

TERMS AND CONDITIONS OF COMMERCIAL SALE

1 – OFFER AND CONFIRMATION

These terms and conditions of commercial sale (the “**Terms and Conditions**”) apply to and form an integral part of:

(a) all quotations and offers (hereinafter both referred to as “**Offer**”) of

Bruco Components b.v. (CoC 0818 9014)
and/or

Bruco Integrated Circuits b.v. (CoC 0821 5715)
(hereinafter both referred to as “**Bruco**”) to Buyer.
Bruco and Buyer hereinafter referred to as “**Parties**”),

(b) all acceptances, acknowledgements or confirmations by Bruco (hereinafter all referred to as “**Confirmation**”) of any order of Buyer, including without limitation orders of Buyer resulting from any pricing- or other framework agreement between any Buyer and Bruco, unless explicitly agreed otherwise in writing between Bruco and Buyer,

(c) any agreement resulting from such Offer or Confirmation and

(d) any agreement incorporating these Terms and Conditions by reference (both types of agreements referred to under (c) and (d) shall hereinafter be referred to as an “**Agreement**”) regarding the sale by Bruco and purchase by Buyer of goods or services (“**Products**”), unless Bruco explicitly agrees in writing to the exclusion hereof.

These Terms and Conditions shall constitute all of the general terms and conditions of any Offer, Confirmation and Agreement between Bruco and Buyer relating to the sale by Bruco and purchase by Buyer of Products. Any specifications and any terms and conditions set forth on any document or documents issued by Buyer (including “**Pull Documents**” as defined below) either before or after issuance of any document by Bruco setting forth or referring to these Terms and Conditions are hereby explicitly rejected and disregarded by Bruco, and any such document shall be wholly inapplicable to any sale made by Bruco and shall not be binding in any way on Bruco.

No Offer, Confirmation or Agreement constitutes an acceptance by Bruco of any other terms and conditions and Bruco does not intend to enter into an Agreement other than under these Terms and Conditions.

Any Offer is expressly made conditional on Buyer’s assent to all of the terms contained in the Offer without deviation. Acceptance by Buyer of an Offer may be evidenced by (i) Buyer’s written or verbal assent, (ii) Buyer’s acceptance of delivery of the Products or payment of the first instalment of the Products (if applicable), or acceptance by any representative of Buyer, or (iii) other conduct by Buyer or any representative of Buyer consistent with acceptance of the Offer.

In the event that any Offer or Confirmation is sent in response to Buyer’s blanket purchase order, the terms and conditions of that Offer or Confirmation, including these Terms and Conditions, shall apply to any “pull” by Buyer or delivery by Bruco, irrespective of whether Buyer submits additional purchase orders (electronically or otherwise) (“**Pull Documents**”) and whether Bruco provides a Confirmation to such additional purchase orders. All terms and conditions of such Pull Documents are hereby rejected.

Bruco Offers are open for acceptance within the period stated by Bruco in the Offer or, when no period is stated, within thirty (30) days from the date of the Offer, but any Offer may be withdrawn or revoked by Bruco at any time prior to the receipt by Bruco of the Buyer’s acceptance related thereto.

If Bruco receives an order from Buyer for the sale by Bruco and purchase by Buyer of Products and such order is not a response to an Offer by Bruco or if Bruco receives an order or acceptance by Buyer which deviates from Bruco’s Offer, such order or acceptance, respectively, shall be deemed to be a request for an Offer only.

An acceptance by Buyer of any Offer made by an order gatherer, liaison officer, agent or sales representative of Bruco shall first constitute an Agreement between Bruco and Buyer upon explicit Confirmation -written or by e-mail- by Bruco itself. The Buyer shall ensure that the terms of its order and any applicable specifications are complete and accurate.

The numbers of this Agreement shall be called “**Sections**”.

2 - PRODUCTS, QUANTITIES, PRICING AND ADVERTISING

Buyer shall purchase the Products in the quantities and at the prices specified in Bruco’s Offer or, as the case may be, Confirmation or Agreement. Prices in any Offer, Confirmation or Agreement are in euros, based on delivery Ex-Works (Incoterms 2010) of Bruco’s manufacturing facility or other facility designated by Bruco unless agreed otherwise in writing between Buyer and Bruco and do not include any taxes, duties or similar levies, now or enacted, applicable to the Products. Taxes, duties and similar levies will be added by Bruco to the sales price where Bruco is required by law to pay or collect them and will be paid by Buyer together with the price.

All samples, drawings, descriptive matter, specifications and advertising issued by Bruco and any descriptions or illustrations contained in the catalogues or brochures of Bruco are issued or published for the sole purpose of giving an approximate idea of the Products described in them. They shall not form part of the Agreement.

3 - RIGHTS IN SOFTWARE, DOCUMENTATION AND INTELLECTUAL PROPERTY

All intellectual property rights covering Products including without limitation any and all software and/or documentation or data included in, with or comprising Products, and all ownership rights in and to such intellectual property rights, software, documentation and data, shall remain solely and exclusively with Bruco or its third party suppliers, whether or not they were developed specifically for the Buyer.

No rights or licenses are granted, or implied by estoppel or otherwise, under any intellectual property rights of Bruco and/or its Affiliates or any intellectual property residing in the Products, including without limitation, software and/or documentation or any data furnished by Bruco, except for the license under any of Bruco and/or its Affiliates' intellectual property rights to use and resell Products sold by Bruco to Buyer subject to the provisions set forth herein. The term "**Affiliate**" shall mean any entity or other person which, directly or indirectly, controls, is controlled by or is under common control with Bruco.

Notwithstanding anything to the contrary herein, these Terms and Conditions shall not be construed as:

a) Conferring any license or immunity, either directly or by implication, estoppel or otherwise to Buyer or any third party acquiring any item(s) such as, but not limited to, Product(s), including without limitation, software and/or documentation or any data furnished by Bruco, for the combination of such acquired item(s) with one or more other items (including items acquired from Buyer) even if such items have no substantial use other than as part of such combination.

b) Conferring any license or right with respect to any trademark, trade or brand name, a corporate name of Bruco and/or its Affiliate(s), or any other name or mark, or contraction abbreviation or simulation thereof.

c) Imposing on Bruco and/or its Affiliate(s) any obligation to furnish any manufacturing or technical information except as expressly required under these Terms and Conditions.

d) Conferring any license or immunity, either directly or by implication, estoppel or otherwise to Buyer or any third party under any intellectual property rights of Bruco and/or its Affiliates covering a standard set by a standard setting body and/or agreed to between at least two companies.

e) Conferring any license or immunity, either directly or by implication, estoppel or otherwise to Buyer or any third party under any intellectual property rights of Bruco and/or its Affiliates, if Bruco and/or its Affiliates have informed Buyer or have published (in a datasheet concerning the Product or elsewhere) a statement that a separate license has to be obtained and/or that no implied license is granted. The absence of such a statement in a given version of the datasheet is of no consequence whatsoever if a subsequent version of the datasheet does contain such a statement.

To the extent that Buyer is authorized to reproduce and distribute such software and documentation, such reproduction and distribution may be made either in electronic or hardcopy format, solely as required for use with Buyer's Product. Buyer shall not copy, reproduce or distribute software and/or documentation except as specifically provided herein or pursuant to a separate, written license duly executed by Bruco and/or any of its Affiliates.

Unless otherwise specifically provided in writing and signed by Bruco, Buyer shall not have the right to any software source code. Any and all source code included as part of the software and any compilation or derivative thereof is the proprietary information of Bruco and is confidential in nature.

Buyer shall not:

(a) modify, adapt, alter, translate, or create derivative works from, the software;

(b) assign, sublicense, lease, rent, loan, transfer, disclose, or otherwise make available the software;

(c) merge or incorporate the software with or into any other software; or

(d) reverse assemble, decompile, disassemble, or otherwise attempt to derive the source code for the software without written authorization from Bruco. Buyer shall reproduce, without any amendments or changes thereto, any proprietary rights legends of Bruco and/or its Affiliates or its third party suppliers in any software or documentation provided by Bruco.

Buyer's rights under the Agreement are conditioned upon Buyer not performing any actions in a manner that would require Bruco to deliver any software furnished with the Product, the Product or any derivative work thereof to be licensed as Identified Software, including without limitation:

(i) Identified Software into such software, the Product or any derivative work thereof;

(ii) a combination of Identified Software with such software, the Product or any derivative work thereof;

(iii) the distribution of Identified Software in conjunction with such software, the Product or derivative work thereof; or

(iv) use of Identified Software in the development of a derivative work of such software or the Product.

As used herein, (i) "**Identified Software**" includes, without limitation, Open Source Software and means software which is licensed pursuant to terms that

(1) create, or purport to create, obligations for Bruco, its Affiliates or its suppliers with respect to any software furnished with the Product, the Products or a derivative work thereof, or

(2) grant, or purport to grant, to any third party any rights or immunities under Bruco, its Affiliates' or its suppliers' intellectual property or proprietary rights in such software, the Product or a derivative work thereof and (ii) "**Open Source Software**" means any software that requires as a condition of use, modification and/or distribution of such software that other software incorporated into, derived from or distributed with such software be

(1) disclosed or distributed in source code form;

(2) be licensed for the purpose of making derivative works; or

(3) be redistributable at no charge.

Buyer shall indemnify Bruco and its Affiliates against and hold Bruco and its Affiliates harmless from any damage or costs arising from or in connection with any violation or breach of the provisions of this Article 3 and Buyer shall reimburse all costs and expenses incurred by Bruco and/or its Affiliates in defending any claim, demand, suit or proceeding arising from or in connection with such violation or breach.

4 - PRICE AND PAYMENT

(a) Unless otherwise agreed by Bruco in writing, the price for the Products shall be the price set out in the price list of Bruco published on the date of delivery or deemed delivery.

(b) The price for the Products shall be exclusive of any value added tax and all costs or charges in relation to packaging, loading, unloading, carriage and insurance, all of which amounts the Buyer shall pay in addition when it is due to pay for the Products.

(c) Net payment is due within thirty (30) days of date of invoice unless otherwise agreed between Bruco and Buyer in writing. All payments shall be made to the designated Bruco address. If deliveries are made in instalments, each instalment shall be separately invoiced and paid for when due. No discount is allowed for early payment unless agreed to in writing by Bruco. Interest will accrue on all late payments, at the rate of eighteen percent (18%) per annum or the applicable statutory rate, whichever is higher and to the extent permitted by applicable law, from the due date until payment in full.

(d) All payments payable to Bruco under the Agreement shall become due immediately on its termination despite any other provision.

(e) The Buyer shall make all payments due under the Agreement in full without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the Buyer has a valid court order requiring an amount equal to such deduction to be paid by Bruco to the Buyer.

(f) All shipments, deliveries and performance of work agreed to by Bruco shall at all times be subject to the credit approval of Bruco. If, in Bruco's judgment, the Buyer's financial condition at any time does not justify production or delivery on the above payment terms, Bruco may alter the terms of payments, such as require full or partial payment in advance or other payment terms as condition for delivery, and Bruco may suspend, delay or cancel any credit, delivery or any other performance by Bruco.

(g) Payment by Buyer of non-recurring charges, as may be made to Bruco for special design, engineering or production materials required for Bruco's performance on orders deviating from Bruco's established product line, shall not convey title to either the design or special materials, but title shall remain in Bruco.

(h) Buyer shall not offset, withhold or reduce any payment(s) due by it to Bruco. The payment of fees and charges is a covenant of Buyer that is independent of the other covenants made by the Parties hereunder.

(i) If Bruco incurs exchange rate losses due to Buyer's failure to pay when payments are due, Bruco shall be entitled to equivalent compensation from Buyer for such losses.

(j) In the event of any default by Buyer in the payment of any fees or charges due, or any other default by Buyer, Bruco shall have the right to refuse delivery of any Products until payments have been made and Bruco may suspend, delay or cancel any credit, delivery or any other performance by Bruco. Such right shall be in addition to, and not in lieu of, any other rights and remedies available under the Agreement or at law or in equity for Buyer's default.

5 - DELIVERY AND QUANTITIES

(a) Products shall be delivered EXWORKS (Incoterms 2010) of Bruco's manufacturing facility, or other facility as designated by Bruco, unless otherwise agreed in writing between Bruco and Buyer. Delivery dates communicated or acknowledged by Bruco are approximate only, and Bruco shall not be liable for, nor shall Bruco be in breach of its obligations to Buyer because of any delivery made within a reasonable time before or after the stated delivery date. Bruco agrees to use commercially reasonable efforts to meet the delivery dates communicated or acknowledged by it on the condition that the Buyer provides all necessary order and delivery information sufficiently prior to the agreed delivery date.

(b) Subject to the other provisions of these Terms and Conditions Bruco shall not be liable for any direct, indirect or consequential loss, all three of which terms include, without limitation, pure economic loss, loss of profits, loss of business, depletion of goodwill and similar loss, costs, damages, charges or expenses caused directly or indirectly by any delay in the delivery of the Products even if caused by the failure of Bruco, nor shall any delay entitle the Buyer to terminate or annul the Agreement unless such delay exceeds sixty (60) days.

(c) If for any reason the Buyer fails to accept delivery of any of the Products when they are ready for delivery, or Bruco is unable to deliver the Products on time because the Buyer has not provided appropriate instructions, documents, licences or authorizations:

(i) risk in the Products shall pass to the Buyer, including for loss or damage caused by the negligence of Bruco;

(ii) Products shall be deemed to have been delivered; and

(iii) Bruco may store the Products until delivery, where upon the Buyer shall be liable for all related costs and expenses including, without limitation, storage and insurance.

(d) If Bruco delivers to the Buyer a quantity of Products of up to ten percent (10%) more or less than the

quantity accepted by Bruco, the Buyer shall not be entitled to object to or reject the Products or any of them by reason of the surplus or shortfall and shall pay for such Products at the pro rata Agreement rate.

(e) Bruco may deliver the Products by separate instalments. Each separate instalment shall be invoiced and paid for in accordance with the provisions of the Agreement.

(f) Each instalment shall be a separate Agreement and no cancellation or termination of any one Agreement relating to an instalment shall entitle the Buyer to repudiate or cancel any other Agreement or instalment.

(g) If Bruco's production is curtailed for any reason, Bruco shall have the right to allocate its available production and Products, at its sole discretion, among its various customers and as a result may sell and deliver to Buyer fewer Products than specified in the Agreement, as the case may be.

6 - NON-DELIVERY

(a) The quantity of any consignment of Products as recorded by Bruco upon dispatch from the place of business of Bruco shall be conclusive evidence of the quantity received by the Buyer on delivery, unless the Buyer can provide conclusive evidence proving the contrary.

(b) Bruco shall not be liable for any non-delivery of Products even if caused by the negligence of Bruco, unless the Buyer gives written notice to Bruco of the non-delivery within five (5) days of the date when the Products would have been received in the ordinary course of events. Upon the date of such notice of non-delivery Buyer will give Bruco thirty (30) days to cure the non-delivery. If Bruco does not deliver within such thirty (30) day period, Buyer may cancel the affected and undelivered portions of the Agreement, provided that Bruco is responsible for the delay. Buyer's claim to damages due to failure to delivery and delay as well as claims for damages in lieu of performance shall be governed by the provisions set out in Section 9.

(c) Any liability of Bruco for non-delivery of the Products shall be limited to replacing the Products within a reasonable time or issuing a credit note at the pro rata Agreement rate against any invoice raised for such Products, at the option of Bruco.

(d) If Buyer fails to take delivery, then Bruco may deliver the Products in consignment at Buyer's costs and expenses.

7 - RISK / RETENTION OF TITLE

(a) The Products are at the risk of the Buyer from the time of delivery as defined by the applicable ICC 2010 Incoterm.

(b) Ownership of the Products shall not pass (retention of title) to the Buyer until Bruco has received in full, in cash or cleared funds, all sums due to it in respect of:

- (i) the Products; and

- (ii) all other sums due to Bruco from the Buyer on any account.

The retention of title to the Products pursuant to the terms of this sub-section shall also extend to any Products delivered by way of exchange.

(c) If the Products under retention of title should be processed, mixed or combined with other items that do not belong to Bruco, then Bruco shall have a right to co-ownership of the new item in the same ratio as that between the value of the Products under retention of title, including V.A.T., and the value of the other items processed, mixed or combined at the time of processing, mixing or combining. Buyer shall store the item on behalf of Bruco free of charge.

(d) Until further notice Buyer is authorized to dispose of the Products under retention of title within the framework of its ordinary business operations. For this event Buyer hereby assigns to Bruco his claims from a resale of the Products under retention of title being the resale price including V.A.T. Should Buyer sell the Products under retention of title together with products that do not belong to Bruco at a total price, the assignment shall only apply to the sum which Bruco has charged Buyer for the Products under retention of title which have been sold.

(e) If Buyer's claims from the resale form part of the balance in a current account, Buyer hereby assigns to Bruco his claims against his own customer in respect of the claims in the current account. The assignment shall apply to the resale price including V.A.T.

(f) Until further notice Buyer shall be entitled to collect the claims that have been assigned to Bruco. Any assignment or pledging of such a claim shall only be permissible with Bruco's written consent. If Buyer defaults on payment or fails to comply with his obligations in respect of the retention of title, Buyer shall, on Bruco's request, provide the debtors with written notification of the assignment, supply Bruco with all information, submit and send Bruco the documents and transfer any bills of exchange. If desired by Bruco, Buyer must grant Bruco access to the relevant documents.

(g) On the occurrence of the circumstances set out in Section (f), third sentence, Buyer must grant Bruco access to the Products under retention of title which are still in his possession and send Bruco an exact list of the Products. Buyer must separate these from the other products, if possible, and return them to Bruco after Bruco has terminated the Agreement.

(h) Buyer must immediately notify Bruco in writing should any third parties seize the Products under retention of title or take possession of the claims assigned to Bruco and must give Bruco every possible support in the intervention.

(i) The costs for complying with the said duty to co-operate in enforcing all rights in respect of the retention of title and for all arrangements made for the maintenance and storage of the Products shall be borne by Buyer.

(j) In case of insolvency proceedings over Buyer's property Bruco is entitled to terminate the Agreement provided the Products under retention of title have not been fully paid.

(k) Until ownership of the Products has passed to the Buyer, the Buyer shall, subject to the provisions of subsection (d):

(i) hold the Products on a fiduciary basis as a bailee of Bruco;

(ii) store the Products at no cost to Bruco separately from all other products of the Buyer or any third party in such a way that they remain readily identifiable as the property of Bruco;

(iii) not destroy, deface or obscure any identifying mark or packaging on or relating to the Products; and

(iv) maintain the Products in satisfactory condition and keep them insured on behalf of Bruco for their full price against all risks to the reasonable satisfaction of Bruco. On request the Buyer shall produce the policy of insurance to Bruco.

(l) The right of the Buyer to possession of the Products shall terminate immediately if:

(i) the Buyer has a bankruptcy order made against him or makes an arrangement or composition with his creditors, or otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or (being a body corporate) convenes a meeting of creditors whether formal or informal, or enters into liquidation whether voluntary or compulsory except a solvent voluntary liquidation for the purpose only of reconstruction or amalgamation, or has a receiver and/or manager, administrator or administrative receiver appointed of its undertaking or any part thereof, or documents are filed with the court for the appointment of an administrator of the Buyer or notice of intention to appoint an administrator is given by the Buyer or its directors, or a resolution is passed or a petition presented to any court for the winding-up of the Buyer or for the granting of an administration order in respect of the Buyer, or any proceedings are commenced relating to the insolvency or possible insolvency of the Buyer; or

(ii) the Buyer suffers or allows any execution, whether legal or equitable, to be levied on his/its property or obtained against him/it, or fails to observe or perform any of his/its obligations under the Agreement or any other contract between Bruco and the Buyer, or is unable to pay its debts, or the Buyer ceases to trade; or

(iii) the Buyer encumbers or in any way charges any of the Products without permission of Bruco.

(m) Bruco shall be entitled to recover payment for the Products notwithstanding that ownership of any of the Products has not passed from Bruco.

(n) The Buyer grants Bruco, its agents and employees an irrevocable license at any time to enter any premises where the Products are or may be stored in order to inspect them, or, where the right of the Buyer to possession has terminated, to recover them.

(o) Where Bruco is unable to determine whether any products are the Products in respect of which the right of the Buyer to possession has terminated, the Buyer

shall be deemed to have sold all Products of the kind sold by Bruco to the Buyer in the order in which they were invoiced to the Buyer.

(p) On termination of the Agreement, howsoever caused, the rights of Bruco but not of the Buyer contained in this Section 7 shall remain in effect.

8 - CUSTOM PRODUCT

Bruco shall have exclusive rights to Products designed and manufactured for the unique needs of Buyer, to Buyer's specifications or requirements, such as an ASIC or ASSP or to military specifications ("**Custom Product**"). Bruco shall retain title to and possession of designs, masks and database tapes. Individual segments or parts of Custom Product designs, including but not limited to standard cells, mega cells, or base arrays, are the property of Bruco and may be used by Bruco in other designs and may not be used by Buyer except as a part of Custom Product designed and manufactured by Bruco. Prices and/or schedules are subject to increase by Bruco if any specifications are revised or supplemented by Buyer or at the request of Buyer or there are unforeseen difficulties with the design.

9 - RESCHEDULING AND CANCELLATION

No order, Agreement or any part thereof may be rescheduled or cancelled without Bruco's prior written consent.

10 - NON ATTRIBUTABLE FAILURES

Bruco shall not be liable for any failure or delay in performance if

(i) such failure results from the fact that Bruco's manufacturing volume of the Products concerned is lower than anticipated due to interruptions in the manufacturing process; or

(ii) such failure does not result from its fault; or

(iii) such failure is caused by Force Majeure as defined below or by law.

In case of such non-attributable failure, the performance of the relevant part(s) of the Agreement will be suspended for the period such non-attributable failure continues, without Bruco being responsible or liable to Buyer for any damage resulting there from.

The expression "**Force Majeure**" shall mean and include any circumstances or occurrences beyond Bruco's reasonable control - whether or not foreseeable at the time of the Offer or Confirmation - in consequence of which Bruco cannot reasonably be required to execute its obligations.

Such circumstances or occurrences include but are not restricted to: acts of God, war, civil war, insurrections, strikes, fires, floods, earthquakes, labor disputes, epidemics, governmental regulations and/or similar acts, freight embargoes, non-availability of any permits, licenses and/or authorizations required, defaults or delays of suppliers or subcontractors and/or inability or impracticability to secure transportation, facilities, fuel, energy, labour, materials or components. In the event that the Force

Majeure extends for a period of two consecutive months both Parties shall be entitled to cancel all or any part of the Agreement without any liability the other Party.

11 - LIMITED WARRANTY AND DISCLAIMER

(a) Bruco warrants that under normal use the Products, excluding any software, prototypes, Risk Production Units as defined in this Section 11 (a), experimental Products, beta testing Products and samples of newly developed Products, shall, at the time of delivery to Buyer and for a period of twelve (12) months from the date of delivery (or such other period as may be agreed-upon in writing by the Parties), be free from defects in material or workmanship and shall substantially conform to Bruco's specifications for such Product, or such other specifications as Bruco has agreed to in writing, as applicable.

All Custom Products manufactured and/or delivered, all software, prototypes, experimental Products, beta testing Products and samples of newly developed Products ("**Risk Production Units**"), shall be "**AS IS**" and **WITHOUT WARRANTY OF ANY KIND**.

Bruco's sole and exclusive obligation, and Buyer's sole and exclusive right, with respect to claims under this warranty shall be limited, at Bruco's option, either to the replacement or repair of a defective or non-conforming Product or to an appropriate credit for the purchase price thereof. Bruco will have a reasonable time to repair, replace or credit.

The non-conforming or defective Products shall become Bruco property as soon as they have been replaced or credited for. Any repaired or replacement Products shall be warranted on the (same) terms of this sub-section (a) for the unexpired portion of the twelve (12) month period from the date of delivery.

(b) Buyer may ship Products returned under warranty claims to Bruco's designated facility only so long as the returns are in conformance with Bruco's then-current Return Material Authorization policy and are accompanied by a statement of the reason for the return on a Return Material Authorization form issued by Bruco.

Where warranty adjustment is made, Bruco will pay for freight expenses.

Buyer shall pay for returned Products that are not defective or non-conforming together with the freight, testing and handling costs associated therewith.

(c) Bruco shall not be liable for a breach of any of the warranties in sub-section (a), unless:

(i) the Buyer gives written notice of the defect to Bruco, and, if the defect is as a result of damage in transit to the carrier, within thirty (30) days of the time when the Buyer discovers or ought to have discovered the defect; and

(ii) Bruco is given a reasonable opportunity to fulfil its warranty after receiving the notice of examining such Products and the Buyer, if asked to do so by Bruco, returns such Products to Bruco's place of business at the Buyer's cost for the examination to take place there.

(d) Notwithstanding the foregoing, Bruco shall have no obligations for breach of warranty if

(i) the Buyer makes any further use of Products with defects after giving the notice pursuant to the provisions of sub-section (c) (i), or

(ii) if alleged defect or non-conformance is found to have occurred as a result of environmental or stress testing, misuse, neglect, improper installation, or accident or as a result of improper repair, alteration, modification, storage, transportation or improper handling.

(e) The express warranty granted above shall extend directly to Buyer and not to Buyer's customers, agents or representatives. Except for warranty of title, the express warranty granted above is in lieu of all other warranties, whether express or implied, including without limitation any implied warranties of fitness for a particular purpose, merchantability, or non-infringement of intellectual property rights. All other warranties are hereby specifically disclaimed by Bruco.

(f) Subject to Section 13, The foregoing states the entire liability of Bruco in connection with defective or non-conforming Products supplied hereunder.

12 - INTELLECTUAL PROPERTY RIGHTS INDEMNITY

(a) Bruco, at its sole expense, shall:

(i) defend any legal proceeding brought by a third party against Buyer to the extent that the proceeding includes a claim that any Product -excluding software-furnished by Bruco under the Agreement directly infringes the claimant's patent, copyright, trademark, or trade secret; and

(ii) hold Buyer harmless against damages and costs awarded by final judgment in such proceeding to the extent directly and solely attributable to such infringement.

(b) Bruco shall have no obligation or liability to Buyer under sub-section (a):

(1) if Bruco is not:

(i) promptly notified in writing of any such claim;

(ii) given the sole right to control and direct the investigation, preparation, defense and settlement of such claim, including the selection of counsel; and

(iii) given full reasonable assistance and cooperation by Buyer in such settlement and defense;

(2) if the claim is lodged with Bruco after a period of one (1) year upon the date of delivery of the infringing Product;

(3) to the extent that any such claim arises from:

(i) modification of the Product if the claim of infringement would have been avoided by use of the unmodified Product;

(ii) design, specifications or instructions furnished by Buyer; or

(iii) the combination of the Product with any other product, service or technology; or

(iv) the use of the Product or any part thereof in the practise of a process;

(4) to the extent the claim is based directly or indirectly upon the quantity or value of products manufactured by means of the Product or upon the frequency of use or the amount of use of the Product irrespective of whether such claim alleges the Product as such, or its

use, infringes or contributes to the infringement of any intellectual property rights of the claimant;

(5) for unauthorized use or distribution of the Product or use beyond the specifications of the Product;

(6) to the extent any such claim arises from Buyer's manufacture, use, sale, offer for sale, importation or other disposition or promotion of the Product after Bruco's notice to Buyer that Buyer should cease any such activity, provided such notice shall only be given if the Product is, or in Bruco's opinion is likely to become, the subject of such a claim of infringement; or

(7) for any costs or expenses incurred by Buyer without Bruco's prior written consent; or

(8) to the extent the claim is based on any prototypes, Risk Production Units, or software;

(9) to the extent any such claim arises from any infringement or alleged infringement of any patent, copyright, trademark, or trade secret or other intellectual property rights covering a standard set by a standard setting body and/or agreed between at least two companies,

(10) for infringement of any third party's intellectual property rights covering the manufacture, testing or application of any assembly, circuit, combination, method or process in which the Product may have been used, or

(11) for infringement of any third party's intellectual property rights with respect to which Bruco has informed Buyer or has published (in a datasheet concerning the Product or elsewhere) a statement that a separate license has to be obtained and/or that no implied license is granted.

(c) Buyer shall indemnify Bruco against and hold Bruco harmless from any damages or costs arising from or connected with any claims of infringements or alleged infringement pursuant to the provisions of sub-sections (b) (1) to (10) and shall reimburse all costs incurred by Bruco in defending any claim, demand, suit or proceeding for such infringement, provided Bruco gives Buyer prompt notice in writing of any such suit or proceeding for infringement.

(d) If any Product is, or in Bruco's opinion is likely to become, the subject of a claim of infringement as referred to under Section 10 (a) above, Bruco shall have the right, without obligation and at its sole option, to:

(i) procure for Buyer the right to continue to use or sell the Product;

(ii) replace or modify the Product in such a way as to make the modified Product non-infringing; or

(iii) terminate any Agreement to the extent related to such Product. In the event of any such termination, Bruco shall repurchase all Products in Buyer's possession at the time of such termination, which are then subject to the claimant's continuing claim of infringement. The repurchase price shall be subject to reasonable depreciation.

(e) By suspending the sale of any affected Products to the Buyer, Bruco shall not be deemed to be in default. Moreover, in the event that no clarification is reached within three (3) months upon the date of Buyer's written notification pursuant to the terms of sub-section (b) (1) (i) or in case Bruco does not succeed in

allowing the Buyer to continue distributing or selling any affected Products or replacement Products or modified Products in a given territory, either Bruco or the Buyer may terminate any further supply, distribution or sale of Products infringing or allegedly infringing third party intellectual property rights with prior notice to the other Party.

(f) In the event that any Products by final court decision is judged to be infringing third party intellectual property rights, the maximum, aggregate liability of Bruco for any loss and damages directly incurred by the Buyer shall be limited to the price paid by the Buyer for all infringing Products purchased during the three (3) months period immediately preceding the date of the action or suit giving rise to the liability of Bruco for third party intellectual property rights infringement.

(g) Subject to Section 13, the foregoing states Bruco's entire liability and obligation to Buyer or its mediate or immediate customers and Buyer's sole remedy with respect to any actual or alleged infringement of any intellectual property rights of any kind.

13 - LIMITATION OF LIABILITY

(a) The total liability of Bruco in contract, tort including negligence or breach of statutory duty, misrepresentation, restitution or otherwise, arising in connection with the performance or contemplated performance of the Agreement shall be limited to the purchase price of the Agreement concerned;

(b) Bruco shall not be liable to the Buyer for any pure economic loss, loss of profit or savings, loss of business, revenue or income, depletion of goodwill or otherwise, in each case whether direct, indirect, punitive, exemplary, specific or consequential, or any claims for whatever consequential compensation which arise out of or in connection with the Agreement -even if Bruco has been advised, or is aware, of the possibility of such damages. In no event shall Bruco be liable for excess procurement costs and rework charges.

(c) Bruco's Products are not designed for use in life support equipment or other application where malfunction of a Bruco Product can reasonably be expected to result in a personal injury. Bruco's customers using or selling Bruco's Products for such use do so at their own risk and agree to fully indemnify Bruco for any damages resulting from such use or sale.

(d) Any claim for damages must be submitted by Buyer to Bruco within ninety (90) days of the date of the event giving rise to any such claim, and any lawsuit relative to any such claim must be filed within one (1) year of the date of the claim.

(e) The limitations set forth above in this Section 13 shall only apply to the extent permitted by applicable law and shall not apply to the extent Buyer's damage is caused by Bruco's gross negligence or wilful misconduct.

14 - CONFIDENTIALITY

Buyer acknowledges that all technical, commercial and financial data disclosed to Buyer by Bruco is the confidential information of Bruco and/or its Affiliates. Buyer shall not disclose any such confidential information to any third party and shall not use any such confidential information for any purpose other than as agreed by the Parties and in conformance with the purchase transaction contemplated herein.

15 - COMPLIANCE WITH LAWS

Each party hereto represents that it's duly authorized to enter into the Agreement and represents that with respect to its performance hereunder, it will comply with all applicable federal, state and local laws, including, but not limited to those pertaining to U.S. Export Administration or the export or import controls or restrictions of other applicable jurisdictions.

If the delivery of Products or services under the Agreement is subject to the granting of an export or import license by a government and/or any governmental authority under any applicable law or regulation, or otherwise restricted or prohibited due to export or import control laws or regulations, Bruco may suspend its obligations and Buyer's rights regarding such delivery until such license is granted or for the duration of such restriction and/or prohibition, respectively, and Bruco may even terminate the Agreement, without incurring any liability towards Buyer.

Furthermore, if an end-user statement is required, Bruco shall inform Buyer immediately thereof and Buyer shall provide Bruco with such document upon Bruco's first written request; if an import license is required, Buyer shall inform Bruco immediately thereof and Buyer shall provide Bruco with such document as soon as it is available.

By accepting Bruco's Offer, entering into any Agreement and/or accepting any Products, Buyer agrees that it will not deal with the Products and/or documentation related thereto in violation of any applicable export or import control laws and regulations.

16 - ASSIGNMENT AND SET OFF

Buyer shall not assign any rights or obligations under the Agreement without the prior written consent of Bruco.

Buyer hereby waives any and all rights to offset existing and future claims against any payments due for Products sold under the Agreement or under any other agreement that Buyer and Bruco may have and agrees to pay the amounts hereunder regardless of any claimed offset which may be asserted by Buyer or on its behalf.

17 - GOVERNING LAW AND FORUM

All Offers, Confirmations and Agreements are governed by and construed in accordance with the laws of the Netherlands. For determination of any and all disputes arising out or in connection with such Offer, Confirmation or Agreement, Buyer submits, for

the exclusive benefit of Bruco, to the jurisdiction of the competent court(s) of Overijssel. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to any Offer, Confirmation or Agreement.

18 - LIABILITY FOR INJURY OR LOSS

The Buyer shall take such steps as may be reasonably necessary to prevent personal injury or property damage during any work hereunder that may be performed by any employees, agents, or subcontractors of the Buyer at Bruco's premises, and the Buyer shall indemnify and hold Bruco harmless from and against all loss, liability, and damages arising from or caused directly or indirectly by any act or omission of such agents, employees, or subcontractors of the Buyer; and Buyer shall maintain such insurance as will protect Bruco against the aforementioned risks and against any claims under applicable law.

19 - BREACH AND TERMINATION

Without prejudice to any rights or remedies Bruco may have under the Agreement or at law, Bruco may, by written notice to Buyer, terminate with immediate effect the Agreement, or any part thereof, without any liability whatsoever, if:

- (i) Buyer fails to make payment for any Products to Bruco when due;
- (ii) Buyer fails to accept conforming Products supplied hereunder;
- (iii) a voluntary or involuntary petition in bankruptcy or winding up is filed against Buyer, any proceedings in insolvency or bankruptcy (including reorganization) are instituted against Buyer, a trustee or receiver is appointed over Buyer, or any assignment is made for the benefit of creditors of Buyer; or
- (iv) Buyer violates or breaches any of the provisions of these Terms and Conditions.

Upon occurrence of any of the events referred to above under (i) through (iv), all payments to be made by Buyer under the Agreement shall become immediately due and payable.

In the event of cancellation, termination or expiration of any Agreement the terms and conditions destined to survive such cancellation, termination or expiration, which shall include without limitation Sections 10, 11, 12 and 13, shall survive.

20 - PRODUCT AND PRODUCTION CHANGES

Bruco reserves the right to make at any time Product and/or production changes. In such event Bruco represents that said changes shall not negatively affect form, fit or function of the Products and their performance characteristics.

21 - DISCONTINUATION OF PRODUCT

Bruco reserves the right to discontinue manufacturing and sale of Products at any time. If however at any time during the term of an Agreement under which Bruco sells and Buyer purchases on a regular basis Products, such regularly sold and purchased Products are to be permanently discontinued ("Discontinued

Product"), Bruco shall use its reasonable commercial efforts to give Buyer prior written notice of such discontinuance and shall use reasonable commercial efforts to accept orders for such Discontinued Product.

22 - SEVERABILITY

In the event that any provision(s) of the Agreement or these Terms and Conditions shall be held invalid or unenforceable by a court of competent jurisdiction or by any future legislative or administrative action, such holding or action shall not negate the validity or enforceability of any other provisions hereof.

23 - WAIVER

The failure on the part of either party to exercise, or any delay in exercising, any right or remedy arising from any Offer, Confirmation or Agreement shall not operate as a waiver thereof; nor shall any single or partial exercise of any right or remedy arising therefrom preclude any other or future exercise thereof or the exercise of any other right or remedy arising from any Offer, Confirmation or Agreement or by any related document or by law.

24 - NOTICES

All notices or communications to be given under this Agreement shall be in writing and shall be deemed delivered upon hand delivery, confirmed e-mail communication, or three (3) days after deposit in the mail of the home country of the party, postage prepaid, by certified, registered, first class or equivalent mail,

addressed to the Parties at their addresses set forth on the Offer, Confirmations and/or Agreements.

25 - ATTORNEYS' FEES

Should a dispute arise from the subject matter of any Offer, Confirmation or Agreement, the prevailing Party in any resulting litigation shall be reimbursed by the other Party for any and all reasonable attorneys' fees and expenses incurred.

26 - RELATIONSHIP OF PARTIES

The Parties hereto intend to establish a relationship of buyer and seller and as such are independent contractors with neither party having authority as an agent or legal representative of the other to create any obligation, express or implied, on behalf of the other.

27 - MODIFICATIONS AND CHANGES

Bruco reserves the right to make any amendments, modifications or changes to these Terms and Conditions at any time. Such amendments, modifications and changes shall have effect

(1) to all Offer, Confirmations and Agreements referring to such amended, modified or changed Terms and Conditions as from the date of such Offer, Confirmation or Agreement, and

(2) to any existing Agreement thirty (30) days from notification of such amendment, modification or changes by Bruco to Buyer, unless Buyer has notified Bruco within such 30 days period that it objects thereto.