

General Conditions of Sales

General

These Terms and Conditions apply to all products delivered and/or services provided by Société Industrielle de Sonceboz SA, Sonceboz Automotive SA, Sonceboz Mécatronics Boncourt SA, Sonceboz Michrotechnique Boncourt SA and Sonceboz Motion Boncourt SA, hereinafter together or individually referred to as "Sonceboz", excluding all other terms and conditions mentioned on the documents issued by the Customer (call for tenders, orders, correspondences). No modification shall be deemed accepted without express written acceptance of Sonceboz.

Definitions

Serial Products are products that are supplied by Sonceboz on a large-scale basis and that are not Prototypes. Prototypes are products (1) for which there are no specifications or no agreement concerning the specifications (catalog products), or (2) which are supplied for testing purposes, or (3) which are designated as such in the corresponding quotation of Sonceboz or at the time of acceptance of the order by Sonceboz, or (4) which are supplied by Sonceboz with the express written reservation that they do not conform with the specifications wished by the Customer, or (5) which the parties have defined as being prototypes, or (6) which are supplied by Sonceboz before release of initial samples (PPAP) by the Customer.

Quotations and documents

Duly signed quotations are valid 1 month, unless otherwise specified on the quotation itself. Any other oral or written quotations have indicative value and are not binding. Any illustrations, drawings, calculations and further documents and data – whatever the media on which they are recorded – are subject to retention of title and copyright in favor of Sonceboz. Reproduction or transmission to third parties shall be subject to prior explicit and written approval by Sonceboz.

Order and reservation

An order is accepted once it has been confirmed by Sonceboz. If the Customer cancels partially or totally an order or a part of an order, Sonceboz reserves the right to invoice cancellation fees, without prejudice to any other legal remedies. Series delivery schedules shall be firm orders for the upcoming 6 weeks. Delivery schedules for the next 12 weeks shall be considered as manufacturing release, schedules for the next 25 weeks shall be considered as component purchase release. In case of order or schedule cancellation, manufactured parts and/or ordered components will be invoiced accordingly. Variations of the monthly volumes in the delivery schedules within 15% compared to the monthly average volume of the yearly volume forecast (yearly forecast/12) are accepted in principle. Volume variations exceeding 15% must be confirmed by Sonceboz case-by-case. Yearly forecasts are defined in a supply agreement or must be agreed upon with Sonceboz before the 31st October of the previous year.

Payment / Prices

Unless otherwise specified in the quotation, prices shall be invoiced in Swiss Francs (CHF), for goods collected from our factory (FCA Incoterms 2020). Cost of packing and transportation charges for empty packages if returnable, as well as VAT and other levies imposed by the authorities are excluded and shall be paid by the Customer. Unless otherwise agreed by the parties, the invoiced price is payable net (without deduction) within 30 days end of month from the date of the invoice. Should factors important to the determination of Sonceboz prices (including without limitation foreign exchange fluctuations, increases in taxes and duties, and increases in labor, materials and other manufacturing costs) be modified independently from Sonceboz between the time of order and the time of delivery, Sonceboz reserves the right to adjust, in consequence, the prices of deliveries not yet completed. The right to adjust the prices of deliveries not yet completed shall further apply in the event of a significant change in the Swiss consumer price index as determined by the Swiss Federal Statistical Office. A significant change means an increase in the index of more than 3% compared to the index level at the time the order was accepted. In such cases, Sonceboz shall inform the Customer of this adjustment as soon as possible. Delivery will then be completed by Sonceboz only after receipt of an updated order from the Customer.

Delivery terms

Sonceboz will endeavor to complete delivery of the products as confirmed to the Customer, but will not be liable for any loss or damage due to delay or inability to deliver except if Sonceboz has accepted in writing that delivery just in time was of the essence of the agreement. Sonceboz shall be entitled to partial deliveries, once the Customer has been informed.

Packaging

Products shall be packed by Sonceboz in accordance with the standard practice of Sonceboz, and the related costs will be charged to the Customer.

Quality

Sonceboz is certified ISO 9001, ISO 14001, IATF 16949, and ISO 13485, and commits to maintain and improve its quality system according to these Standards.

Product modification

Any product modification requested by the Customer shall be transmitted to Sonceboz in writing. If this product change is technically and economically feasible and acceptable from the point of view of Sonceboz, a new quotation will be submitted to the Customer. Once the order is received and confirmed by Sonceboz, the product will be modified by Sonceboz accordingly.

Warranty

Prototypes are provided on an "as is" basis. Sonceboz disclaims all warranties of any kind, whether expressed or implied, regarding Prototypes and their uses. Prototypes are delivered for test or demonstration purposes only and shall not be incorporated into products intended for commercial use. If the Customer decides however to sell or incorporate such prototypes into his commercialized

products, it will be at his own risks and the Customer shall alone be liable for these prototypes. For Serial Products, the warranty period for the supplies shall be twenty-four (24) months from the invoice date. Serial Products will be considered as defective if they do not comply at the time of delivery with the agreed upon specifications or, in the absence of specific agreement in this respect, with the specifications in Sonceboz product description (in both instances the valid version shall be the one used at the date of manufacturing) for reasons attributable to Sonceboz. Sonceboz does not warrant that Serial Products will be fit for the purpose which is contemplated by the Customer (the Purpose), even if Sonceboz is aware of such Purpose. The Customer is responsible to define if Sonceboz products are fit for the Purpose (by testing them intensively and successfully before validation and integration in the Customer's systems, products or environment). In the event of defects observed by the Customer, they must be notified in writing within two weeks of receipt of consignments. The parts deemed defective shall be shipped back to Sonceboz at the Customer's charge. Sonceboz liability shall be limited to the repair or replacement of products supplied by Sonceboz if confirmed by Sonceboz as being defective. In this case, Sonceboz shall make the replacement goods available to be collected at its premises (FCA Incoterms 2020) and shall reimburse costs of packaging and transportation of the defective products. Any warranty shall be excluded: (i) in case of products which have been modified, altered, dismantled or repaired without Sonceboz' consent, (ii) for products used out of the applicable specifications, (iii) in respect of any defect arising from fair wear and tear, willful damage, negligence, abnormal working conditions, failure to follow Sonceboz' instructions (whether oral or in writing), (iv) for any defect arising from compliance with any design, specification, instruction or recommendation made by the Customer, or (v) in respect of any type of use, defect, damage or wear specifically excluded by Sonceboz in writing as not being within the Sonceboz' responsibility. Unless required by law, the Customer may not undertake any recall or withdrawal without the written permission of Sonceboz and only then in strict compliance with Sonceboz' instructions as to the process of implementing the withdrawal.

Limitation of liability

The total cumulative liability of Sonceboz and/or its organs, employees and agents with respect to any subject matter relating to the supply of products or the provision of services by Sonceboz, (including liability for non-execution, non-proper execution, delayed execution or execution with defects, material or legal defects) whether in contract or under any legal ground whatsoever and even if the liability cases are multiple, are originated by different causes and/or are related to products and services executed from distinct purchase orders or from purchase orders placed at different dates, shall be limited to an amount equal to the price paid or payable to Sonceboz for the non-conforming products and/or for those which have not been properly and/or timely delivered. Any liability for consequential, incidental, direct or indirect losses, such as loss of profit, loss of production, loss of investment, costs of the purchasing of replacement parts, products recall costs, costs of dismantling and reassembly, third party claims or expenses, shall be excluded.

Intellectual property rights - Reservation of ownership

Sonceboz shall remain the owner of its intellectual property rights. Purchase of products, participation to the development or manufacturing costs of products, or participation to the tooling costs does not convey any license or intellectual property rights. Sonceboz reserves its right of ownership on all products sold until receipt of the whole sale price, and may proceed with the appropriate entry in the register of agreements for reservation of ownership. Sonceboz regularly monitors technological developments in the field but does not warrant that products are free from any third parties' intellectual property rights. Without limitation of the foregoing, Sonceboz does not warrant that use of the products, their integration into another system or their combination with other devices does not fall within the scope of third parties' patents.

Force majeure

In the event of Force majeure, Sonceboz shall be released from its obligations which are affected by the Force majeure event. Serious events and circumstances for which Sonceboz is not responsible, such as (but not limited to) the impossibility (or extraordinary difficulty) of obtaining deliveries from its suppliers, global supply shortage, mobilization, war, natural disasters, strikes, epidemics, serious damage to our capital goods, or legal administrative provisions (blockages on imports or exports) shall be regarded as Force majeure events.

Confidentiality

Information that is disclosed orally or in writing by Sonceboz to the Customer or which is visually obtained by the Customer when visiting Sonceboz' premises, offices or plants shall (i) not be disclosed by the Customer to any third party, (ii) maintained in confidence by the Customer by limiting access to that information on a need-to-know basis and (iii) used by the Customer only to the extent necessary to perform his obligations hereunder. These obligations of confidentiality and limited use shall not apply to information that is or becomes in the public domain, is received by the Customer from a third party without any obligation of confidentiality, or was already in possession of the Customer before disclosure by Sonceboz. If both Parties have entered into a specific non-disclosure agreement (NDA), the provisions of this NDA shall prevail.

Tools and equipment

Tools and equipment shall remain under the control of Sonceboz, even if they have been totally or partially invoiced to the Customer. Sonceboz reserves the right to dispose freely of any tools and/or equipment which have not been used for two consecutive years, even if fully or partially paid by the Customer.

Place of performance and jurisdiction

Any dispute shall be referred to the ordinary courts in Sonceboz. Swiss law shall be applicable, excluding the provisions of the Convention of the United Nations convention on contracts for the international sale of goods (Vienna Convention, 1980).