

GENERAL CONDITIONS FOR THE SUPPLY OF PRODUCTS

These general conditions of supply shall govern relations between Casram SA, with registered office at Via Cantonale, 31, Mezzovico (Switzerland), share capital CHF 1.600.000,00 tax code, VAT number CHE-102.286.078 and the company appointed by Casram to supply the encoded materials or all the subjects receiving a purchase order making reference to these supply conditions (hereinafter the "Supplier").

ARTICLE 1 - NATURE AND EFFECT OF THE GENERAL CONDITIONS

- 1.1. These general conditions of supply (hereinafter the "General Conditions") do not oblige Casram SA to appoint the Supplier to provision the products (hereinafter the "Products") until supply contracts (hereinafter the "Supply Contracts") have been stipulated between Casram SA and the Supplier following orders placed by Casram SA and accepted by the Supplier in the way specified below.
- 1.2. These General Conditions apply to all purchase Orders (hereinafter the "Orders") issued by Casram SA, through its duly-authorized proxies, with regards to the Supplier for the supply of Products. The General Conditions shall form an integral and substantive part of the Order to which they refer and the aim is to establish the general terms and conditions governing the provisions to be made, in accordance with specific Supply Orders.
- 1.3. The Supplier shall inform Casram SA to accept the Order by sending a copy of the order signed as a mark of acceptance by the Legal Representative (hereinafter the "Order Confirmation") in any of the following ways: e-mail, fax. The Supply Contract shall be considered as stipulated upon receipt, by Casram SA, of the Order Confirmation. In any case, even without said Order Confirmation, the Supply Contract shall be considered as stipulated and subject to the General Conditions by automatic tacit consent once five (5) calendar days have passed from the date on which the Order was sent and, in any case, if the Supplier starts to develop and/or supply the goods specified in the Order. If the supplier's acceptance contains new or different conditions to those set forth in the order placed by Casram SA, they shall be considered as a new proposal and not be binding on Casram SA.
- 1.4. Contractual conditions that differ from the General Conditions attached hereto, recalled, added or amended by the Supplier shall not be valid unless specifically accepted in writing by Casram SA.
- 1.5. These conditions are valid on a permanent basis, starting from the date of stipulation and cancel and replace any previous conditions that may have been signed.

ARTICLE 2 - PRODUCT DELIVERY

- 2.1. The terms and conditions for the delivery of the Products are specified in the Order. All Products must be delivered on the date and to the place specified in the Order. The agreed delivery terms are compulsory; therefore, in addition to delays, neither advance nor partial deliveries may be made, unless specifically authorized in writing by Casram SA. In the absence of the agreement, the deliveries may be rejected or stored at Casram SA postponing the payment terms.
- 2.2. The Supplier shall inform Casram SA of the origin of the goods.
- 2.3. Without prejudice to Casram's right to claim compensation for damages, if the Supplier should delay delivery of all or part of the Products with respect to the date specified in the

Order, Casram SA shall have the right to terminate the Supply Contract entirely or the part concerned by the default.

- 2.4. In the event of failure to deliver the products within the terms established, Casram SA may demand that the supplier pay a penalty equal to 3% of the value of the entire order, for each working week delay, till a maximum of 20% of the total order; this is without prejudice to compensation for greater damages.
- 2.5. Products must be delivered by the supplier taking all the steps necessary to guarantee the correct transport and storage of the materials without affecting their integrity or the capacity to fulfil their duty. For all non-conformities, Casram SA may demand that the supplier to substitute the goods at his own expense, without prejudice to compensation for greater damages.
- 2.6. Goods packaging shall be considered as disposable unless otherwise agreed in writing; the packaging must in any case be appropriate for the material supplied and the means of transport used.

ARTICLE 3 - PRODUCT QUALITY AND ACCEPTANCE

- 3.1. Products must comply in full with the technical and functional specifications defined in the Order.
- 3.2. Each delivery must be provided with Certification 3.1.
- 3.3. In order to verify said conformity, Casram SA shall have the right to inspect the Products and/or arrange for their inspection by third parties duly appointed to this end.
- 3.4. If flaws and/or non-compliance with that ordered, also with respect to any technical specifications of Casram SA should be noted in the Products, the Supplier must remedy the matter promptly by repairing/replacing the Product at his own cost (freight included).
- 3.5. For any other matter, please look at the general conditions of the Quality System will be provided.

ARTICLE 4 - WARRANTY AGAINST FLAWS

- 4.1. Unless otherwise agreed in writing, all Products delivered by the Supplier shall be covered by a correct operating warranty for a period of at least 12 (twelve) months from the date of delivery.
- 4.2. Casram SA shall have the right to obtain compensation from the Supplier for direct damages suffered as a result of the flaws and/or non-conformity of the Product with respect to that ordered.

ARTICLE 5 – CONFIDENTIALITY

All technical, technological, construction and process information and all data, designs or specifications of which the Supplier may become aware or come into possession by virtue of the issue of an Order or the fulfilment of a Supply Contract, must be considered as strictly confidential and, therefore, subject to the confidentiality clause. The Supplier undertakes to use said confidential information only to fulfil the Supply Contracts and shall maintain this confidentiality clause for five (5) years following completion of the supplies.

6 - TRADEMARKS

The Supplier cannot modify, alter, conceal, remove or in any other way interfere with any trademark, service mark, business mark, verbal mark, figurative mark or other distinctive marking if added to the supplies at the specific request of Casram SA. The Supplier undertakes not to add its own trademark, service mark, business mark, verbal mark, figurative mark or other distinctive marking to the Products supplied in accordance with specific technical specifications of Casram SA, except with the prior written consent of Casram SA. It is therefore agreed that violation of this ban shall authorize Casram SA to refuse said supply, to terminate the related Supply Contract and to obtain compensation for the damages suffered.

ARTICLE 7 - INVOICING AND PAYMENTS

- 7.1. Invoices issued by the Supplier must be sent to Casram SA in digital format to the e-mail address invoices@casram.com specifying the Order number.
- 7.2. Payments will be made as specified in the Order.

ARTICLE 8 - TERMINATION OF SUPPLY CONTRACTS

In the event of failure or inexact fulfilment of the Supply Contracts by the Supplier, Casram SA may terminate these, by means of notice to fulfil within the terms of 7 calendar days of receipt, to be sent to the Supplier by means of letter sent recorded delivery with advice of receipt. If within these terms, the Supplier has not remedied the total or partial breach, without prejudice to the consequent automatic termination of the Supply Contract, Casram SA shall have the right, with no need for any legal action to be taken, to withhold the amounts accrued in any case in the favor of the Supplier, also by virtue of supplies other than that not made or made incorrectly, by way of advance on compensation for damages caused as a result of the violation; the Supplier hereby waives raising any exception in this respect.

ARTICLE 9 - FORCE MAJEURE

Where supplies cannot be made due to force majeure, the delivery terms shall be extended for the period of time for which the cause of force majeure applies. If the cause of force majeure should result in a significant delay in the delivery, Casram SA shall have the right to revoke or cancel all or part of the order by notifying the Supplier in writing to this effect.

ARTICLE 10 - COURT OF JURISDICTION

Any dispute in connection with the interpretation, fulfilment or termination of these General Conditions, the Orders issued by Casram SA and the related Supply Contracts shall be submitted to the exclusive jurisdiction of the Court of Lugano and of the Switzerland Law.