

BARCO
TERMS AND CONDITIONS OF PURCHASE

August 2018

Any and all purchases by Barco ("Buyer") from Seller of Goods and Services, as defined hereafter, shall be subject to the terms and conditions set forth below (to the extent such terms and conditions do not conflict with any other applicable contractual provisions between Buyer and Seller. No other terms and conditions of Seller that may be referred to in any document issued by Seller shall apply, even if the same have not been expressly rejected by Buyer.

1. DEFINITIONS - ORDER OF PRECEDENCE – PURCHASE ORDER ACCEPTANCE

1.1 As used herein:

"Purchase Order" shall mean the purchase order document as well as any attachments (including without limitation these Terms and Conditions of Purchase, the specifications, drawings and other documents) and/or amendments thereto issued by Buyer to Seller for the purchase of Goods and/or Services. The Purchase Order includes the only binding conditions upon which the Buyer is prepared to contract with the Seller. Forecasts and estimates are indicative only.

"Goods and Services" shall mean any and all items ordered under the Purchase Order and specified therein.

"Price" shall mean the price of the Goods and Services as specified in the Purchase Order.

1.2 In case of conflict between the documents of the Purchase Order, Seller shall inform Buyer of such conflict and the order of precedence in resolving such conflict shall be as follows: (a) the Purchase Order document, as amended, (b) the attachments to the Purchase Order document, as amended and (c) these Terms and Conditions of Purchase.

1.3 Seller's failure to object or reject Buyer's Purchase Order within eight (8) days from the date of the Purchase Order shall be an unconditional acceptance thereof by Seller. In the event Seller's order acknowledgement contains exceptions or remarks to the Purchase Order, Buyer may cancel the Purchase Order without incurring any liability.

2. SPECIFICATIONS, DRAWINGS, TECHNICAL DOCUMENTATION AND OTHER ITEMS

The specifications, drawings, technical documentation and other documents as well as any models, molds, dies, tooling, creative work or process and other items supplied or paid for by Buyer under the Purchase Order shall be disclosed to, and be the exclusive property of, Buyer, which will be held by the Seller in confidence, safe custody at Seller's own risk, and maintained in good condition, and may be used by Seller solely in connection with the manufacture and provision of the Goods and Services. Buyer's approval of such specifications, drawings, technical documentation and other items shall not relieve Seller of any of Seller's obligations and responsibilities under the Purchase Order.

3. CHANGES

Without invalidating the Purchase Order, Buyer may at any time request Seller to change the Goods and Services, the scope of supply, the specifications, drawings, technical documentation and other documents as well as any models, molds, dies, tooling and other items, to issue additional instructions, to perform additional work or to omit certain Goods and Services or a part thereof and Seller shall promptly comply with any such request. If any change increases or decreases the Price or delivery time, the Price shall be adjusted accordingly and a reasonable adjustment shall be made to the delivery time, provided that Buyer may instruct Seller to proceed with this change without any delay and the matter on adjustment will be dealt with amicably or in accordance with paragraph 22. Any changes by Seller to Goods and Services or to process thereof, changes of key suppliers or manufacturing facility location, need to be notified to Buyer and accepted in writing by Buyer prior to the implementation of such change.

4. LICENSES - COMPLIANCE

4.1. Seller shall, at its cost, obtain any and all licenses and permits, certificates, attests and other documents and perform any tests, as required by the applicable laws, standards, codes and regulations. No delay on the part of official authorities in relation to the foregoing shall be considered as a case of force majeure.

4.2 Seller shall comply with: (i) any applicable laws, standards, codes and regulations (including without limitation technical standards, health and safety codes, environmental regulations (including without limitation related to REACH, ROHS, WEEE, Batteries & accumulators) and import and export control regulations), which apply to the Goods and Services ordered by Buyer; (ii) the latest version of the RBA (Responsible Business Alliance) Code of Conduct (available through <http://www.responsiblebusiness.org/standards/code-of-conduct/>); (iii) the Seller Product Compliance Requirements, Environmental Requirements and the Substances List, as available through [suppliers.barco.com>corporate sustainability](http://suppliers.barco.com>corporate_sustainability).

4.3 Seller shall at all times comply with product safety laws and regulations including without limitation the legislation related to the restrictions on the marketing and use of certain dangerous substances and preparations. Seller shall provide to Buyer up to date information about the health, safety and environmental hazards of the Goods and Services and the safe use, handling and disposal of the Goods and Services, components or any part thereof. Prior to the first delivery of the Goods and Services, this information and, subsequently, any update thereof shall be supplied to each specific "ship-to" Buyer location.

4.4 Seller shall at all times keep, maintain, operate and use Seller's site, factory, facilities, equipment, tools and Goods supplied under this Purchase Order in accordance with all applicable national, federal, regional or local laws and regulations, including without limitation those related to health & safety, environment, permits and licenses as well as the permits and licenses themselves.

4.5 If Electrostatic Discharge ("ESD") sensitive devices are supplied to Buyer, the Seller must have an active ESD program and use proper ESD handling and packaging procedures. Applicable components include circuit boards, electronic assemblies with exposed components or connectors, semi-conductors and any other devices that may require ESD protection. Seller must maintain records of the testing done and training provided.

4.6 Seller will maintain membership in, or, will maintain such site security measures consistent with the requirements of the Customs-Trade Partnership Against Terrorism ("C-TPAT") program. Certification of membership or documentation that appropriate security measures are being implemented shall be provided to Buyer. Buyer and Buyer's nominated representative(s) shall, subject to the reasonable business security requirements, have the right to audit Seller's compliance with these obligations.

4.7 Seller shall provide to Buyer: (i) Up to date information about any related health, safety and environmental hazards and instructions for the safe use, handling and disposal of the Goods (or any part thereof); and (ii) the applicable export classification code for strategic items & related regulation (Strategic items can be: military items, ITAR, dual use items, EAR, SCOMET or other national regulations) and the country of origin for each contract item.

5. COUNTERFEIT WORK

5.1. For purposes of this clause, Work consists of those parts delivered under the Purchase Order that are the lowest level of separately identifiable items. "Counterfeit Work" means: (i) Work that is or contains items misrepresented as having been designed and/or produced under an approved system or other acceptable method; (ii) Work that has reached a design life limit; (iii) Work that has been damaged beyond possible repair, but is altered and misrepresented as acceptable; (iv) Previously used parts pulled or reclaimed as "new"; (v) Work that is or contains (a) part(s) being an illegal copy, imitation, or substitute of an original part; or (vi) Work that is falsely represented or with the intent to mislead (including but not limited to date code, lot code, reliability level, part number, etc.).

5.2 The Seller shall establish and maintain a counterfeit prevention program using AS5553 or equivalent as a guidance for electrical, electronic or electromechanical parts ("EEE") to ensure that Counterfeit Work is not delivered to Buyer under this Purchase Order. The purpose of Seller's counterfeit prevention plan shall be, including but not limited: (i) to monitor all sources of parts per Seller's internal purchasing controls procedures; (ii) to mitigate risk of procuring non-authentic parts from sources other than the Original Component Manufacturer (OCM)/Original Equipment Manufacturer (OEM) or OCM/OEM-authorized distribution chain; and (iii) to have a material control and disposition process for confirmed or suspect non-authentic parts. The process shall include containment and disposition of the parts in a manner that prevents the use in Contract Items and the re-entry into the supply chain.

5.3 Seller represents, warrants and shall ensure that Counterfeit Work is not delivered to Buyer. Seller shall only purchase Goods to be delivered and incorporated as Work to Buyer directly from the Original Component Manufacturer (OCM) / Original Equipment Manufacturer (OEM), or through an OCM/OEM authorized distribution chain.

5.4. In the event that Work delivered under the Purchase Order constitutes or includes Counterfeit Work, such Counterfeit Work shall be impounded and Seller shall, at its expense, promptly replace such Counterfeit Work with genuine Work conforming to the requirements of the Purchase Order. Notwithstanding any other provision in the Purchase Order, Seller shall be liable for all costs relating to the impoundment, removal and replacement of Counterfeit Work, including without limitation Buyer's costs of removing Counterfeit Work, of reinserting replacement Work and of any testing necessitated by the reinstallation of Work after Counterfeit Work has been exchanged. Buyer may turn such Counterfeit Work over to US Governmental authorities (Office of Inspector General, Defense Criminal Investigative Service, Federal Bureau of investigation, other any other applicable authority) for investigation and reserves the right to withhold payment for the Counterfeit Work pending the results of the investigation.

6. SUBCONTRACTING - SUB-SUPPLY

Any subcontracting or sub-supply by Seller shall be subject to Buyer's prior written consent. In the event of any unauthorized subcontracting or sub-supply by Seller, Buyer shall not be obligated to receive the Goods and Services so supplied and pay the Price thereof. Buyer's consent shall not relieve Seller from any responsibility for the Goods and Services supplied by a subcontractor or supplier of Seller. Seller shall at all times be responsible for the direction and control of its subcontractors and suppliers and shall cause them to comply with Buyer's requirements, internal policies and procedures at any time.

7. EXPEDITING, INSPECTION AND TESTING

7.1 At Buyer's option, the inspection and/or testing of the Goods and Services shall be performed at Buyer's facilities and/or Seller's facilities by Buyer, Buyer's customer or representative and regulatory bodies – such includes as well the applicable areas of facilities, supply chain and records related to the Goods and Services. In the latter case, Buyer may witness such inspection and/or testing at Buyer's cost. Promptly after the completion of the inspection and testing, Seller shall deliver to Buyer a written report thereof. All costs related to inspection and/or testing and the written report shall be deemed included in the Price.

7.2 During normal working hours or at such other times as mutually agreed upon, Buyer or its nominee shall be granted access to Seller's premises and/or the premises of Seller's subcontractors and suppliers, where Goods are located and/or Services are being performed, to monitor the progress of any and all work relating to the Goods and Services and/or to inspect and/or to test the Goods and Services at any and all stages of the production and/or performance process and/or to review compliance with legal requirements, all licenses and permits, certificates, attestation and other documents, specified in the Purchase Order or in the absence thereof as generally required for the type of Goods and Services. Seller, at its expense, shall make available to Buyer or its nominee all tools, instruments, facilities, services and labor for conducting such inspection and/or tests.

7.3 Any inspection and/or testing of the Goods and Services, the work related thereto, and/or any models, molds, dies, tooling and other items related thereto and/or the inspection of licenses and permits, certificates, attestation, drawings, technical documentation and any other documents, related to the Goods and Services shall not constitute nor be deemed to constitute final acceptance in part or in whole of the Goods and Services or any part thereof, nor shall it relieve Seller from any of Seller's responsibilities under the Purchase Order.

8. PACKING AND MARKING

Seller shall, in accordance with the requirements of Buyer, adequately protect, pack and mark the Goods for transportation to their final destination and/or for prolonged storage and, in the absence thereof, at least in conditions consistent with generally accepted practice for the type of Goods in question and in accordance with mandatory legislation.

Each package shall be numbered and labeled with Buyer's Purchase Order number, article number and any other marks specified in the Purchase Order. An itemized list of the contents shall be attached in a waterproof covering on the outside of each package. All costs for such protection, packing and marking shall be deemed included in the Price.

9. ACCEPTANCE - DELIVERY TIME AND TERMS – CERTIFICATES

- 9.1 Any acceptance of the Goods and Services shall be subject to the successful completion of the acceptance procedures and tests specified in the Purchase Order. Buyer's failure to object or reject the Goods and/or Services within twenty (20) days as from the delivery for any visual and transport damage or loss, shall constitute an unconditional acceptance thereof by Buyer. Acceptance of the Goods and Services shall not relieve Seller from any of its responsibilities under the Purchase Order, including without limitation Seller's responsibility to meet the Warranties set forth in paragraph 11. Quantities of the Contract Items shipped in excess of the quantities specified in the Purchase Order may be returned at Supplier's expense
- 9.2 Buyer has the right to reject the Goods and Services or any part thereof if not accompanied by the documentation specified in the Purchase Order and/or the documentation customary for the type of Goods and Services in question.
- 9.3 As soon as Seller is or becomes aware of any circumstances or events which may reasonably be anticipated to cause a delay to an agreed upon delivery date, Seller shall promptly advise Buyer thereof in writing. If Seller is unable to meet the agreed upon delivery date, Seller shall pay or Buyer may, without summons, deduct from any invoice the amount of three percent (3%) of the amount of the Purchase Order for each seven (7) calendar days of delay after the delivery date, up to a maximum of fifteen percent (15%) of the amount of the Purchase Order. The deduction by Buyer of the amount specified in this paragraph shall not relieve Seller of any responsibility for delivering to Buyer the Goods and Services ordered.
- 9.4 Seller undertakes that unless Seller gives notice as indicated below, Seller shall make Goods of the same type as those described in the Purchase Order as well as spare parts for the repair or part replacement of such Goods throughout the period of normal duration of life of the Goods and at a fair and reasonable price. Seller shall give Buyer no less than one (1) year prior written notice in the event of the discontinuance of the production of the Goods and/or the availability of the Services or any major part thereof and shall give Buyer a last time opportunity to purchase Goods and/or Services in such quantity as Buyer may request at terms and conditions which are no less favorable than those contained in the Purchase Order for the Goods or Services in question.
- 9.5 In the event Seller fails or is unable to deliver the Goods and/or Services in accordance with the terms of the Purchase Order, and Buyer is compelled to purchase the Goods and/or Services and/or "form, fit, function, performance" equivalents from an alternative source at a cost to Buyer exceeding the Price for such Goods and Services, Buyer may charge and Seller shall pay the incremental cost incurred by Buyer in obtaining such Goods and Services from such alternative source during a period of one (1) year.
- 9.6 Seller shall supply certificates of origin of materials, components and/or of the Goods as specified in the Purchase Order or as required by laws and regulations. In addition, Seller shall supply a certificate of conformity (COC) with the specifications and/or reference samples and models at first request of the Buyer. All costs for such certificates shall be deemed included in the Price, unless otherwise agreed in writing.
- 9.7 Title in Goods and Services and the risk of damage to or loss of Goods and Services or any portion thereof sold hereunder shall pass to Buyer as from the moment the Goods and Services have been delivered to Buyer in accordance with the delivery term set forth in paragraph 10.1 below.

10. PRICE - TERMS OF PAYMENT – TAXES AND DUTIES

- 10.1 The Price is valid for delivery of the Goods and Services EXW named place (Incoterms 2010) - unless specified differently. Seller will be liable for all taxes and/or duties levied until the delivery of the Goods and Services to Buyer in accordance with the agreed Incoterm.
- 10.2 Except as otherwise provided for under these Terms and Conditions of Purchase or under the Purchase Order, the Price is firm and not subject to any upward adjustment of any kind.
- 10.3 Seller will invoice the Price in EUR or USD as specified by the Buyer, after delivery of the Goods and Services.
- 10.4 Seller's invoice(s) for any Goods and/or Services meeting the requirements of the Purchase Order, will be paid by Buyer within sixty (60) days end of month as from the date of invoice(s). Invoices shall be rendered in duplicate on a shipment per shipment basis and be based on the quantities actually delivered and the unit prices specified in the Purchase Order. In addition to the legally required data, each invoice shall contain (i) the correct Purchase Order number, (ii) the correct corporate name, form address, VAT number of Buyer and Seller, all as specified in the Purchase Order, (iii) name and address of Seller's Bank together with Seller's bank account number, SWIFT and IBAN code. Any invoice failing to meet any of the above conditions shall remain unpaid without bearing any interest and a copy thereof shall be returned to Seller for correction.

11. WARRANTY

- 11.1 Seller hereby warrants that (i) the Goods and Services shall be new and conform to the specifications, drawings and provisions of the technical documentation, reference sample and models attached to or referred to in the Purchase Order and (ii) that the Goods and Services, all components and any part thereof shall be free from defects in design, material and workmanship and (iii) that the operation of the Goods and Services shall be uninterrupted and/or error-free and (iv) that the Goods and Services shall conform in all respects to the applicable laws and regulations on the moment of delivery of the Goods and (v) that Seller's organization providing Goods, Services and processes related to the design, development, manufacturing, delivery and shipment of the Goods is ISO9001 certified or certified by another quality system as approved by Buyer (the "Warranties"). Such implies that in the event Seller intends to ship Goods which are or may have the risk of non conformity with the specifications, Seller shall promptly inform Buyer thereof in writing and needs to obtain Buyer's prior written approval for shipment and delivery of such Goods to Buyer by using the Request for Deviation Approval Form of Buyer and the concession number of Buyer for labeling of the concerned Goods. Moreover, at all times, Seller shall make available records related to the Goods and Services at first request of Buyer.
- 11.2 If the Goods and Services, or any part thereof, fail to meet any or all of the Warranties at any time during the Warranty Period, as defined hereinafter, then, upon Buyer's request, Seller shall, at its sole expense incl. transport and labor costs, within such a time and in such a manner as to minimize production interruption and/or losses, either (a) repair, correct or replace said Goods and Services, component or part to cause it to meet the foregoing Warranties; or (b) deliver and install new Goods and Services or a new component(s) or part(s) conforming to the Warranties and the provisions of the Purchase Order. As used herein the "Warranty Period" shall mean two (2) years starting from the date of the acceptance of the Goods and Services as referred to in paragraph 9. The Warranties shall apply for the full Warranty Period for any replaced Goods or Services and shall apply for the remainder of the Warranty Period for every repaired or corrected Goods and Services, component and part thereof, plus the period required by Seller to repair, correct or replace and to put it back into operation, with a minimum remaining Warranty Period of one hundred eighty (180) days, whichever is the longest.
- 11.3 At any point in time Buyer may request Seller to conduct at its sole cost, a failure analysis on defective Goods in view of establishing the root cause of such defect. Report of the Seller shall describe in detail the root cause and the corrective actions to remedy such defects including time schedule. In the event of an epidemic failure, all Goods in question will be presumed defective and Buyer may recall all such Goods. At Buyer's option, Seller shall at its sole expense, repair, correct or replace the Goods in question making sure the Goods and Services shall (i) meet the form, fit, function and composition of the Goods and (ii) conform to the Warranties and the provisions of the Purchase Order
- 11.4 In the event the Goods and Services fail to meet the Warranties and Seller, after Buyer's request, fails to promptly perform appropriate remedial action as provided in paragraphs 11.2 and 11.3, above, or if the defective Goods and Services require urgent remedial action, Buyer may in addition to its claim for damages, at its sole discretion, after notifying Seller of its intent to do so, perform or cause to be performed at Seller's risk and expense, any remedial action Buyer sees fit including without limitation to (i) cancellation of the Purchase Order, (ii) rejection and return of the Goods and Services with refund of the Price paid, (iii) refusal to accept any further deliveries of Goods and Services and (iv) carry out any work necessary to cause the Goods and Services to comply with the Purchase Order. Seller shall pay within thirty (30) days after receipt of Buyer's invoice all reasonable costs whatsoever incurred by Buyer as a result of or in connection with any such remedial action.
- 11.5 All spare parts that are obsolete as a result of a breach of the Warranties shall be replaced with conforming spare parts at Seller's cost. At Buyer's option, Seller shall either take back at its sole cost all spare parts that are obsolete as a result of a breach of the Warranties or refund to Buyer the cost of disposal of such obsolete spare parts and any costs and expenses incurred by Buyer in connection therewith.
- 11.6 In the event in any calendar quarter arising during the period of supply under the Purchase Order, the quantity of non-conforming Goods equals or exceeds two percent (2%) of the total quantity of Goods delivered in such quarter, Buyer may charge to Seller and Seller shall pay to Buyer an amount per unit not exceeding ten percent (10%) of the Price of the Good without prejudice to any other right.

12. LIABILITY

Seller shall be liable for and defend, hold harmless and indemnify Buyer, its directors, employees, agents, and any third party (the "Indemnitees") against any and all claims, actions, suit or proceedings, liabilities, damages, losses, costs and expenses (including without limitation reasonable attorney fees) of every kind whatsoever, asserted against or incurred by the Indemnitees as a result of or in any way connected with a defective workmanship, non conforming Goods or Services, direct or indirect breach of contract or breach of the Warranties by Seller or Seller's negligence or Seller's failure to comply with laws and regulations. Every repaired or corrected Goods and Services, component and part thereof, shall be subject to the same indemnity.

13. FORCE MAJEURE

Neither party shall be liable to the other for default or delay of its obligations under the Purchase Order due to any unforeseeable event beyond its reasonable control. In the event the delivery of the Goods and/or Services is delayed due to a force majeure event, the agreed upon delivery time shall be extended by the period of such delay, provided Seller shall have given written notice to Buyer of the commencement of the force majeure event within three (3) business days after the occurrence. No extra payment shall be made by Buyer to Seller for any expenses over and above those provided in the Purchase Order incurred by Seller by reason of any such delay. In the event the force majeure event lasts for a period exceeding twenty-one (21) consecutive days, Buyer shall have the right to cancel the Purchase Order without incurring any liability.

14. SECRECY

Except as otherwise agreed to in writing by Buyer, Seller shall keep confidential and use any and all information, know-how and data, whether technical or non-technical, which is in any way heretofore or hereafter disclosed to Seller by or on behalf of Buyer or otherwise obtained by Seller in the course of, as a result of, or in connection with the Purchase Order, whether or not specifically marked confidential, only for the purpose of performing Seller's obligations under the Purchase Order. Seller shall prevent unauthorized disclosure to and unauthorized use by others of Buyer's information, except to Seller's employees and subcontractors on a need to know basis to properly execute the Purchase Order and who are first obligated in writing at least to the same extent as Seller is obligated hereunder. Except as otherwise agreed to in writing by Buyer, Buyer shall not be obligated to keep any information of Seller confidential or be restricted in the use thereof.

15. DATA PROTECTION

- 15.1 Seller shall adhere to any applicable data protection law and shall implement appropriate technical, physical and organisational security measures to protect Personal Data against loss and unlawful processing. Seller shall keep Personal Data confidential and shall not disclose Personal Data in any way to any third party without the prior written approval of Buyer, except where Personal Data need to be disclosed to a competent public authority to comply with a legal obligation or as required for audit purposes.
- 15.2 In its capacity as data processor, Seller shall and shall procure that its employees only process Personal Data: (i) in accordance with Buyer's instructions; or (ii) where required by applicable data protection law. In the event of a Personal Data Breach, Seller shall promptly (i) take adequate remedial measures, (ii) provide Buyer with all relevant information and (iii) fully cooperate with Buyer. Seller shall not transfer or disclose Personal Data to any party located outside the European Economic Area without the express prior written approval of Buyer. Buyer and Buyer's nominated representative(s) shall, subject to the reasonable business security requirements, have the right to audit Seller's compliance with the obligations under this article 15.2.
- 15.3 All Personal Data shall be immediately returned to Buyer and/or deleted upon Buyer's first request after the termination of the agreement.
- 15.4 For the purpose of the above "Personal Data" shall mean any information relating to an identified or identifiable Data Subject. "Data Subject" shall mean any individual who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical,

physiological, genetic, mental, economic, cultural or social identity of that natural person. "Personal Data Breach" shall mean a breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, Personal Data transmitted, stored or otherwise processed. "Non-Adequate Country" shall mean a country that is deemed not to provide an adequate level of protection of Personal Data within the meaning of the general data protection regulation 2016/679 of the European Parliament on the protection of natural persons with regard to the processing of personal data and on the free movement of such data.

16. PATENTS, TRADEMARKS AND COPYRIGHTS

Seller shall hold harmless and indemnify Buyer from and against any and all damages, losses and expenses arising from infringement or alleged infringement of any patent, trademark or copyright of such third party by the Goods and Services, a component or any part thereof and/or arising from the use by Buyer or Buyer's customer of the Goods and Services and shall defend and settle at Seller's sole expense any claim, action, suit or proceeding brought against Buyer, provided that Seller is notified promptly in writing of the commencement of such suit or proceeding and provided further that Buyer shall not settle or compromise any such suit or proceeding without the prior written consent of Seller. The provisions of this paragraph 16, however, shall not apply to infringement caused by specifications furnished by Buyer. In case of infringement or alleged infringement, Buyer may at its sole discretion and at the sole cost of the Seller request the Seller to (i) modify the Goods and Services in such a way that such Goods and Services shall not infringe upon or misappropriate the rights of the third party, or (ii) obtain for Buyer a license or other right to use the Goods and Services or (iii) replace the Goods and Services in question with non-infringing or not allegedly infringing Goods and Services.

17. INSURANCE

Seller shall maintain with reputable underwriters a comprehensive liability insurance policy, including third party, contractual and product liability coverage, and shall upon request provide the Buyer with a certificate of insurance. The Seller shall maintain the coverage for a minimum amount of Two Millions euro or USD (€2,000,000) per any one occurrence.

18. TERMINATION FOR CONVENIENCE

Buyer, at its sole discretion, may at any time terminate the Purchase Order in whole or in part by giving written notice to Seller and Buyer and Seller shall negotiate an equitable amount to be paid by Buyer to Seller to compensate Seller for the measurable and reasonable actual cost incurred by Seller as a result of Buyer's termination. If applicable, such may result in reimbursement by Seller in case of prepayment by the Buyer.

19. TERMINATION FOR DEFAULT

19.1 In the event that (i) a petition in bankruptcy is filed by or against Seller, or (ii) Seller is declared bankrupt, or (iii) Seller becomes insolvent or Seller's credit becomes impaired in the reasonable opinion of Buyer, or (iv) proceedings are initiated by or against Seller seeking appointment of a receiver, reorganization, liquidation, dissolution, debt rearrangement or any other similar relief, Seller shall promptly after the occurrence of any such event notify Buyer thereof and Buyer, at Buyer's discretion, may either request the performance of the Purchase Order or terminate the Purchase Order. In the latter case, the Purchase Order shall automatically and without summons or notice period be terminated with immediate effect as a result of Buyer having expressed Buyer's will to do so by registered letter.

19.2 If Seller fails to perform or fulfill at the time and/or in the manner provided in the Purchase Order, any obligation or condition required to be performed or fulfilled by Seller under the Purchase Order and if Seller fails to remedy any such failure within fifteen (15) days after written notice thereof from Buyer, Buyer may cancel the Purchase Order in question or any part thereof by giving written notice of termination to Seller within any reasonable period thereafter.

19.3 Upon termination of the Purchase Order in accordance with the above provisions and notwithstanding any dispute between Buyer and Seller with regard to Seller's default, Seller shall at no cost to Buyer: (a) immediately discontinue all work relating to the Purchase Order or to the part thereof terminated, and shall at Buyer's option either cancel or assign to Buyer all outstanding orders for materials and/or work; (b) promptly deliver to Buyer all specifications, drawings, technical documentation, models, molds, dies, tooling and the licenses and permits, certificates, attestations and other documents related to the Goods and Services; (c) disclose and make available to Buyer all improvements to all of Seller's improvements to the Goods and Services and the specifications, drawings, technical documentation, models, molds, dies, tooling related thereto (the "Improvements"); (d) promptly deliver to Buyer any equipment, material, specifications, drawings, technical documentation, models, molds, dies, tooling, which were supplied or paid for by Buyer and are in Seller's or Seller's subcontractors' possession; (e) promptly deliver to Buyer the inventories of finished and work-in-process Goods located at Seller's or Seller's subcontractor's premises; (f) grant Buyer the unlimited, worldwide, royalty-free and non-exclusive right to use and practice Seller's specifications, drawings, technical documentation, models, molds, dies, tooling and the licenses and permits, certificates, attestations and other documents related to the Goods and Services and the Improvements to complete the work-in-process Goods and to produce Buyer's requirements of the Goods; and (g) refund to Buyer any and all advance payments made by Buyer provided such payment is not covered by supplies of Goods and Services prior to termination.

19.4 Upon the termination or expiration of a Purchase Order in accordance with the terms thereof, Seller shall not be entitled to any indemnification, compensation or other payment solely by reason of or in connection with such expiration or termination and Seller expressly waives all rights and remedies in such respect either in law or in equity. Seller shall furthermore indemnify Buyer against all claims, liabilities, losses, damages and expenses of every character whatsoever incurred by Buyer as a result of Seller's default.

20. REMEDIES

The rights and remedies of Buyer (including indemnifications payable by Seller) specified herein and/or in the Purchase Order are in addition to and shall not be exclusive of or prejudicial to any other rights or remedies of Buyer at law or in equity. No failure or delay on the part of Buyer to exercise any such right or remedy shall operate as a waiver thereof or shall be deemed a waiver of any subsequent breach or default of Seller.

21. GENERAL PROVISIONS

If any provision of these Terms and Conditions of Purchase are found to be wholly or partly illegal, invalid, void, voidable or unenforceable, to the extent of such illegality, invalidity, voidness, voidability or unenforceability, such provision shall be deemed severable and the remaining provisions and the remainder of such provision shall continue in full force and effect. Any assignment of a Purchase Order by Seller without the prior written consent of Buyer shall be void. The Purchase Order sets forth the entire agreement between the parties. Any amendment to the Purchase Order and/or waiver of any right or remedy herein provided, shall be effective for any purposes only when made in writing and signed by duly authorized representatives of both parties. The Purchase Order supersedes any prior agreement for delivery of the Goods and Services to Buyer.

22. GOVERNING LAW – DISPUTE RESOLUTION

The Purchase Order shall be governed by and construed in accordance with the law of Buyer's country or, where applicable, state or province of incorporation without recourse to its conflict of law principles. All disputes arising out of or in connection with the Purchase Order shall be settled by the courts of Buyer's registered seat without prejudice to the enforcement of any judgment or order thereof in any other jurisdiction. The provisions of the 1980 United Nations Convention on Contracts for the International Sale of Goods, (the "Vienna Convention") shall not apply.

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