

GENERAL TERMS AND CONDITIONS OF PURCHASE

1) Nature, validity and effect of these General Terms and Conditions

1.1 These General Terms and Conditions govern the purchase of products by Micro Systems S.r.l., headquartered in Novi di Modena (MO), Italy, Via Bologna no. 25/27, listed on the Companies Register of Modena with tax code and VAT number 01306460369.

All present and future contracts for the purchase of third-party (SUPPLIER) products entered into by Micro Systems S.r.l. will be governed exclusively by these General Terms and Conditions, which form an integral and substantial part of all proposals and/or purchase orders, regardless of whether or not express reference is made to them.

1.2 Any condition, derogation or amendment made to these General Terms and Conditions by the SUPPLIER which differs from or conflicts with these Conditions will only apply if expressly agreed and accepted by Micro Systems S.r.l. in writing.

1.3 The SUPPLIER may not invoke or refer to any conditions other than those contained herein and/or in the purchase order. Therefore, any conditions annexed and/or referred to in writing on the order confirmation by the SUPPLIER will not be considered valid, and the SUPPLIER will in all cases be bound by these General Terms and Conditions of Purchase, regardless of whether or not the SUPPLIER's order confirmation is subject to other conditions or whether they have been expressly rejected by Micro Systems S.r.l.

2) Offers

The SUPPLIER must submit all offers in writing, at no cost to Micro Systems S.r.l. All the preliminary costs of the offer (for example travel, preparation of drawings etc.) will be borne by the SUPPLIER. The offers must contain all the details necessary to enable immediate identification, in particular the request number of Micro Systems S.r.l. and if applicable, the name of the contact employee. All the documents, materials and other items provided by Micro Systems S.r.l. (e.g. drawings, sketches, calculations, samples, models and data support) are and shall remain the exclusive property of Micro Systems S.r.l. and may not be disclosed to a third party without prior written approval nor may they be used by the SUPPLIER for purposes other than the one for which they were supplied. The SUPPLIER must in all cases immediately return such materials at the end of the contract and/or when requested to do so.

3) Purchase orders and confirmations

3.1 Purchase orders issued by Micro Systems S.r.l. are governed by these general terms and conditions and will contain: the number and date of the order, a description of the product, the required quantities, the price of the product, the date and place of delivery, terms of payment, shipping and packaging costs.

3.2 All purchase orders issued by Micro Systems S.r.l. must be confirmed by the SUPPLIER by email, sent to the following address: microsys@micro-systems.it or by fax, on +39(0)596°77268.

3.3 Upon confirmation of the order the SUPPLIER waives his own general or special conditions of sale, even if attached to the offer and/or order acceptance, or if published in

brochures, catalogues, on websites, drawings, invoices or any other document, as these General Terms and Conditions are the only conditions applicable and binding on the parties.

4) Delivery and execution

4.1 The terms for the delivery of products ordered by Micro Systems S.r.l. are stated in the purchase order.

4.2 The times and dates of delivery specified in the purchase order and confirmed by the SUPPLIER are of the essence and cannot be changed. The SUPPLIER undertakes to inform Micro Systems S.r.l. immediately in writing as soon as he becomes aware that he may not be able to meet the delivery date for all or part of the order.

4.3 If the SUPPLIER is more than 5 working days late in delivering the products for any reason, Micro Systems S.r.l. has the right not to accept the goods, to terminate the contract without incurring any costs, and to demand compensation for damages from the SUPPLIER with a flat-rate reimbursement of 10% of the value of the delivery for each week of delay, plus any further losses suffered.

4.4 The delivery of the products by the SUPPLIER must be limited to the quantities ordered, and no surplus quantities will be accepted, unless authorised. The SUPPLIER must swiftly collect any rejected products at his own expense.

5) Prices and payments

5.1 The price shall be considered in all cases fixed and not subject to change by the SUPPLIER nor shall it be subject to reviews or increases.

5.2 Invoices will be paid according to the agreed terms, as specified in the purchase order confirmed by the SUPPLIER.

5.3 The amounts due to the SUPPLIER from Micro Systems S.r.l. in respect of purchased products may not under any circumstances be assigned to a third party.

6) Warranties and liability

6.1 All the products delivered by the SUPPLIER shall be covered by a warranty of proper functioning for at least twenty-four (24) months from the delivery date, unless the legal or SUPPLIER's warranty is longer.

6.2 The SUPPLIER warrants that on delivery, all the products will be free from flaws or defects and will meet all legal and government standards, and that their capacities and functions meet the intended uses.

6.3 Complaints of defects in the products, made by Micro Systems S.r.l. will be deemed to have been made in good time if received by the SUPPLIER within two weeks from receipt of the goods (for obvious defects) or from the date of discovery (hidden defects). Micro Systems S.r.l. may, in the case of defective products, request that the SUPPLIER repairs the defective product or, alternatively, provides replacement, non-defective products. In such a case, the SUPPLIER will bear all the costs of repair or replacement.

6.4 The SUPPLIER will be solely liable for all the losses and costs relating to any complaints whatsoever made by any party against Micro Systems S.r.l. in respect of liability for defective products (for example any costs of recalling the product from the market etc.), any delay in the delivery of the product (such as an interruption of production, the impossibility of supplying customers, contractual penalties etc.), or any damage, defect and/or malfunctioning which has been caused or may be caused to a third party, and the

SUPPLIER must release Micro Systems S.r.l. from any financial claim. In this regard, the SUPPLIER undertakes to take out liability insurance with an appropriate cover limit, which will not affect any other rights of Micro Systems S.r.l. to obtain higher compensation.

7) Confidentiality

All the documents (for example drafts, drawings, samples, models, data and software programs) which Micro Systems S.r.l. may provide to the SUPPLIER are and shall remain the exclusive property of Micro Systems S.r.l. and the SUPPLIER must treat them as strictly confidential and return them when requested to do so. The SUPPLIER may only use the documents for the purposes of his working relations with Micro Systems S.r.l. The SUPPLIER must treat all information given in connection with execution of the orders – with specific regard to research and development projects and commercial activities – as confidential both during execution of the order and thereafter. Any components and/or prototypes supplied by Micro Systems S.r.l. are and shall remain its exclusive property and must be managed by the SUPPLIER on behalf of Micro Systems S.r.l. Any tools, moulds or equipment paid for wholly or partially by Micro Systems S.r.l. in connection with the manufacture of the products are and shall remain the property of Micro Systems S.r.l. and will be considered to have been granted on loan to the SUPPLIER who must keep them, use and maintain them under his own care and liability and return them when asked to do so, in perfect working order.

8) Jurisdiction and Venue

These General Terms and Conditions are governed by the laws of Italy. The Court of Modena shall have sole jurisdiction in the event of any disputes.

9) Data protection

Pursuant to legislative decree no. 196/2003 Micro Systems S.r.l. and the SUPPLIER confirm that they have been informed and agree to the use of their personal information in connection with the purchase agreements governed by these General Terms and Conditions, and that such information may be kept in the archives of customers or suppliers for the purposes of compliance with statutory and fiscal obligations and for operational, statistical, commercial and marketing purposes.

10) Final provisions

10.1 The original text of these general terms and conditions of purchase has been drafted in Italian, which is the only version binding on the Parties.

10.2 Subject to the contents of the foregoing subparagraph 10.1 the original Italian version of these general terms and conditions may also be translated by Micro Systems S.r.l. into other foreign languages, for the sole purpose of facilitating the exchange of information among suppliers with regard to the contractual provisions, and will under no circumstances affect the validity of the Italian version of the conditions.

10.3 These general terms and conditions cancel and replace any other terms and conditions, whether written or oral, which may have been made between Micro Systems S.r.l. and the SUPPLIER.

10.4 If any of the provisions herein is cancelled or declared null or unenforceable, the validity of the remaining clauses shall not be affected.

10.5 The failure to exercise any right or entitlement granted

under these terms and conditions shall not prevent or prejudice the right to enforce such provisions at a later date, nor the right to enforce any other provision, right or entitlement granted hereunder.

10.6 All the information relating to the other party, the execution of the activities, the products or any other information which may be made known in relation to the contractual relationship shall be considered confidential and therefore may not be disclosed to any third party nor be used for any purposes other than the correct execution of the contract.