

1. Scope of Applicability of the General Terms of Business

These General Terms of Business shall apply to all services and products supplied by Hofstetter PCB AG (hereinafter „HPCBAG“) to its customers (hereinafter „Customer“ or “Customers“). Agreements diverging from the General Terms of Business shall only be binding if they have been accepted in writing.

2. Placing and Acceptance of Orders

Offers of HPCBAG, which do not contain a time limitation, remain binding for 90 days. Contracts are deemed to be concluded (i) when the Customer accepts the offer of HPCBAG in writing or (ii) when the Customer delivers the goods to be processed to HPCBAG together with an order or a delivery note and HPCBAG commences the processing of the order or confirms the order in writing.

3. Goods of the Customer

The Customer provides HPCBAG with the goods to be processed at no charge. The goods will be kept at the risk of the Customer. Without any diverging agreement in writing the goods have to conform to a quality customary within the industry. The Customer is solely liable for the quality of the goods. If any defects are discovered in the goods received from the Customer, HPCBAG informs the Customer in due time. The Customer determines the further proceeding.

The Customer represents and warrants that all industrial rights regarding the goods belong to the Customer. HPCBAG shall be indemnified for any third party claims.

HPCBAG provides no warranty against any chemical or physical reactions of the Customers' goods when processed by HPCBAG.

4. Execution of the Order

HPCBAG is obliged to process the orders with diligence and in accordance with generally accepted standards. HPCBAG maintains a quality management system according to ISO 9001 and processes the orders in accordance with these provisions subject to special quality management agreements with the Customers. The processed goods are subject to a final inspection before shipping.

5. Industrial Property Rights

No industrial property and copyrights in the procedure and to documentation handed over to the Customer shall be vested in the Customer through delivery. Their reproduction, imitation, transmission to third parties or changed use shall only be permitted with the prior written consent of HPCBAG.

Any inventions and improvements developed by HPCBAG during the execution of the order shall remain in the exclusive ownership of HPCBAG.

6. Conditions of Delivery

Subject to the following provisions all deliveries of HPCBAG to the Customers are made ex works Küssnacht am Rigi (EXW).

Küssnacht am Rigi is deemed to be place of performance for all legal relations between HPCBAG and the Customer. The Customer hereby empowers HPCBAG to organize the shipment of the goods on his behalf and on his account. HPCBAG is not liable for the choice of the carrier. HPCBAG only contracts transport insurance if so desired by the Customer in writing.

Benefit and risk shall pass from HPCBAG to the Customer when placing the goods at the disposal of the Customer or the moment of readiness for shipment respectively even though another place of delivery is named or carriage paid is agreed upon.

The delivery dates are duly extended when the Customer changes the order afterwards, does not provide the required information, does not deliver the document or the goods required on time, does not fulfill official instructions or when obstacles occur which cannot be influenced by HPCBAG such as strikes or delayed deliveries by the suppliers of HPCBAG or force majeure.

If warranted or duly extended delivery dates respectively cannot be met HPCBAG will inform the Customer accordingly. In such case HPCBAG shall be entitled to an adequate extension of time.

7. Costs / Conditions of Payment / Default

The prevailing price list at the moment of the conclusion of the contract shall apply if prices are fixed with reference to price lists. All prices are net in Swiss francs (CHF) for Customers in Switzerland or in Euro (EUR) for other Customers. Any taxes, especially value added tax, fees, custom duties or any other additional

costs are for the account of the Customer. Any fees accrued for packaging or the shipment will be charged in addition.

Invoices are payable within 30 days (date of maturity) of the invoice date. After expiration of the payment period (date of maturity) the Customer is without any prior notification in default. Default interest amounts to 5 % p.a.

8. Inspection of Delivery by the Customer

The Customer shall inspect the delivery immediately after receipt and before using or processing it and shall notify HPCBAG of any possible defects in writing immediately but in no event later than 5 business days after receipt of the delivery. Otherwise, the delivery shall be deemed to be approved. The Customer shall report any latent defects immediately after their discovery.

9. Rectification of Defects

If delivery proves not to conform to contract the Customer shall grant HPCBAG a reasonable period of time to rectify at its own expense the defects for which it is responsible. The rectification is considered to have failed if HPCBAG does not remedy the defect within a reasonable period of time.

10. Warranty

HPCBAG warrants execution of the order free of defects. The warranty shall last for twelve months from the date of delivery or placing the goods at the disposal of the Customer at the works Küssnacht am Rigi respectively. Any deviation from the specifications or – if existent – the product data contained in the order confirmation is considered to be defective execution of the order. In the absence of such data the generally accepted standards regarding such procedure apply to the respective product. The Customer accepts production rejects of 1 % of the turnover (exclusive of precious metal) each calendar year without any damages or warranty consequences for HPCBAG. In the event of a defect the warranty of HPCBAG is limited to rectification of defects according to Clause 9 of the General Terms of Business. If such rectification of defect is not feasible, HPCBAG replaces the reduced market value of the goods compared to the value of the goods free of defects at the time of delivery or placing the goods at the disposal of the Customer at the works Küssnacht am Rigi respectively.

No further warranty, especially regarding the fitness of the goods for a particular purpose or a particular processing success, is given. Technical consultation is given by HPCBAG to the best of its knowledge, but without obligation. Third party rights shall be taken into account.

11. Product Liability

If a third party claims against HPCBAG because of product liability, the Customer shall compensate HPCBAG for all damages suffered by HPCBAG not covered by insurance if the defect of the product has not been caused by HPCBAG.

12. Limitation of Liability

Any liability for indirect damages, for loss of profit of the Customer or third parties and any other consequential damage is excluded to the extent permitted by law. Further, the liability of HPCBAG towards the Customer for all types of damage based on whatever legal principle is hereby limited to the amount of the insurance coverage and if no insurance coverage exists to the value of the delivered goods at the time of delivery or placing the goods at the disposal of the Customer at the works Küssnacht am Rigi respectively. The preceding limitations of liability shall not apply in case of HPCBAG's intention or gross negligence.

13. Confidentiality

The parties agree to keep in confidence all the information and data entrusted to them.

14. Applicable Law

These General Terms of Business are subject to and governed by Swiss law to the exclusion of any international treaties and the Vienna Convention on Contracts for the International Sale of Goods.

15. Jurisdiction

The place of jurisdiction shall be the location of HPCBAG's registered office. HPCBAG is however entitled to take legal action against the Customer at its registered office or place of residence respectively.