

TERMS AND CONDITIONS OF SALES AND DELIVERY
For products and services from
NCAB Group USA, Inc.
Valid from November 2012

For the purposes of these Terms and Conditions of Sales and Delivery (these "Terms and Conditions"), the term "order" shall mean the submission by a customer (a "Customer") of **NCAB Group USA, Inc.** ("NCAB") of a written order for NCAB's products or services. Such order shall be deemed to incorporate and be governed by these Terms and Conditions. **These terms and conditions shall take precedence over any terms and conditions which appear in Customer's order or in any documents incorporated by reference in Customer's order. NCAB's acceptance of Customer's order is conditioned upon Customer's acceptance of the terms and conditions set forth herein.** No term or condition of Customer's order additional to or different from these Terms and Conditions shall become part of the agreement between Customer and NCAB unless explicitly agreed to in writing by NCAB. Retention by Customer of any products delivered by NCAB, or payment by Customer of any invoice rendered hereunder, shall be conclusively deemed acceptance of these Terms and Conditions. NCAB's failure to object to any provision contained in any communication from Customer shall not be construed as a waiver of these Terms and Conditions nor as an acceptance of any such provision.

1. General

- 1.1. NCAB reserves the right to amend these Terms and Conditions from time to time. Customers are responsible for checking NCAB's website at www.ncabgroup.com when placing and for the then current Terms and Conditions. Orders shall be subject to the Terms and Conditions applicable at the time of placing the order.
- 1.2. No waiver or exception of any portion of these Terms and Conditions will be effective unless agreed to by NCAB in a written document signed by NCAB.
- 1.3. If any provision of this Agreement, or the application thereof, shall for any reason and to any extent be determined to be invalid or unenforceable, the remaining provisions of this Agreement will remain binding and enforceable, and shall be interpreted so as best to reasonably effect the intent of the parties.

2. Technical Documents and Technical Information

- 2.1. All drawings and other technical documents regarding the products or their manufacture submitted by one party to the other party, prior or subsequent to the sale of the products, shall remain the property of the submitting party.
- 2.2. Drawings, technical documents or other technical information received by one party shall not, without the consent of the other party, be used for any other purpose than for which they were submitted. They may not without the consent of the other party be copied, reproduced, transmitted or otherwise communicated to a third party. NCAB are however without consent from other party entitled to submit documents to, by NCAB selected, production partner.

3. Validity of quotations

- 3.1. Quotations are valid for 30 days unless otherwise agreed in writing.

4. Acceptance of orders

- 4.1. NCAB may accept or decline any order. Once accepted by NCAB, an order shall be a binding obligation for NCAB to deliver and Customer to purchase the products listed in the order. Customer may not cancel, postpone or reschedule an order once accepted by NCAB. An

order shall only be deemed accepted by NCAB either upon NCAB's delivery of written confirmation of the order or upon its delivery of the ordered products to the Customer.

5. Delivery etc

- 5.1. Unless otherwise expressly agreed in a signed written agreement between Customer and NCAB, all products will be shipped F.O.B. (Uniform Commercial Code) NCAB's premises in the U.S. (or, in NCAB's discretion, from NCAB or its suppliers' locations outside the U.S. provided that NCAB shall pay for any shipping costs in excess of what it would have cost to ship from its U.S. facilities) and may be so shipped in several lots. In the absence of specific instructions, NCAB will select the carrier and ship prepaid (with Customer invoiced for the shipping cost), but shall not be deemed thereby to assume any liability in connection with the shipment nor shall the carrier be construed to be the agent of Customer. Customer must provide its own insurance.
- 5.2. Title and risk of loss or damage to all products sold hereunder shall pass from NCAB to Customer upon NCAB making possession available to the carrier, subject to Section 5.3. Any Customer claims for loss, damage or misdelivery thereafter shall be filed with the carrier. All products shall be deemed finally inspected and accepted by Customer within 14 days after delivery unless written notice of defect is given in writing to NCAB within such period. Acceptance shall constitute Customer's acknowledgement of full performance by NCAB of all obligations under the order except as stated at Section 9 (Warranty).
- 5.3. Customer hereby grants to NCAB a security interest in NCAB products (and proceeds and products thereof) sold to Customer as security for the due and punctual performance by Customer of all of its obligations to NCAB. NCAB will have the rights and remedies of a security party under applicable law. Customer hereby confirms that its grant of the security interest is authorized and does not violate or cause a default under another agreement, and that it will not grant a security interest to any other party in the products. Customer will supply to NCAB such information as NCAB may require so that NCAB may file applicable financing statements to implement the security interest.
- 5.4. If NCAB finds that it will not be able to deliver products in accordance with the agreed delivery time or if delay on NCAB's part seems likely, NCAB shall without undue delay notify the Customer thereof in writing, stating the reason for the delay and if possible the time when delivery can be expected.
- 5.5. If delivery is delayed due to force majeure (section 11) or due to any actions or circumstances attributable to the Customer, the time of delivery shall be extended by a period which is reasonable with regard to the circumstances. In no event shall NCAB be liable for delay or failure to deliver due to force majeure or circumstances attributable to the Customer.
- 5.6. In the event of a delay, the Customer may by written notice to NCAB set a final delivery date, which may not be less than ten (10) working days from the date of the notice. If delivery is not made on or before the final delivery date, and this is not due to circumstances set out in section 5.3, the Customer has the right to terminate the order.
- 5.7. **The Customer shall in no event be entitled to indirect, consequential, incidental, punitive, or special damages arising or resulting from the delay.**

6. Prices and rate of exchange adjustment

- 6.1. The price of the product shall be the price quoted in NCAB's written and valid quotation to the Customer.
- 6.2. The applied currency to the sale of the products is the currency notified in the written and valid quotation or otherwise notified by NCAB in writing.
- 6.3. If prices are quoted in NCAB's quote in a currency other than U.S. Dollars, then Customer shall pay NCAB in the currency used in the NCAB quote. If a currency other than U.S. Dollars is so specified, and if the exchange rate between such currency and the U.S. Dollar materially changes after acceptance of the order, then NCAB reserves the right to alter the price accordingly.

- 6.4. Prices do not include federal, state or local taxes, including without limitation sales, use or excise taxes now or hereafter enacted, or export or import charges or duties, applicable to the products sold in this transaction. Such taxes that NCAB is obligated under law to collect or pay will be added by NCAB to the sales price or billed separately and shall be paid by Customer unless Customer provides NCAB with any necessary tax exemption certificate. Unless otherwise agreed, Customer shall be liable to pay NCAB's charges for transport, packaging, insurance and export and/or import clearance (except as otherwise expressly provided in Section 5.1 with respect to shipment from outside the U.S.).

7. Terms of payment

- 7.1. Each shipment shall be a separate transaction and NCAB will invoice on date of shipment. Unless otherwise stated on NCAB's invoice, terms of payment shall be net thirty (30) days from date of invoice. NCAB may, in its sole discretion, determine at any time that Customer's financial condition requires payment in advance, and, if such requirement is not met, may cancel the order or any part thereof and receive reasonable cancellation charges. If Customer fails to pay any payment due hereunder when due, NCAB may recover, in addition to the payment, interest thereon at the rate of 1.5% per month where lawful, otherwise the maximum lawful monthly interest rate, and collection expenses, including reasonable attorney's fees.

8. Clarification to IPC Standard

- 8.1. For purposes of the warranty in Section 9.1, "IPC Specifications" shall mean the IPC standard, except from the verification part in IPC standards IPC 6012, IPC 6013, IPC 6016 where the following applies for "Structural Integrity Verification (Microsection)" part in Table 4-3:
- 8.1.1. IPC class 1 and class 2: Verification shall be done by verifying two panels per production lot, one (1) microsection from each panel.
- 8.1.2. For IPC class 3, NCAB have adopted 3 internal levels:
- NCAB level 1: Verification according to Table 4-3 and Table 4-2 in IPC 6012, IPC 6013 or IPC 6016.
- NCAB level 2: Verification according to Table 4-3 in IPC 6012, IPC 6013 or IPC 6016, number of panels to be verified shall be according to "AQL (4.0) for class 3" in Table 4-2 "Sampling Plan", except for lot size < 26 panels. For lot size < 26 panels, verification shall be done by verifying two panels per production lot, two (2) microsections from each panel.
- NCAB level 3: Verification shall be done by verifying two panels per production lot, one (1) microsection from each panel.

9. Warranty; Remedy; Disclaimer of Warranties

- 9.1. NCAB warrants that the products shall be (a) free of defects in material and workmanship at the date of delivery from NCAB to the Customer and (b) manufactured by NCAB in accordance with customer and the IPC Specifications.
- 9.2. As Customer's sole remedy, and NCAB's sole liability, for a breach of the warranty in Section 9.1, NCAB shall repair or replace any product not in compliance with such warranty, or if NCAB is unable to repair or replace such a product, refund Customer the applicable purchase price, if Customer notifies NCAB in writing within both the applicable Warranty Period (defined below) and within fourteen (14) days from the day the defect became known or should have become known to the Customer. If a valid notice of defect with respect to products delivered under an order is not delivered to NCAB by Customer within the applicable Warranty Period and within the applicable 14 day period specified in the previous sentence, then the warranty in Section 9.1 shall expire and NCAB shall have no liability under this Section 9 with respect to such products or defect. The above warranty does not apply to defects resulting from improper or inadequate maintenance or calibration by Customer; unauthorized modification; improper use or operation; abuse, negligence, accident, loss or damage in transit; improper site preparation; or unauthorized maintenance or repair.
- 9.3. Any notice from Customer to NCAB of a defect must include a photograph of the defect.

- 9.4. The “Warranty Period” for NCAB products is six (6) months from date of delivery, except that for Hot Air Solder Leveling (HASL), Lead Free HASL and Electroless Nickel Immersion Gold (ENIG) surface treatment products the Warranty Period is twelve (12) months.
- 9.5. Complaints due to errors or lack of information in production files/documentation or design defects in the construction cannot be accepted.
- 9.6. Customer shall not return products to NCAB without first obtaining a return authorization code from NCAB. Products returned to NCAB must be packed by Customer as received. All transport in connection with repair or replacement of defective products shall be at NCAB’s risk and expense. The Customer shall follow NCAB’s instructions regarding how the transport shall be carried out.
- 9.7. NCAB reserves the right to make destructive analysis of assembled boards returned to us for investigation.
- 9.8. **The warranty set forth in Section 9.1 is in lieu of all other warranties, and NCAB disclaims all other warranties, whether express or implied, oral or written, including, without limitation, any implied warranty of merchantability, fitness for a particular purpose, non-infringement, or warranties arising by statute or otherwise in law or from a course of dealing or use of trade. This disclaimer of warranty constitutes an essential part of these Terms and Conditions and the sale of the products.**

10. Limitation of liability

- 10.1. **NCAB shall not in any event be liable for any special, indirect, incidental or consequential damages, including but not limited to loss of sales or business, loss of profit, loss of use or goodwill, incurred by the Customer or any direct or indirect Customer of the Customer, regardless of whether such party has been previously advised of the possibility of such damages.**
- 10.2. **NCAB’s liability under any order is under all circumstances limited to the purchase price paid by Customer under such order.**

11. Force Majeure

- 11.1. Either party shall be entitled to suspend performance of its obligations under an accepted order to the extent that such performance is materially impeded or made unreasonably onerous by circumstances beyond the control of the parties such as (but not limited to) fire, war, industrial disputes, restrictions in the use of power and defects or delays in deliveries by sub-contractors caused by any such circumstance. A circumstance beyond the control of the parties, whether occurring prior to or after the formation of the accepted order, shall give a right to suspension only if its effect on the performance of the order could not reasonably have been foreseen at the time of the formation of the accepted order.

12. Miscellaneous

- 12.1. All questions concerning the validity, operation, interpretation, and construction of these Terms and Conditions and any order will be governed by and determined in accordance with the substantive laws of the State of New York of the United States of America without regard to its conflicts of law provisions. Both parties acknowledge and agree that the U.N. Convention on Contracts for the International Sale of Goods shall not apply to these Terms and Conditions and any order. Other than as necessary to enforce any final judgment, award or determination, any action brought pursuant to or in connection with this Agreement shall be brought only in the state or federal courts within the State of New Hampshire and in any such action, both parties submit to the personal jurisdiction of, and waive any objections to venue of, such courts. Any legal presumption that terms in this agreement shall be strictly construed against the party who drafted such terms or who benefits from such terms shall not be employed in construing and interpreting these Terms and Conditions. Any action brought by Customer against NCAB arising out of any order or Customer’s purchase and use of the

products must be commenced within one year after such action accrues and in no event later than one year after date of shipment of such products.

- 12.2. Customer represents and covenants to NCAB that it shall not export the products to the specific countries, individuals, and entities prohibited by U.S. Export Control Laws, including the trade embargoes administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury, and that it shall comply with the latest United States or other applicable governmental export regulations.
- 12.3. These Terms and Conditions and all accepted orders hereunder shall be binding upon and inure to the benefit of the parties and their respective legal representatives, successors and permitted assigns. These Terms and Conditions and all orders are personal to Customer, and Customer may not assign any of its rights or delegate any of its obligations thereunder, in whole or in part, without the prior written consent of NCAB, which shall not unreasonably be withheld.
- 12.4. These Terms and Conditions, together with any accepted order, constitute the entire agreement between the parties relating to the sale of the products, supersede all prior written or oral agreements between the parties with respect to the matters addressed herein, and no addition to or modification of any provision of these Terms and Conditions or any order shall be binding upon NCAB unless agreed in writing by NCAB.
- 12.5. Any notice, demand, or required or permitted to be given by a party shall be in writing and shall be deemed given (a) when delivered personally, (b) on the next business day after timely delivery to an overnight courier, or (c) on the third business day after deposit in the U.S. mail (certified or registered mail, return receipt requested, postage prepaid), in each case if addressed to the address of the other party set forth in the quotation or to such other address as such party may designate from time to time by such notice.