

## KONTRON CANADA INC. TERMS AND CONDITIONS OF SALE

Kontron Canada Inc. ("Kontron") accepts to enter into an agreement with the Buyer pursuant to the following terms and conditions, which are reputed to be part of the Sales Order Confirmation herewith.

### 1. OBJECT

Subject to payment and to the terms and conditions of the agreement, Kontron sells to the Buyer the products described on the Sales Order Confirmation herewith ("Products"). Kontron reserves its rights to make substitutions or modifications to the Products. It is understood that such substitutions and/or modifications will not affect the performance of the Products.

### 2. COUNTERPART

The sale is made in consideration of the selling price mentioned on the Sales Order Confirmation herewith, which selling price does not include any applicable federal or provincial Sales tax, unless superseded on the Sales Order Confirmation.

### 3. TERMS OF PAYMENT

The Buyer agrees to pay all amounts due as stated on the Sales Order Confirmation, within 30 days following the delivery of the Products. In case of failure to complete payment under these terms, Kontron can suspend any delivery and/or services and/or technical support, without prejudice to any other rights, and in particular without prejudice to Kontron's right to terminate this agreement.

### 4. OWNERSHIP OF PRODUCTS

#### 4.1. TRANSFER OF TITLE AND RISK OF LOSS

Transfer of title and responsibility for transportation, insurance and duties will be in accordance with the Incoterms indicated on the Sales Order Confirmation. All fees and/or risk of loss and/or damages to the Products are incurred by the Buyer upon delivery of the Products to the Buyer's carrier (FCA: Free Carrier – nominated by buyer) or premises (DDP: Delivered Duty Paid or DDU: Delivered Duty Unpaid). For North-American shipments, Incoterms are FCA Kontron's designated facility (shipped collect using Buyer's carrier account number), or DDP city and state/province of destination (shipped by Kontron's carrier, prepaid and added to invoice). For shipments outside North America, Incoterms are FCA Kontron's designated facility (shipped collect using Buyer's carrier account number), or DDU city and state of destination (shipped by Kontron's carrier, prepaid and added to invoice).

#### 4.2. TRANSFER

As long as the Buyer is not the owner of the Products, the Buyer shall not sell, transfer, assign or cede the Products or its rights pursuant to the agreement without the expressed written consent of Kontron. In any event, any such transfer will not discharge the Buyer of its obligation herewith unless expressly stipulated otherwise by Kontron. Any sale, transfer, assignment or cession made without the expressed written consent of Kontron will not be opposable to Kontron and the latter will remain the owner of the Products until all payments are made.

#### 4.3. INSURANCE

The Buyer shall provide and maintain an all risk property insurance on the Products and for all damages caused by the Products for an amount equal to the total sale price of the Products as long as the ownership of the equipment has not been transferred to the Buyer, as stipulated in article 4.1 of the foregoing. Thus, and as long as the ownership has not been transferred to the Buyer, Kontron shall be the sole beneficiary of said insurance policy and shall receive the proceeds of any indemnity paid in any case pursuant to the insurance policy.

### 5. WARRANTY

Kontron warrants the Products to comply with the description of the Sales Order Confirmation herewith. In any case, Kontron's liability will be limited to repair and/or replace the Products and/or, at Kontron's sole discretion, credit an amount equivalent to the selling price mentioned in the Sales Order Confirmation herewith.

### 6. LIMITATION OF LIABILITY

In no event will Kontron be liable for any defect in hardware or software, loss or inadequacy of data of any kind, or for any direct, indirect, incidental or consequential damages in connection with or arising out of the performance or use of the Products. Kontron's liability will in no event exceed the purchase price of the Products.

### 7. DAMAGED GOODS

The Buyer undertakes to use the Products in accordance with the guidelines stipulated in the technical reference manual. Any damage resulting from a wrongful and/or abusive use of the Products will be repaired at the Buyer's expense, including all costs relating to handling and shipping of the Products, to the complete exoneration of Kontron.

### 8. PRODUCT RETURNS

Return policy is set for Standard Products, Limited Return Products, and Custom Products. The Product type is indicated on the Sales Order Confirmation herein.

#### 8.1. STANDARD PRODUCTS

The Buyer may return Products indicated as Standard in the Sales Order Confirmation herein for a full refund of Product purchase price, within 30 days of initial shipment. The Products must be undamaged, be returned complete with all accessories, in an as-new and resalable condition. The Products must be returned in accordance with the Returning of Goods procedure herein.

Standard Products returned between 30 days and 60 days after initial shipment will be subject to a 25% restocking fee.

Standard Products are not returnable after 60 days past initial shipment, or if damaged, incomplete, or not returned in accordance with the Returning of Goods procedure herein.

#### 8.2. LIMITED RETURN PRODUCTS

Products that are indicated as Limited Return in the Sales Order Confirmation herein can be returned under limited conditions.

A 25% surcharge may be applied to changes in Purchase Order involving confirmed ship dates and/or configuration changes and/or modifications to the type of product ordered, which occur within 30 days of the agreed delivery date.

A 25% cancellation charge applies on Purchase Orders for Limited Return Products that are cancelled within 30 days of the agreed delivery date. The Buyer will also be responsible for custom parts and materials purchased by Kontron in support of Purchase Orders that have been cancelled. The Buyer must provide all Purchase Order changes in writing.

Limited Return Products returned within 60 days of initial shipment will be subject to a 25% restocking fee. The Products must be undamaged, be returned complete with all accessories, in an as-new and resalable condition. The Products must be returned in accordance with the Returning of Goods procedure herein.

Limited Return Products are not returnable after 60 days past initial shipment, or if damaged, incomplete, or not returned in accordance with the Returning of Goods procedure herein.

#### 8.3. CUSTOM PRODUCTS

Products that are indicated as Custom in the Sales Order Confirmation herein are not returnable, except for repairs.

A 25% surcharge may be applied to changes in Purchase Order involving confirmed ship dates and/or configuration changes

and/or modifications to the type of product ordered, which occur within 30 days of the agreed delivery date. A 25% cancellation charge applies on Purchase Orders for Custom Products that are cancelled within 30 days of the agreed delivery date. The Buyer must provide all Purchase Order changes in writing.

EOL/discontinued products purchased are non returnable and non cancelable. Request to change a ship date can be postponed only once, and for not more than 30 days from the agreed delivery date.

9. **FORCE MAJEURE**

Kontron will not be held responsible for any damage and/or delay in manufacturing and/or delivering of the equipment due to force majeure. Force majeure includes, without limitation, any act of God, strike, partial or complete lockout or strike, fire, riot, intervention of any governmental, municipal or civil authority, compliance with any regulation and/or by-laws of any governmental authority.

10. **RETURNING OF GOODS**

All equipment returned to Kontron must have a Return Material Authorization (RMA) number assigned exclusively by Kontron. Kontron cannot be held responsible for any loss or damage caused to the equipment received without a RMA number. The Buyer accepts responsibility for all freight charges for the return of goods to Kontron's plant. Kontron will pay return freight charges back to the Buyer's location in the event that the equipment is repaired or replaced within the warranty period stipulated herewith.

11. **TECHNICAL SUPPORT**

Kontron undertakes to provide technical support services, by telephone or by fax. Kontron representative may go to the Buyer's premises, at a cost to be determined.

12. **ENTIRE AGREEMENT AND GOVERNING LAWS**

Kontron and the Buyer hereby recognize the present agreement as being a faithful and complete representation of the agreement entered between them, and consequently nullifies any other past verbal or written agreement, and formally waive the right to use any discussion or negotiation preceding its signature. The present agreement shall be governed and interpreted according to the laws of the province of Quebec. Kontron and the Buyer recognize and accept the above-mentioned conditions as well as the terms of the Sales Order Confirmation herewith.