

**GENERAL PURCHASE TERMS AND CONDITIONS APPLICABLES TO THE AFFILIATE OF THE INNOVISTA SENSORS™ GROUP ON THE SWISS TERRITORY**

**Microprecision Electronics SA**

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**ARTICLE 1 (GENERAL CONDITIONS)** These General Terms and Conditions of Purchase (hereinafter the "T&C's") are applicable as of January 1<sup>st</sup> 2021 for all of the purchase made between the affiliates of the CROUZET™ group whose registered offices are located at in Swiss territory (hereinafter the "Affiliates") with the suppliers and replace all previous general terms and conditions of purchase in place. The T&C's are written in different languages and attached to the purchase order. In the event of any conflict of interpretation, the version of the official language where the head office of the Affiliate is located shall prevail.

**ARTICLE 2 (ORDER)**

- 2.1 The order means any request of products or services (hereinafter the "Supply(ies)") made by the Affiliate with a supplier and refer to the content of the contractual document hereinafter called the "Order" or the "Purchase Order". Except if otherwise specified in another document agreed by the parties, an acknowledgement of receipt following the sending of the Purchase Order must be returned by the supplier to the Affiliate, within forty eight hours (48h) of the sending of the Purchase Order.
- 2.2 The acceptance by the supplier of the Purchase Order involves his acceptance without reserve to these T&C's. However, the particular conditions of the Order shall prevail over these T&C's. It is specified that the purchase commitment of the Affiliate (the validity of the purchase Order to the supplier) shall be determined by its full acceptance of these T&C's.
- 2.3 At any time during the fulfilment of the Order, the Affiliate has the right to change the quantities or the consistency of the Supplies. These changes shall be subject to an amendment letter negotiated by the Affiliate and the supplier specifying, if it's necessary, the new lead time and the new economic conditions compared to the original Order.

**ARTICLE 3 (DELIVERY DATES - ACCEPTANCE PROCESS)**

- 3.1 The contractual delivery date means the date on which the Supplies are arrived and unloaded at the delivery point, as specified in the Order, and accepted under the acceptance process. This date is mandatory and is an essential part of the Order. The Supply is delivered with all necessary documents for its identification, use, maintenance and servicing.
- 3.2 Delivery shall be conducted ex-works at the Affiliate's Site (CCI Incoterms 2020).
- 3.3 The "Acceptance" means the approval process and the visual control of the Supply by the affiliate in his premises an/or sub-contractors in order to insure that the Supply is in compliance with the Order and to give to the Supplier the consent to receipt the delivery. However, the purpose of this acceptance process is only to control the visible conformity and defects of the Supply, and shall not limit the Affiliate's rights to claim for any defect and/or conformity of the Supply.
- 3.4 Early deliveries or adjournments are only possible with prior written agreement of the Affiliate.

**ARTICLE 4 (PACKAGING)** The Supply shall be properly and sufficiently packaged in suitable packing materials, and precautionary measures must be taken in order to protect them in all circumstances. The Supply shall be identified with reference to the Order. Unless special provisions to the contrary are agreed upon between the parties, the cost of the packaging is included in the Order's price and the packaging are not recorded. If they are, the return of the packaging is made at Supplier's costs.

**ARTICLE 5 (DELIVERY DATES/ DELAY)** Delivery dates are mandatory and are of the essence that means an essential part of the Order. In the event of delay in delivery or transmission of the delivery's documents, the Affiliate may apply to the supplier penalties equal to one (1)% of the Order's amount per calendar day of delay. Nevertheless and without prejudice to the right of claim for compensation or damages, the Affiliate may terminate at all time, all or any part of the Order for reason of supplier default pursuant the article 20 of these T&C's.

**ARTICLE 6 (SHIPPMENT – TRANSFER OF TITLE)** Unless otherwise specified, transfer of risk shall takes place only after the Acceptance by the Affiliate at the delivery location. Notwithstanding any applicable law, the supplier expressly waives its right to use any clause related to retention of title.

**ARTICLE 7 (CONFORMITY – REJECTION)**

- 7.1 The supplier is responsible for checking, certifying and guaranteeing that the Supplies, the packaging and the labelling are in compliance with the Order. Even in the case where any Affiliate's employee controls the Supply, it shall not release the supplier from its compliance obligations.
- 7.2 Notwithstanding any right to claim for compensation or damages, the Affiliate may refuse any partial delivery or over delivery with reference to the Order. This right to refuse the Order is also applicable to a noncompliant Supply or a noncompliant documentation required for identifying the Supply or notably the tracking its origin. This right to refuse the Order under the aforementioned conditions may be exercised by the Affiliate without taking into account the time limit mentioned on the supplier's delivery slip or the time limit of one month following the Acceptance.

**ARTICLE 8 (WARRANTY)**

- 8.1 Unless otherwise specified, the supplier guarantees the Affiliate in particular against any defects in design, implementation or material, during a period of twenty four (24) months from the Acceptance. The supplier guarantees that the Supplies shall perform all services and functions for which the supplies are intended, and that the supplies shall comply with the specifications defined in the Order.

- 8.2 The supplier declares that the Supplies have been manufactured in accordance with the best quality criteria applied in the profession, and with the associated engineering practice. During the contractual period of guarantee specified in the paragraph here above, the supplier undertakes to replace or repair free of charge, as required by the Affiliate, all or part of the Supplies found not compliant with the requirements of the Order. Moreover, the supplier undertakes to pay all associated costs to replace or repair the non-compliant Supplies, notably and without limitation, the transport or the delivery cost as well as any loading/unloading operations. If the supplier does not act diligently, the Affiliate will have the right to intervene or entrust a third party to intervene at supplier's costs.
- 8.3 Every Supply, which is replaced, modified, repaired under this warranty, is warranted during another period of twenty four (24) months.
- 8.4 The supplier shall deliver all spare parts during a period of ten (10) years from the Acceptance.

#### **ARTICLE 9 (SUPPLIER FAILURE)**

- 9.1 In the event of the supplier is unable to meet specifications requirements of the agreed Order, the Affiliate has a right to request reimbursement of any sums already paid to supplier, and of all expenses incurred by reason of such default, without prejudice to the affiliate's right to claim compensation or damages.
- 9.2 If the supplier's failure makes the delivery impossible within the time limit, the Affiliate has the right to entrust any third party for having delivered the Supply at supplier's costs.

**ARTICLE 10 (PRICES)** Unless otherwise specified, prices shall be firm, fixed, non-subject to escalation, all duties paid, and shall apply to Supplies delivered in accordance with the provisions of Article 3 hereof.

#### **ARTICLE 11 (INVOICING – CREDIT NOTE)**

- 11.1 All invoices shall be drawn up and sent to the Affiliate which address is specified in the Order by email or by post. Each invoice shall cover a single Order. Unless otherwise specified, invoices shall bear the following information:
- The ORDER No
  - The DETAILED DESCRIPTION OF THE SUPPLY
  - UNIT PRICE
  - TOTAL AMOUNT PER LINE
  - TOTAL AMOUNT OF THE INVOICE
  - CURRENCY
  - CUSTOMS DUTY; and
  - COUNTRY OF ORIGIN
- 11.2 Adjustments in the amounts of the invoices due to price litigations, quantity or other discrepancies will be made through credit notes requested by the Affiliate. Upon receipt of the credit note by the Affiliate, the invoice will be paid under deduction of the credit note. In the event of the non-receipt of the credit note within five (5) calendar days upon the request, the Affiliate has the right to compensate the invoice in accordance with the provisions of the applicable law.
- 11.3 The Affiliate has the right to suspend the payment of any invoice which is noncomplying with the provisions of the applicable law and/or the provisions of this article.

#### **ARTICLE 12 (PAYMENT)**

Subject to any special provisions to the contrary agreed upon between the parties, all payments shall be made by bank wire transfer within thirty (30) days of the invoice date

#### **ARTICLE 13 (TRANSFER OR SUBROGATION OF ORDER CLAIMS, RIGHTS AND/OR OBLIGATIONS)**

The supplier agrees not to assign or transfer any rights and/or obligations ensuing from the order, in full or in part, without the Affiliate's written agreement. Moreover the supplier agrees not to contract, modify or terminate a factoring agreement without prior agreement from the Affiliate's accounting department. The supplier agrees not to subcontract without the Affiliate's prior written agreement.

#### **ARTICLE 14 (LOANED TOOLING AND ARTICLES)**

Tooling manufactured by supplier, for total or part account of the Affiliate, and articles, and tooling, made available to the supplier by the Affiliate shall be used solely for the purpose of executing Orders from the Affiliate. The supplier shall be responsible for keeping and maintaining such articles and tooling at its own expense and risk. The supplier shall take out all necessary insurance and provide proof thereof upon request of the Affiliate. Such articles and tooling are and remain the property of the Affiliate. If ownership Identity is not apparent on loaned tooling and articles, supplier shall mark these items with a permanent marking or plate indicating such ownership. The supplier must return or communicate the listing of such goods and tooling in good condition and at its costs upon request of the Affiliate.

#### **ARTICLE 15 (INDUSTRIAL OR INTELLECTUAL PROPERTY RIGHTS)**

- 15.1 Every research, project, results as well as any related document, in particular, files, plans, technical notes, drawings, model, prototypes, ordered by the Affiliate to the supplier are the Affiliate's exclusive ownership. The supplier agrees not to use these for its own account of for the account of any third party.
- 15.2 The supplier defends and holds the Affiliate harmless against any lawsuit from third parties, based on intellectual property rights of the Supply and/or related to the goods and tooling mentioned here above. In the event of any lawsuit, the supplier undertakes to bear all cost related to such third party claim and in particular representation fees.

#### **ARTICLE 16 (CONFIDENTIALITY)**

- 16.1 All information, of whatever kind, including but not limited to technical, commercial, financial or whatever medium, exchange between the supplier and the Affiliate, must be considered as confidential and used only to the execution of the Order.
- 16.2 The supplier and the Affiliate undertake to keep these information confidential and to take all necessary measures to preserve the confidentiality in respect particularly of their permanent and temporary staff or any third who have access to these confidential information.
- 16.3 As soon as the Order has been completed and when first requested by the Affiliate, supplier and the Affiliate undertake to return or destroy all related confidential documents to the other party immediately.

**ARTICLE 17 (PUBLICITY)** The supplier undertakes not to exhibit and/or publish components manufactured according to the Affiliate drawings, models or specifications without the written authorization of the Affiliate.

**ARTICLE 18 (GOVERNEMENT CONTRACTS)** Insofar as the Order is placed under a Government Contract awarded by the Government to the Affiliate, supplier acknowledges and accepts that those regulatory texts Specifications and General Clauses and Conditions governing contracts placed by the Government with the Affiliate will be incorporated by reference in the Order.

**ARTICLE 19 (PROCESS/PRODUCT CHANGE MANAGEMENT)** The supplier shall notify to the Affiliate in writing any settlement to terminate the marketing or any major change which includes all significant information system changes, process changes, Supply changes for key components, design changes, geographical relocation of manufacturing site, that affect the agreed specifications, the mechanical form or fit, the packaging, the environmental compatibility, the life, the reliability or the quality of the Supply. The supplier shall notify the Affiliate in writing nine [9] months in advance of the end of the marketing or the planned implementation date for such a major change. The Affiliate may refuse any such major change. The supplier remains in any case fully accountable and responsible for any major change applied to the Supply delivered to the Affiliate or its Assembly Subcontractors. In all cases, such changes will be at no cost for the Affiliate. The supplier shall reimburse the Affiliate of any costs incurred by the Affiliate in connection with the Product and/or Component change qualification.

**ARTICLE 20 (TERMINATION CLAUSE)**

- 20.1 The Affiliate has a right to immediately terminate the Order or any part of it, without prejudice of any damages from the Affiliate, in the event that supplier failure to perform its obligations under the Order or these T&C's, and has failed to remedy such breach within eight (8) calendar days of a written demand by registered letter with acknowledgement receipt.
- 20.2 In the event of a strategy changing, the Affiliate has a right to terminate all or parts of the Order with written notice of one (1) month by registered letter with acknowledgement receipt. As such, the Affiliate undertakes to reimburse the supplier for the current delivery and the current manufacturing.
- 20.3 The Affiliate has a right to terminate the Order without notice in the event of the supplier's performance is delayed more than one (1) week as a result of force majeure without prejudice of any damages from the supplier.

**ARTICLE 21 (APPLICABLE LAW)**

- 21.1 The Purchase Order and the T&C's and the resulting Orders and contracts shall be governed by and interpreted in accordance with the law of the place of the Affiliate head office, to the exclusion of the provisions of the Vienna treaty of 11 April 1980 regarding the international sale of goods.
- 21.2 Any dispute relating to the Purchase Order and/or the T&C's or the resulting contract or the business relationship that the parties fail to resolve amicably, shall be finally settled by the commercial Courts of the place of the Affiliate's head office.

**ARTICLE 22 (SUSTAINABLE DEVELOPMENT)**

- 22.1 The Affiliate undertakes to abide by the guidelines pertaining to environmental protection.
- 22.2 The supplier shall Supply the Affiliate with Supplies free from any of the hazardous substances referred to in articles 4 and 6 of the European Directive 2002/95/EC (January 27, 2003). The supplier undertakes to comply to the European Directive RoHS 2011/65/EU (June 8, 2011) and any amendments thereto focused on the limitation of hazardous substances in electrics and electronics components. The supplier undertakes to comply to the European Directive Reach n°1907/2006 (December 18, 2006) and any amendments thereto focused on the registration, the evaluation and the authorization of chemical products. More generally the supplier shall systematically comply with the European laws and regulations, as well as with the laws and regulations of the country of delivery mentioned in the Order, relating to the restriction or forbidding of the use of certain Supplies or substances. The supplier shall indemnify and hold the Affiliate harmless front and against any losses, costs, expenses and damages of any nature whatsoever [Losses and Damages] suffered by the Affiliate, including any Damages that may be awarded against the Affiliate as the consequence of a claim from a third party, in connection with and/or arising from the presence in the Supply of hazardous or forbidden substances or products.
- 22.3 The supplier declares to be fully aware of the guidelines, rules, laws and regulations mentioned in points 22.1 and 22.2 above and undertakes to respect them and implement all the industrial and human resources necessary to ensure the said guidelines, laws and regulations are properly applied. Moreover, the supplier undertakes to justify its obligation above, upon the request of the Affiliate
- 22.4 The supplier further undertakes to implement its best effort to provide the Affiliate of the existence in its Supplies and the origin of "conflict mineral" substances in accordance with the requirements of the US Dodd Franck Act of 2010 and/or other similar law.

**ARTICLE 23 (LIABILITY)** Subject to the applicable law, the supplier assumes full responsibility for all damages resulting from supplier. Thereby, the supplier shall indemnify the Affiliate, without any limitation of amount, for any damages that the supplier may cause during the contractual relationship and even in the absence of coverage by its insurance policies.

**ARTICLE 24 (INSURANCE)** The supplier declares to hold suitable insurance policies covering all damage that may be caused to the Affiliate and third parties as well as bodily injury that might result in the delivery of the Supplies. The supplier shall maintain the insurance policies or any other which will replace it for the complete duration of the Order. The supplier undertakes to provide, at first request of the Affiliate and when change of insurance policies all the relevant certificates.

**ARTICLE 25 (GENERAL CLAUSES)**

- 25.1 Cancellation: In the event of cancellation of one of the non-substantial provisions of the T&C's for any reason whatsoever, the remaining provisions will continue to apply.
- 25.2 Principles of responsibility (POR): The principles of responsibility constitute the base of the commitment of the CROUZET™ group to affirm its willingness to respect the laws and regulations of each country where the Group CROUZET™ intervenes and take into account the principles that support the Affiliates of the Group CROUZET™ and are available on request. The supplier undertakes to respect such POR.
- 25.3 Origin: The supplier undertakes to transmit the information related to the origin of the Supply, either by a certificate of origin or a mention on the invoice, in accordance with the regulatory requirements in force and the express request of the Affiliate. Certificate of origin means the certificates issued by the local authorities. In addition, any fine or penalty imposed by an administration that would result from a false indication of the origin of the Supply by the supplier will be systematically invoiced by the Affiliate to the supplier in full.
- 25.4 Anti-bribery: The supplier and its employees hereby agree to comply with anti-corruption regulations applicable both in Switzerland and abroad and is formally prohibited from offering, promising, or giving donations, gifts, or any other benefits to all of the Affiliate's employees or any person in a direct business relationship with the Affiliate, with the intent that such persons perform or refrain from performing an act inherent to their position, or that they abuse their supposed or actual influence in order to obtain benefits, jobs, contracts, or any other favorable decision or any other undue or unjustified advantage..
- 25.5 General Data Protection Regulation (GDPR): The parties hereby agree to comply with national and European regulations on personal data protection, and in particular to use personal data solely for the purposes of performing the supply agreement, to implement all necessary security and confidentiality measures in order to protect this type of data, ensure compliance of any transfers outside the European Union, to delete such data upon the expiration of the agreed upon retention period, and to honour requests from data subjects concerning such data. Furthermore, the supplier hereby agrees to notify the Affiliate of any security breaches having an impact on the processing of such data.
- 25.6 The present T&C's are available online at the following link: <https://www.microprecision.ch/index.php/fr/telechargement/conditions-of-sales-purchases>