

General Sales Conditions Sencio

PREAMBLE

1. These General Conditions shall apply to every agreement concluded between Sencio and any Customer unless specifically agreed upon otherwise in writing. Changes or deviations in these General Conditions can only be agreed upon in writing.

These General Conditions form an integral part of the contract between parties.

“In writing” shall mean: by letter, fax, electronic data interchange (e.g. cloud solutions, one drive etc.) and/or by e-mail.

In these General Conditions the parties are referred to respectively as Sencio and the Customer or as parties.

INFORMATION AND DATA

2. All information and data contained in any written data carrier such as but not limited to brochures, quotations and price lists are binding only to the extent that they are expressly included and referred to in the Contract.

Parties strictly adhere to the legal rules of the General Data Protection Regulation and in case parties exchange personal data, the parties will enter into an agreement regarding the exchange of these personal data

OBJECT OF THE CONTRACT

3. The object of the Contract is the work to be undertaken by Sencio for the Customer according to the technical specifications agreed upon and hereinafter referred to as “the Work”.

The material supplied to Sencio and subject to processing shall hereinafter be referred to as “the Material”.

The Material including the Work performed shall hereinafter be referred to as “the Products”.

TECHNICAL DOCUMENTATION

4. Unless otherwise agreed upon the Customer shall provide Sencio with the technical documents and information necessary for the Work as soon as possible and at the latest together with the order.

All drawings and technical documents and information related to the Material, the Work or the Products submitted by one party to the other, prior to or subsequent to the conclusion of the Contract remain the property of the submitting party.

VARIATIONS

5. Either party is entitled to propose an amendment to the Work by submitting to the other party such proposal in writing setting out the expected impact on the price, the quantities, the delivery schedule and the product specification.

The other party shall respond in writing within 15 working days.

Any amendment to the agreed specification of or method of performance of the Work or other provisions of the Contract shall not be effective unless agreed upon by the parties in writing.

CONFIDENTIALITY

6. In case a signed NDA agreement between Sencio and customer is available this NDA takes precedence over this article. In all other cases the following is applicable: the parties shall keep confidential and shall ensure that their respective employees and agents shall at all times during execution and after expiry or termination of the Contract keep confidential all drawings, technical documents and information provided or disclosed under the terms of the Contract by the other party.

This shall, however, not apply to:

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- a) Information which is already known to that party (otherwise than by disclosure in confidence by other party), and
 - b) Information which is public knowledge at the time of disclosure or becomes public knowledge otherwise than by the fault of the party receiving the information.
 - c) Disclosure of the respective information becomes mandatory by law or judicial actions.
10. The Material and the Products are the property of the Customer and shall be at the Customer's risk. Customer shall insure the Material and Products while in Sencio's possession.
 11. Sencio shall properly store the Material and the Products, mark it as the Customer's property and keep it separate from other material and products in accordance with the Customer's instructions or, where no such instructions are given, in accordance with the common practice of the industry concerned.

Drawings, technical documents or other technical information received by one party shall not without the consent of the other party be used for any purpose other than for the execution of the contract between parties. The same applies to any work to be done by subcontractors agreed upon by the Customer, and then only if copied, disclosed, or furnished under a similar obligation of confidentiality.

12. The Material or Products shall not be used by Sencio for any other purpose than the performance of the Contract.

TOOLS AND EQUIPMENT

13. Unless otherwise agreed upon, tools and equipment provided by Sencio are used only for the performance of the contract, shall be paid for by the Customer and shall, when fully paid, become the Customer's property.

Tools and equipment provided by the Customer shall remain the Customer's property. The Customer shall pay Sencio for the cost for any work necessary to adapt or supplement such patterns, tools and equipment.

THE MATERIAL

7. The Customer shall deliver the Material within the agreed time.
8. At the moment Sencio is not able to supply the deliverables in time due to the customer not supplying its deliverables in time and/or with the proper quality, Sencio reserves the right to invoice an adder of 25% of the engineering effort.
9. As soon as possible after receipt of the Material, Sencio shall subject the same to a reasonable examination and shall inform the Customer forthwith of any defects in or damage to such Material or shortages which were apparent upon such inspection. The Customer shall replace such defective or damaged Material or supplement shortages. New time schedule will be agreed upon after receipt of replaced Material.

14. The Customer shall reimburse Sencio the costs for replacement or repair due to normal wear and tear or other causes for which Sencio is not responsible.

15. Sencio has the right to retain tools or equipment provided under the Contract, if it can reasonably be concluded that his proprietary technical know-how will be otherwise disclosed and that the disclosure will cause significant damage to Sencio. Sencio shall in such case reimburse the Customer the current market value of that which he retains.

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16. Tools and equipment belonging to the Customer shall remain at the Customer's risk while in the possession of Sencio.
17. Tools and equipment belonging to the Customer shall be stored in an appropriate manner at the Customer's expense.
18. To the extent requested by the Customer, Sencio shall insure such patterns, tools and equipment while in Sencio's possession against such risks as the Customer specifies. The cost of insurance shall be borne by the Customer.
19. Sencio shall not, without the Customer's consent, use the Customer's tools or equipment for any other purpose than execution or fulfillment of the Contract nor shall such tools or equipment be handed over to or otherwise be brought to the knowledge of a third party.
20. The Customer shall bear the risk and expense of all transport of tools and equipment to and from Sencio.
21. The Customer shall indemnify and hold Sencio harmless against all claims based on registered models, trademarks or other intellectual property rights, where such claims result from the processing of the Material by using a specification, drawing, sample, pattern, tool or equipment provided by the Customer.
22. All of Sencio's obligations regarding tools and equipment terminate definitely three years after the last delivery under the Contract is completed. Where possible, Sencio shall inform the Customer before disposing of tools and equipment.

PERFORMANCE OF THE WORK

23. If Sencio during the performance of the Contract discovers defects in the Products as a result of defects in the tools, equipment or Material provided by the Customer under clause 7,13, or errors or omissions in the technical documents and information provided by the Customer, Sencio shall forthwith inform the Customer. The Customer shall remedy such defects, errors and omissions. Any extra costs incurred by Sencio in remedying defects in the Service, or in processing additional Material for this reason, shall be reimbursed by the Customer's, except if such defects were apparent on a reasonable examination at the delivery of the tools, equipment or Material, documents and information and if Sencio had failed to notify the Customer. In this case Sencio shall bear the costs himself.
24. All, by Sencio developed, novelties in the scope of the Contract regarding new functional semiconductor packaging techniques, new package designs or new process techniques will fall under the Intellectual Property of Sencio.
25. All rights, regarding patents on by Sencio developed novelties which fall under the intellectual property of Sencio as mentioned in article 24 of these general terms, belong to Sencio.
26. The Customer may during normal working hours inspect the Sencio's test facilities to be used in the performance of the Contract, and inspect the Work and test the Products. The Customer shall give Sencio one week's notice of the inspection. Inspections and tests shall not unduly interfere with the performance of the Work.

If during such inspections, the Customer discovers that the Work is, or the Products are defective, he shall immediately send a written notice to Sencio by which he shall give Sencio a reasonable period of time to remedy the defects discovered. If Sencio fails to do so within the said period, the Customer may terminate the Contract and

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claim damages limited in the same way as set forth in Clauses 48-51.

PACKING AND TRANSPORT

27. Unless otherwise agreed, Sencio ensures that the Products are properly packed. The cost for packing required will be charged to the Customer.

Any packaging and transport equipment provided by the Customer shall be returned to the Customer at his expense.

28. All freight and handling charges are ex works Sencio/Nijmegen.

TIME FOR DELIVERY – DELAY

29. Deliveries shall take place according to the schedule agreed between the parties.

30. The Customer shall submit to Sencio a 12 months rolling forecast each month of which the first 2 months are fixed.

If Sencio anticipates that he will not be in a position to comply with the forecast, he shall forthwith notify the Customer thereof in writing.

31. Actual yearly quantities will be reviewed quarterly.

32. Orders by the Customer shall refer to the Contract/quotation and the forecast and specify the quantities, applicable prices and characteristics of the Work, as well as destinations for the Products and required delivery dates.

33. Sencio is entitled to refuse to deliver in so far as the part of the Work ordered exceeds the forecast for the current period by more than 10% for each individual type of Product.

34. If the Customer orders less than 50% of any minimum quantity set forth in Contract/quotation Sencio is entitled – in addition to liquidated damages – to

terminate the Contract with immediate effect by giving notice in writing.

35. If, after the receipt of the order, Sencio anticipates that he will not be able to deliver the Products at the agreed time for delivery, he shall forthwith notify the Customer thereof in writing, stating the reason, and, if possible, the time when delivery can be expected.

PAYMENT

36. The price for the Work is that stipulated in the Contract. Unless otherwise stated it is exclusive of sales and excise duties, VAT or similar taxes.

37. All prices are in EURO.

38. Prices are subject to changes in raw material prices. The pricing is based on the raw materials prices at the date of the quotation.

39. The customer purchase order will become effective after a written confirmation by Sencio.

40. Unless otherwise agreed, Sencio shall be paid at the latest 30 days after submission of the invoice for each delivery in accordance with Clauses 29-35.

41. If the Customer fails to pay before or on the due date, the Customer will be in default with immediate effect and Sencio shall without notice be entitled to extrajudicial costs as referred to in article 6:96 sub 3 of the Dutch Civil Code (Burgerlijk wetboek) and interest from the day on which payment was due. The rate of interest is 8% above the main refinancing facility of the European Central Bank in force on the due date of the payment.

In case of late payment Sencio may, after having notified the Customer in writing, suspend his performance of the Contract and retain Material and Products, tools

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and equipment in his possession until he receives payment.

If the Customer has not paid the amount due within three months, Sencio shall be entitled to terminate the Contract with immediate effect by written notification to the Customer and to claim compensation for the loss incurred.

LIABILITY FOR FAULTY PROCESSING

42. Sencio warrants that its products shall have been assembled in good and workmanlike manner and shall conform to the Contract. No warranty of fitness for purpose, or any other warranty, express or implied, is accepted by Sencio.

Pursuant to the provisions of Clause 43 to 50 inclusive, Sencio shall remedy any defect resulting from faulty workmanship or faulty processing.

43. Sencio's liability is limited to defects caused by Sencio's work occurring within a period of 6 months after delivery of the Products.

44. The Customer must immediately notify Sencio in writing of any defects. Such notice shall under no circumstances be given later than two weeks after the expiry of the period given in Clause 50. The notice shall contain a description of the defect.

Where the defect is such that it may cause damage, the notice shall be given immediately. If in such case the Customer does or did not immediately inform Sencio, Sencio will not be liable for any compensation caused by aforementioned damages of the product.

If the Customer does not notify Sencio in writing of a defect within the time limits set forth in this Clause, the Customer shall lose his right to have the defect remedied.

Unless otherwise agreed upon, necessary transport of the Product and/or parts thereof to and from Sencio in connection with the remedying of defects for which Sencio is liable, shall be at the risk and expense of the Customer. The Customer shall give Sencio instructions regarding such transport.

45. Sencio shall at his option re-inspect the process for new Material supplied by the Customer, and provide compensation for any Material damaged or unusable as a result of faulty workmanship or faulty processing. Faulty processed Material shall be returned to the Customer at his request.

46. When a defect in a part of the Products has been remedied, Sencio shall be liable for defects in the repaired or reprocessed parts of the Products for a period of one year under such terms and conditions as to offer the same warranty as that which applied to the original Work.

EXCLUSION OF LIABILITY

47. Except as provided in Clauses 47-55, Sencio shall not be liable for defects in items processed or for damage or loss resulting from such defects or from any service and advice rendered in connection therewith unless caused by the gross negligence of Sencio.

In these general conditions "gross negligence" shall mean an act or omission implying either not acting properly with due regard to the serious consequences that a conscientious Sencio would normally expect as a result, or a deliberate neglect of consequences of such act or omission.

LIMITATION OF LIABILITY

48. Sencio's obligation to pay compensation shall be limited to the price of the Work in respect of the defective Products. Liability is in any case and under any circumstance

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be limited to the insurance coverage in any year

49. Sencio's obligations under Clauses 42-50 shall apply only to defects or damage which occur under conditions of normal use and which could reasonably not have been detected at the acceptance tests under Clauses 27-30, or, where no such acceptance tests were held, at the time of delivery.

50. If, within a reasonable time, Sencio does not fulfill his obligations under Clauses 42-46 and 48-50 inclusive, the Customer may, by written notice, determine a final time for completion of Sencio's obligations.

51. Unless as differently stated in these conditions Sencio will not be liable for indirect damages such as but not limited to loss of production, loss of profit, loss of use, loss of agreements or for any consequential, economic or indirect loss whatsoever.

ALLOCATION OF LIABILITY FOR DAMAGE CAUSED BY THE PRODUCTS

52. Sencio shall not be liable for any damage to property caused by the Products after their delivery and while they are in the possession of the Customer. Nor shall Sencio be liable for any damage to products of which the Products form a part.

If Sencio is liable to a third part for such damage to property as described in the previous paragraph the Customer shall indemnify, defend and hold Sencio harmless.

If a claim for damages as described in this Clause is lodged by a third party against one of the parties, the latter party shall forthwith inform the other party thereof in writing.

Sencio and the Customer have a mutual obligation to be summoned to appear

before the court or arbitral tribunal which will investigate claims for damages against one of them for damage allegedly caused by the Products.

The limitation of Sencio's liability in the first paragraph of this Clause shall not apply where Sencio has been guilty of gross negligence as defined in Clause 47.

SUBSTANTIAL BREACH

53. Each party may, without prejudice to any other remedy terminate the Contract forthwith by notice in writing, if the other party commits a substantial breach of contract and fails to remedy the same within 15 working days after notice in writing so to do.

FORCE MAJEURE

54. Under this contract "force majeure" means: any circumstance which is independent of the will of the parties, as a result of which performance of the contract cannot reasonably be required of parties, whether temporarily or permanently. Force majeure shall in any event include: (civil) war and the threat of (civil) war, natural disasters, strikes, excessive absenteeism of parties employees, transport problems, fire, lack of raw materials, government measures by any government whether in the Netherlands or elsewhere, in any event including import and export prohibitions, quota schemes, and breakdowns at parties or at suppliers of Sencio, as well as non-performance or force majeure on the part of suppliers as a result of which parties is not or no longer able to meet its obligations to the Customer.

In the event of force majeure parties is entitled to terminate the contract, or suspend performance of the contract until the circumstance that causes the force majeure has ceased to exist, and the Customer shall not be entitled to any compensation or damages for any such

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loss or damage.

Sencio is entitled to require payment for any acts carried out in connection with execution of the contract prior to the force majeure having occurred.

District Court (rechtbank Gelderland) in Arnhem. However, all disputes shall first be discussed between the Customer and Sencio in order to reach a solution in mutual consultation.

55. The party claiming to be affected by force majeure shall notify the other party in writing without delay on the occurrence and termination of such circumstance.

If force majeure prevents the Customer from fulfilling his obligations, he shall compensate Sencio for expenses incurred in securing and protecting the Material and the Products.

56. Irrespective of what might otherwise arise from these General Conditions, each party has the right to terminate the Contract by written notice to the other party if performance of the Contract under article 59 is suspended for more than 6 months.

RETURN OF DOCUMENTS AND TOOLS

57. Save as provided for in Clause 46, each of the parties shall promptly return to the other party, upon any termination of the Contract, all information such as but not limited to drawings, technical documents, patterns, Material, tools and equipment supplied by the other party pursuant to the Contract together with any copies thereof. Sencio shall also hand over to the Customer tools and equipment referred to under Clause 13, and which have been paid in full by the Customer apart from IP tool related parts.

DISPUTES AND APPLICABLE LAW

58. The Contract shall be governed by the substantive law of the Netherlands. with the exception of the Vienna Convention (The United Nations Convention on Contracts for the International Sale of Goods).

59. All disputes arising in connection with the Contract shall be finally settled by the

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