 12 – Subcontractors**

12.1 The Supplier is not permitted to outsource

the implementation of this agreement to other parties (to appoint subcontractors) without prior written consent from Micronit.

## **Article 13 – Termination**

13.1 Micronit shall have the right at all times to unilaterally terminate an order by means of written notification (e-mail or a letter), which may include a term, to the Supplier.

13.2 Micronit is entitled, at its own discretion, to suspend the execution of the Agreement or to terminate the Agreement wholly or in part with immediate effect by means of a registered letter without judicial intervention (and without any obligation to pay compensation) in the following cases:

- a. suspension of payment or bankruptcy of the Supplier or a filing to that effect;
- b. the sale or dissolution of the Supplier's company;
- c. the withdrawal of the Supplier's licenses required for the execution of the Agreement;
- d. attachment of an important part of the business resources of the Supplier or of matters designated for the execution of the Agreement;

## **Article 14 – Force Majeure**

14.1 In the event of force majeure, fulfilment of the Agreement shall be partly or wholly suspended for the duration of the force majeure period, without the parties being reciprocally liable for relevant compensation. If the force majeure period exceeds 60 days, the other party shall be entitled to dissolve the Agreement forthwith by means of a registered letter without judicial intervention, and without being liable to pay any compensation. Force majeure on the Supplier's side shall in no case include shortage of personnel, strikes, breach of contract by third parties engaged by the Supplier, liquidity problems or solvency problems in respect of the Supplier.

14.2 The following situations should be considered as Force Majeure;

- (a) war and threat of war;
- (b) terrorist attacks;
- (c) riot, revolution;

(d) natural disasters, including, without limitation, floods;

(d) statutory regulations and measures issued by a government, which interfere with the fulfilment (within the time-limit) of the Agreement, including bans on imports and exports;

(e) statutory regulations and government measures issued by foreign governments or by organs of the European Union, which interfere with the fulfilment (within the time-limit) of the Agreement on Suppliers' part, including import and export bans;

**Article 15 – Confidentiality**

15.1 Micronit and Supplier are aware that the content of the Agreement(s) and the Products supplied under the Agreement (may) contain confidential information and trade secrets of Micronit or Supplier. Parties undertake to keep this information confidential, to not disclose or give the use of it to third parties other than for the purpose for which it was made available.

**Article 16 – Applicable law and disputes**

16.1 These general terms and conditions and any other agreements shall be solely governed by and construed in accordance with the law of the Netherlands. The application of the United Nations Convention on Contracts for the International Sale of Goods (1980) [CISG] is excluded.

16.2 In case of any dispute the competent court in Amsterdam, the Netherlands, will be entitled to deal with the dispute unless Micronit would elect to submit the dispute to competent courts elsewhere.

16.3 The provisions of article 16.2 leave intact the right of Micronit to obtain a settlement by means of arbitration of the International Chamber of Commerce under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrator(s). The place of arbitration will be Amsterdam, the Netherlands. The arbitral procedure shall be conducted in the English language.