

TERMS & CONDITIONS: GENERAL SALES TERMS & CONDITIONS APPLY.

These General Terms and Conditions shall apply to all X-REL Semiconductor Product sales worldwide.

ARTICLE 1: DEFINITIONS

In the Contract, the following terms shall have the following meanings, when used either in the singular or in the plural:

- 1.1. "X-REL Semiconductor" shall mean the French company X-REL Semiconductor SAS, with its head office at 90 Av Léon Blum, 38100 Grenoble, France and all companies affiliated with it including but not limited to subsidiaries.
- 1.2. "Client" shall mean the natural or legal person ordering Products from X-REL Semiconductor.
- 1.3. "Contract" shall mean these General Terms and Conditions, all agreements to which they apply, and all Orders, appendices and other documents related to them.
- 1.4. "Collaborators" shall mean all employees, agents, subcontractors, associates or directors.
- 1.5. "Creations" shall mean all intellectual productions created by X-REL Semiconductor or its Collaborators, regardless of the nature, medium or form. These creations shall include, but are not limited to, all Products, documents and manuals, tables, graphics, diagrams and software.
- 1.6. "Force Majeure" shall mean circumstances beyond the control of the parties that lead to the impossibility to perform one or more obligations arising from the Contract. Examples of Force Majeure include, but are not limited to, acts of war and terrorism, strikes, fire, flood, storms, explosions and other natural disasters.
- 1.7. "General Terms and Conditions" shall mean the present terms and conditions as well as any amendments thereto made in accordance with Article 10 of the same.
- 1.8. "Intellectual Property" shall mean all trademarks, rights to corporate and trade names, models, designs, patents, copyrights, *sui generis* database rights, rights to know-how and any other present or future intellectual property rights (registered or unregistered), as well as all requests to acquire the above-mentioned rights and all other rights intended to protect or have a similar effect to any of the abovementioned rights, throughout the world.
- 1.9. "Order" shall mean all orders for Products placed by the Client or its Collaborators with X-REL Semiconductor.
- 1.10. "Price List" shall mean the quotation for Products applicable at the time of entering into the Contract, as issued or amended from time to time by X-REL Semiconductor in accordance with Article 8 of the present terms.
- 1.11. "Products" shall mean the products defined in the Contract to be delivered by X-REL Semiconductor to the Client.

ARTICLE 2: PERFORMANCE OF THE CONTRACT

- 2.1. All offers made by X-REL Semiconductor shall be considered non-binding and shall not lead to the formation of a contract in the event of acceptance by the Client.
- 2.2. An agreement between X-REL Semiconductor and the Client shall enter into effect as from written acceptance of the Order by an authorised representative of X-REL Semiconductor, in accordance with the signing powers determined by X-REL Semiconductor's board of directors, or as from the time X-REL Semiconductor starts to execute the Order. X-REL Semiconductor is not legally bound to conclude any agreement pursuant to negotiations.
- 2.3. X-REL Semiconductor shall use its best endeavours ("obligation of means") to fill Orders.
- 2.4. X-REL Semiconductor reserves the right to make all necessary or useful changes to the structure, construction and presentation of the Products.

ARTICLE 3: DELIVERY AND DELIVERY TIMES

- 3.1. Delivery of the Products shall be ex works at X-REL Semiconductor's place of business in accordance with INCOTERMS 2010, unless otherwise agreed in writing. The Client shall bear all costs and risks in connection with transport of the Products.
- 3.2. Delivery times announced by X-REL Semiconductor are for information purposes only and are not guaranteed. Failure to meet a delivery deadline shall confer no right to cancel an Order or to claim damages of any kind.
- 3.3. The Client shall take possession of the Products at the delivery date agreed between the parties. In the event of late pick-up, the Client shall pay X-REL Semiconductor EUR 50 per day of delay for storage costs.
- 3.4. X-REL Semiconductor may make deliveries on consignment and invoice each delivery separately.

ARTICLE 4 : INTELLECTUAL PROPERTY RIGHTS

Creation

4.1. X-REL Semiconductor or, if need be, any of its Collaborators who provide the Creations, shall remain the holder of the Intellectual Property rights to these Creations. X-REL

Semiconductor guarantees that, to the best of its knowledge, the Creations and their use do not violate the intellectual property or contract rights of any third party.

- 4.2. Unless otherwise stipulated in the Contract or by law, the client shall not:
 - a reproduce the Creations in any way; amend the Creations, including translate, correct, adapt, decompile, reverse engineer or disassemble them in any way and under any form;
 - b reproduce, adapt or communicate to the public designs and codes underlying the final code or design of a Product.
- 4.3. In order to allow future modifications to software developed by X-REL Semiconductor as part of the Creations, X-REL Semiconductor shall keep a copy of the designs related to an Order for a period of four (4) years following the execution of that Order.

ARTICLE 5: GUARANTEES AND LIABILITY

X-REL Semiconductor

- 5.1. X-REL Semiconductor does not guarantee, nor shall it be held liable for (even if caused by negligence, gross misconduct, fraud or intentional tort on the part of its Collaborators), Products delivered in the scope of the Contract (including without being limited thereto direct or indirect damage caused by (i) obsolescence or inadequacy of the Product(s) due to changes in the Client's needs/demands, (ii) breakdowns, incidents, errors or malfunctioning of the Product(s), (iii) errors in any information delivered through processing of the Product(s) and (iv) use of the Product(s) or of any information provided by X-REL Semiconductor), with the exception of those cases expressly mentioned in the Contract or by law.
- 5.2. X-REL Semiconductor warrants that the Products shall be free from defects in raw materials or manufacturing that render them unsuitable for their intended use for a period of twelve (12) months following delivery, with the exception of defects resulting from ordinary wear and tear, negligence, wrongful handling and maintenance, accidents or any act that cannot be attributed to X-REL Semiconductor (the "Defects"). This warranty is limited to the replacement of defective parts, with the understanding that labour costs, transport and additional taxes are not covered. This warranty only applies when, if applicable, the Products have been installed by X-REL Semiconductor or its authorised Collaborators.
- 5.3. X-REL Semiconductor shall not be bound by any warranty if the Client fails to notify it by registered mail of the existence of a Defect within two weeks following the discovery thereof.
- 5.4. Regardless of the nature, basis for or modalities of an action against X-REL Semiconductor or its Collaborators, the compensation owed to the Client to make good the damage it sustained may not exceed the Price paid by the Client for the Products which form the subject matter of the complaint.

The Client

- 5.5. The Client shall be solely liable to itself and third parties (with the exception of X-REL Semiconductor) for use made of the Products delivered by X-REL Semiconductor. The Client is aware that the Products are not designed, manufactured or intended for use as on-line monitoring equipment in hazardous environments requiring failsafe performance, such as the operation of nuclear facilities, aircraft navigation or communication systems, mass transit, air traffic control, direct life-support machines, or weapon systems, where failure of the Product could result directly in death, personal injury or severe physical or environmental damage. The Client acknowledges that use of X-REL Semiconductor's Products in such applications is fully at the risk of the Client and that the Client is responsible for verification and validation of the suitability of X-REL Semiconductor's Products in such applications. The Client agrees that X-REL Semiconductor is not and shall not be liable for any claim or damage arising from the use in or with such application. The Client agrees to indemnify, defend and hold X-REL Semiconductor harmless from and against any and all claims, damages, losses, costs, expenses and liabilities arising out of or in connection with such use.
- 5.6. The Client shall protect X-REL Semiconductor against any damage or inconvenience caused directly or indirectly by all claims by third parties regarding use of the Products.
- 5.7. The Client shall not sell, transfer, export or re-export any X-REL Semiconductor Products or technology for use in activities which involve the design, development, production, use or stockpiling of nuclear, chemical or biological weapons or missiles, nor use X-REL Semiconductor Products or technology in any facility which engages in activities relating to such weapons, unless X-REL Semiconductor has given its prior written approval of such sale, transfer export or re-export. The foregoing applies to all uses and applications violating national or international prohibitions in particular from embargos or international regulations.

ARTICLE 6 : TERMINATION

6.1. Either party shall have the right to terminate the Contract immediately and without advance notice or prejudice to its right to recover damages in the event that:

- a. the other party is subject to recovery, bankruptcy or dissolution proceedings or discontinues its business, for any reason whatsoever;
 - b. an event of Force Majeure, as described in Article 9 of the present terms, persists for more than one (1) month.
- 6.2. X-REL Semiconductor shall have the right to terminate the Contract immediately, without prejudice to its right to claim damages, in the event of failure by the Client to meet its contractual obligations, if this failure could have been prevented but the Client failed to do so within fifteen (15) working days from receipt of written notice of the breach from X-REL Semiconductor.
 - 6.3. X-REL Semiconductor shall have the right to terminate the Contract immediately, without prejudice to its right to claim damages, in the event of a delay in payment by the Client in excess of fifteen (15) working days following the issuance of a written notice to the Client.
 - 6.4. Without prejudice to any other rights mentioned in this article, X-REL Semiconductor shall have the right, if it terminates the Contract on any of the grounds contained in Article 6.1, 6.2 or 6.3 above, to claim immediate payment for the Products from the Clients.

ARTICLE 7: DUTY OF CONFIDENTIALITY

- 7.1. Each party undertakes to consider as confidential and not to disclose any information indicated as confidential by the other party and of which it learns in any form in the scope of performance of the present Contract. With respect to confidential information provided to the other party orally or visually during meetings, the party receiving the information must be informed of its confidential nature at the time it is provided. The disclosing party must confirm in writing that it informed the other party that the information it received was confidential within thirty (30) calendar days following the oral or visual disclosure. The following shall in any event be considered confidential: any designs and codes underlying the final designs and codes of the Products. Each party shall remain the holder of any confidential information provided to the other party.
- 7.2. The following shall not be considered confidential:
 - a. the existence of the Contract;
 - b. information belonging to the parties that is made public by the parties themselves;
 - c. information legally obtained from a third party that is not bound by a duty of confidentiality or statutory right;
 - d. information known or developed by one of the parties prior to its transmission in the scope of the Contract, as evidenced by prior written documents;
 - e. information that entered the public domain during prior communications or subsequently, without the intervention or fault of the receiving party.
- 7.3. Each party undertakes to take all necessary measures to preserve the confidential nature of the information, notably by:
 - a. not revealing, in whole or in part, orally or in writing, confidential information to anyone except Collaborators of the parties that need to know the information in order to perform the Contract; these persons shall be informed of the content of and obligations stemming from the Contract, and each shall be held liable for any breach committed in this respect by any of its Collaborators; upon request, either party can be forced by the other to supply the names of those persons with access to confidential information;
 - b. not revealing confidential information to any third party except with the other party's express prior consent in writing, unless otherwise provided in the Contract;
 - c. not using confidential information in any situation other than to achieve the purpose and in the hypothetical cases mentioned in the Contract;
 - d. returning to the other party or deleting, at its choosing and as soon as possible upon request, any document, copy, note, recording, memorandum or other writing from that party containing confidential information;
 - e. in the event a court or administrative order is issued to disclose, in whole or in part, confidential information belonging to the other party, by informing the other party within 24 hours from learning of the aforementioned order; the disclosing party undertakes to provide only information it is legally obliged to reveal and shall ensure that the information is treated as confidentially as possible.
- 7.4. This duty of confidentiality is valid for the entire duration of the Contract and for five years thereafter, regardless of the cause of termination.

ARTICLE 8: PRICES, PAYMENT AND TAXES

- 8.1. The Price List or special terms and conditions, if applicable, shall specify the prices applicable to the Products supplied by X-REL Semiconductor to the Client. A Price List is valid for thirty (30) calendar days after issuance by X-REL Semiconductor. X-REL Semiconductor may thereafter raise its prices.
- 8.2. All taxes and duties shall be charged in addition to the rate in effect on the invoice date. Invoices are payable within thirty (30) calendar days after invoice date, net and without discount.

8.3. X-REL Semiconductor reserves the right to request the deposit of a guarantee as a condition precedent to the supply of Products to a Client. This guarantee can be used to pay any amounts owed by the Client under the Contract.

8.4. Any outstanding balance shall accrue interest by operation of law without prior notice. The interest rate shall be equal to 1.5 times the statutory rate with a minimum of ten percent (10%) annually, applied as from the due date indicated on the invoice until the receipt of payment in full. X-REL Semiconductor shall have the right to suspend delivery of the Products until an invoice has been paid, without prejudice to its right to claim damages.

8.5. In addition, any unpaid balance shall give rise, as of the due date indicated on the invoice, by operation of law and without the need to make a formal request, to a right for X-REL Semiconductor to claim damages equivalent to fifteen percent (15%) of the amount due, without prejudice to any other damages it could claim.

8.6. Payments made by the Client shall first be used to cover the late-payment interest referred to under Article 8.4. and then to damages under Article 8.5.

8.7. X-REL Semiconductor shall maintain ownership of the Products until they are paid for in full.

ARTICLE 9: FORCE MAJEURE

9.1. Neither party shall be held responsible for breach of contract or late performance by the other party of an obligation that forms part of this Contract due to an event of Force Majeure, provided the party in question took all necessary measures in order to limit the effects of the event of Force Majeure.

9.2. The Contract shall be suspended for the entire duration of the event of Force Majeure. However, if the event of Force Majeure lasts for more than one (1) month, the parties shall be allowed to apply Article 6.1.b. of the present terms.

9.3. Each party shall inform the other in a detailed manner of the occurrence of an event of Force Majeure, as soon as it becomes aware thereof. Such notice shall be sent by registered mail within two (2) days following the occurrence of the event of Force Majeure.

ARTICLE 10: AMENDMENT OF THE CONTRACT

10.1. Unless specified otherwise, X-REL Semiconductor may amend these General Terms and Conditions provided it gives the Client three-months' notice to this effect. These amendments shall apply to the Contract only at the end of the notice period.

10.2. Except for this case, an amendment shall be valid only insofar as it has been accepted by both parties.

ARTICLE 11: INSURANCE

The Client shall take all necessary steps to protect X-REL Semiconductor from liability under the Contract. Proof of insurance policies shall be provided immediately upon request.

ARTICLE 12: GENERAL REMARKS

12.1. Unless specified otherwise, all notices from one party to the other shall be valid if sent by regular mail or by fax (the parties mutually agree to consider these means valid until further notice).

12.2. If any clause or provision of the Contract is declared invalid, this shall not render the entire Contract null and void. In this case, the parties shall work together to find with a new clause or provision as soon as possible that most closely approximates the invalid clause or provision.

12.3. This Contract is concluded between two independent legal entities, neither of which has the power or capacity to represent or bind the other with respect to third parties.

12.4. The article headings are for information purposes only and do not form part of the clauses of the Contract, nor do they alter the content of the articles they precede or affect their interpretation in any way.

12.5. Failure of a party to perform under this Contract or to seek to enforce performance of a clause or provision in this Contract by the other party shall not be interpreted as negligence (actual or future), nor shall it affect the ability of either party to claim under any of these clauses in any way.

12.6. Unless otherwise provided herein, Articles 4, 5, 7, 11 and 13 shall survive termination of this Contract, for any reason whatsoever.

ARTICLE 13: DISPUTE RESOLUTION

13.1. The parties undertake to take all steps necessary to reach an amicable settlement to any dispute concerning the validity, interpretation or performance of this Contract. Except for the right of each party to seek emergency measures, no judicial proceedings can be initiated before the parties have concluded in good faith that amicable settlement of the dispute through negotiation is unlikely. Nevertheless, if the parties have not reached this conclusion after a period of two (2) months from the start of negotiations, they shall regain the right to resort to judicial relief.

13.2. Any disputes arising out of or in connection with the validity, interpretation or performance of this Contract which cannot be resolved amicably shall be submitted to Commercial Court of Grenoble. The place of arbitration shall be Grenoble, France and the proceedings shall be conducted in French.

13.3. This Contract is exclusively governed by and construed in accordance with French law. The Vienna Convention on the sale of goods of April 11, 1980 is excluded.