

INELMATIC's General Conditions of Sale

1. General presentation and application.

Our sales transactions are subject to these general conditions which shall prevail over any conditions of purchase, save in the event of a formal and express waiver by us through our specific conditions. Any waiver of our general conditions agreed with respect to a particular transaction shall apply to that transaction exclusively and shall not apply to subsequent transactions.

2. Commitment

We assume no obligation to sell or supply goods until such time as the customer's order is accepted in writing by us, the goods have been supplied, or our corresponding invoice has issued.

3. Interest for late payment

Without prejudice to any other rights we may have, if the customer fails to pay the invoice price by the due date, the customer shall not be allowed any discount given in that invoice or in any other way agreed and shall pay interest on any overdue amount from the date of which payment was due to that on which it is made (whether before or after judgment) on a daily basis. The customer shall furthermore be obliged to reimburse to us all costs and expenses (including legal and court costs) incurred in the collection of any amount due to us.

4. Retention of title

- a) Title in the goods shall remain vested in us and shall not pass to the customer until such time as the amount due under the invoice for them (including interest and costs) has been paid in full. Notwithstanding the foregoing, the risk in the goods shall pass to the customer in accordance with the delivery terms set forth in condition 5. Until such time as the price of same has been paid in full by the purchaser, it shall be obliged to keep the goods separate from others and individually marked, free from any encumbrances and free from any use or enjoyment by third parties.
- b) Nevertheless, the buyer shall be entitled within the normal course of its business, to convert or resell the purchased goods. In the event of conversion or modification of the goods, the buyer undertakes to immediately pay us the amount remaining due to us, save that with our express agreement, the property in the transformed or resulting goods is transferred to us as a guarantee for the original debt.
- c) In the event of a resale, the buyer undertakes to inform its customers that the goods are subject to a reservation of title clause and to inform us of the assignment, so that our rights may be preserved, and, as the case may be, an action may be brought to claim the price of the goods sold to the subsequent buyer.
- d) It is expressly provided that in insolvency proceedings, the customer is obliged to declare the existence of the reservation of title clause over goods not paid for in full and particularly so at the time any attachment or seizure is effected.

5. Delivery and transport charges

Our standard delivery terms are EXW (Incoterms 2010) our premises in Boecillo, Valladolid, Spain or Shanghai, China, unless agreed otherwise.

6. Delivery

- a) The delivery dates quoted by us are approximate. Save our express agreement to the contrary, no delay in delivery shall give the buyer the right to apply any penalty against or recover damages from us.
- b) Purchase Orders. Orders shall be submitted to us in writing. Each order shall specify the number of units to be shipped, the type of units to be shipped (as identified by our part number) including all optional features, the desired method of shipment. We shall indicate our acceptance of such release by returning a written notification.
- c) Acceptance. The criterion for acceptance of our goods by our customer shall be the successful operation of the goods using our standard test procedures and diagnostic test programs applicable to the goods involved.
- d) Shipment. Notwithstanding the delivery terms agreed in any particular case, liability for loss or damage in transit, or thereafter, shall pass to our customer once the goods have left our premises. Distributor shall bear all costs of transportation and insurance and will promptly reimburse us if we prepay or otherwise pay for such expenses. We shall at our absolute discretion be entitled, notwithstanding anything to the contrary contained in any documentation, to withhold shipment of goods to any client from whom any payment to us is overdue.
- e) Inelmatic shall at absolute discretion be entitled, not withstanding anything to the contrary contained in any documentation, to withhold shipment of goods to any client from whom any payment to us is overdue and/or the credit amount is higher than the limit given by the credit insurance.
- f) Force majeure. We shall not be in default by reason of any failure in our performance of any sale or delivery if such failure results from, whether directly or indirectly, fire, explosion, strike, freight embargo, Act of God or of the public enemy, war, civil disturbance, act of any government, de jure or de facto, or agency or official thereof, material or labor shortage, transportation contingencies, unusually severe weather, default of any other manufacturer or a supplier or subcontractor, quarantine, restriction, epidemic, or catastrophe, lack of timely instructions or essential information from Distributor, or otherwise arisen out of causes beyond our control. Nor shall we at any time be liable for any incidental, special or consequential damages.

7. Warranty

- a) We warrant all goods to be free from defects in material or workmanship under normal use and service for a period of 1 year from the date of delivery. All repair covered by this warranty shall be carried out at our factory, or other such other warranty repair facilities designated by us unless we specifically direct that this service be performed at another location. The expenses and delivery fees will be paid as follows, our customer shall pay the return to the repairing facilities, and we shall pay the return to customer's location. THIS CONSTITUTES THE SOLE WARRANTY MADE BY US EITHER EXPRESS OR IMPLIED. THERE ARE NO OTHER WARRANTIES EXPRESS OR IMPLIED WHICH EXTEND BEYOND THE CONTENTS HEREOF, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL WE BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES AND OUR CUSTOMER'S REMEDIES SHALL BE LIMITED TO REPAIR OR REPLACEMENT OF NONCONFORMING UNITS OR PARTS.

- b) If it is determined that either no fault exists with us, or the damage to be repaired was caused by negligence of our customer, its agents, employees or customers, our customer shall pay all charges associated with each such repair, including shipping expenses.
- c) Misuse of Equipment. Any tampering, misuse or negligence in handling or use of goods renders the aforesaid warranty void. Further, the warranty is void if, at any time, our customer (which terms for the purpose hereof shall include its agents, employees or customers), attempts to make any internal changes to any of the components of the goods; if at any time the power supplied to any part of the goods exceeds the rated tolerance; if any external device attached by the customer creates conditions exceeding the tolerance of the goods; or if any time the serial number plate is removed or defaced. OPERATION OF THE GOODS THAT RENDERS THIS WARRANTY VOID WILL BE DEFINED TO INCLUDE ALL OF THE POSSIBILITIES DESCRIBED IN THIS PARAGRAPH, TOGETHER WITH ANY PRACTICE WHICH RESULTS IN CONDITIONS EXCEEDING THE DESIGN TOLERANCE OF THE GOODS.
- d) Our liability shall be limited to the replacement or return and reimbursement of goods due to defects on the terms set out above, and shall expressly exclude any liability on any other grounds. Under no circumstances shall our liability with respect to goods delivered by us exceed their price as set forth in our invoice relating to same.
- e) Any claims, whatever their nature, shall not be admissible if made later than 10 days from the date of delivery of the goods.

8. Spares

Spares, as used herein, shall be defined as our standard subassemblies and parts used to fabricate and/or repair the goods manufactured and/or supplied by us. We shall make spares for purchase by our customer for a period of not less than five years after shipment of the last unit to of a particular type of goods to the customer. Such spares will be available to our customer at prices, terms and conditions in effect at the time such spares are supplied.

9. Cancellation of orders

Orders will be charged in full unless written notice of cancellation is received not later than 1 week after the purchase order has been accepted, unless we expressly agree otherwise in writing.

10. Proprietary rights

- a) We expressly prohibit any direct or indirect use, reference to, or other employment of our name, trademarks, or trade name exclusively licensed to us, except as expressly authorized by us in writing.
- b) We normally supply all necessary data for the proper installation, test, operation and maintenance of our goods. Portions of this data are proprietary in nature and will be so marked. Our customer agrees to abide by the terms of such markings and to be liable for all loss or damage incurred by us as a result of the improper or unauthorized use of such data. We retain for ourselves all proprietary rights in and to all designs, engineering details, and other data pertaining to any goods supplied by us and to all discoveries inventions, patent rights, etc., arising out of work done in connection with the supply of goods and all equipment developed as a result thereof, including the sole right to manufacture any and all such products. Our customer shall not contact our suppliers, or any other person, for the purpose of manufacture.
- c) Our customer acknowledges that the goods and documentation supplied by us are our property, and agrees not to print, copy, provide or otherwise make available, in whole or in part, any portion of an original or modified goods, documentation or related materials.
- d) Our customer shall not disclose any technical data, code, reference or data provided by us as well as technology and data contained in the goods.

11. Miscellaneous provisions

- a) In no circumstances shall our liability to our customer with respect to any alleged defects or shortages or otherwise with respect to Products delivered or to be delivered exceed the invoice value of the Products.
- b) Any descriptions, illustrations, specifications, figures as to performance, drawings and particulars of weights and dimensions submitted by us or contained in our catalogues, price lists or similar documents are merely intended to represent a general idea of the Products and do not constitute or amount to a contractual commitment or obligation by us in any way.
- c) We shall not be liable for any failure in the performance of any of our obligations when such failure is caused by a force majeure or other factors outside our control.

12. Language, law and jurisdiction

- a) In the event that these Conditions of Sale are prepared or submitted in more than one language version, the Spanish version thereof shall be considered the only valid text, any other text being of no legal effect.
- b) These General Conditions and any contract to which same apply and any interpretation or dispute arising hereunder shall be governed by the laws of Spain. We and the parties to any sales transaction by us furthermore agree to submit any dispute or claim arising from the performance or interpretation of this agreement or in any way, whether directly or indirectly connected with same, to arbitration in law by *La Corte de Arbitraje de Valladolid de la Cámara Oficial de Comercio e Industria de Valladolid* (the Arbitration Tribunal of the Official Chamber of Commerce and Industry of Valladolid) or The Shanghai Arbitration Commission, which shall furthermore administer the arbitration and appoint the arbitrators as provided for in its Rules. The parties furthermore undertake to accept and comply with the arbitration award which issues. Notwithstanding the foregoing, our customer acknowledges that we may issue proceedings against our customer in the court with jurisdiction over its domicile.

These General Conditions of Sale are attached to the quotations and made available online. By purchasing products to Inelmatic, the client accepts these terms.
http://www.inelmatic.com/web/files/downloads/Inelmatic-General-Conditions-ENG_R1.2_C.pdf