

**SALES TERMS AND CONDITIONS**  
**of AdvanDe Americas Inc.**  
**As at August 2017**

**1. ENTIRE AGREEMENT.** This document, together with any attachments hereto (if any), contains all of the terms and conditions relating to the sale of products ("Products") of AdvanDe Americas Inc., a Delaware corporation ("Seller"), to any buyer ("Buyer") and constitutes a legally binding agreement between Seller and Buyer ("Agreement"). This Agreement supersedes all terms and conditions of any purchaser order of Buyer, request for quotation, and representations and warranties (including those contained in sales, promotions and/or marketing materials) which are different from or in addition to the terms and conditions stated in this Agreement. Buyer and Seller are at times referred to herein individually as a "party" and together as the "parties".

**2. ORDERS.** All Buyer's orders must be in writing. Verbal orders will not be accepted. All written orders are subject to acceptance by Seller. Any term, condition or statement in Buyer's order that is not expressly acknowledged in writing by Seller shall not be part of the agreement between the parties.

**3. DELIVERY.** Delivery of the Products shall be FCA (Incoterms 2000) Seller's facility. Delivery dates are estimates and not guarantees. If a specific delivery date is expected to be missed, Seller shall notify Buyer in writing and provide a new estimated delivery date. In the event any delivery or portion thereof is delayed more than 30 days from any scheduled delivery date, at Buyer's request Seller shall arrange for premium transportation and, if such delay is not excused as having been caused by Force Majeure (as defined below), shall pay that portion of the shipment costs attributed thereto. Shipment by premium transportation shall be Seller's sole and exclusive obligation and liability for failure to deliver more than 30 days after any specified delivery date. Seller reserves the right to make partial deliveries. If Buyer requests or otherwise causes Seller to store Products beyond the specified delivery date, Buyer shall be invoiced for the costs of such storage, including the costs of any insurance on the stored Products.

**4. PACKAGING.** Seller shall package the Products in accordance with its usual and customary commercial practices for shipment and shall arrange for shipment by the means it deems most appropriate. Buyer shall pay or reimburse Seller for the costs of any special packaging requirements which are acceptable to Seller.

**5. SECURITY INTEREST.** Buyer hereby grants and Seller retains a purchase money security interest in each Product purchased by Buyer, and in any proceeds thereof, for the amount of its purchase price plus any interest which may be accrued thereon. Buyer authorizes Seller to file a UCC financing statement and any other instrument necessary to perfect such security interest. Payment in full of the purchase price of the Product shall release the security interest on that Product. At Seller's option, from the time the Products are delivered until such time as the security interest is released on account of payment in full of the purchase price, Buyer shall insure the Products in the full amount of the security interest against all loss, damage or destruction. If Buyer defaults in the prompt payment of any sums due, or in the performance of any obligation hereunder, or if a proceeding in bankruptcy, dissolution, liquidation, insolvency, receivership or reorganization is instituted by or against Buyer or Buyer's property or business, Seller shall have the right at its sole election to declare the unpaid balance owing under any orders to be immediately due and payable, and to take immediate possession of the Products or any portion thereof without demand, notice or legal process.

**6. PRICES; QUANTITY VARIATION.** Published prices are subject to change without notice. Unless otherwise indicated in Seller's quotation, all deliveries shall be invoiced at prices in effect at the time of delivery. Seller reserves the right to ship and invoice for a quantity of chips and modules which may vary up to ten percent (10 %) over or under the quantity ordered by Buyer, and Buyer shall accept delivery and pay for such revised quantity and consider the shipment to be complete.

**7. INVOICING AND PAYMENT.** Seller shall issue an invoice for any initial payment on the date an order is accepted, and an invoice for the balance of the order price on the earlier of the date Seller makes delivery or the scheduled delivery date. Payments are due in full net 30 days from date of Seller's invoice. If Buyer fails to pay Seller for Products when due, then, in addition to any other remedies available to Seller, Buyer shall pay Seller an additional monthly finance charge equal to the lesser of (i) one and one-half percent (1.5%) or (ii) the maximum monthly interest rate allowed by law, of any portion of Buyer's account which is not paid to Seller when due. If in Seller's sole judgment, Buyer's financial condition does not justify delivery on the terms of payment above, Seller may require full or partial payment in advance, stop delivery of Products in transit, or terminate any order. The invoiced amount shall not be subject to set-off for any claims by Buyer against Seller. In the event collection of sums due from Buyer to Seller is referred to an attorney or suit is brought to collect such sums or to enforce rights of Seller, Buyer agrees to pay all costs and reasonable collection and attorneys' fees incurred in any collection suit or proceeding and in execution on any judgment based on Buyer's obligations.

**8. SALES TAXES.** Prices are net and do not include sales or use taxes, excise tax or other Federal, State, local or foreign taxes, which shall be separately invoiced to Buyer. If Buyer provides Seller a copy of a resale certificate, Seller shall not charge Buyer for any sales, use or similar taxes which may be assessed on account of any order placed hereunder. Buyer shall indemnify and defend Seller against all liability for any such taxes and any interest, fines and penalties assessed by any governmental entity as a result of nonpayment of such taxes in reliance upon any such resale certificate provided by Buyer or upon a representation by Buyer that no such taxes are applicable.

**9. LIMITATION OF LIABILITY. TO THE FULLEST EXTENT ALLOWED BY LAW, SELLER SHALL NOT BE LIABLE FOR INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES HEREUNDER. SELLER'S MAXIMUM AGGREGATE LIABILITY FOR ANY AND ALL OTHER DIRECT DAMAGES FOR WHICH LIABILITY IS NOT DISCLAIMED OR OTHERWISE LIMITED HEREUNDER, SHALL NOT EXCEED THE PRICE BUYER HAS PAID FOR THE PRODUCT WHICH IS SUBJECT TO THE DAMAGE CLAIM.**

**10. FORCE MAJEURE.** Seller shall not be liable for failure to perform any of its obligations due to causes beyond reasonable control. Such causes shall include but shall not be limited to such things as fire, flood, earthquake or other natural disaster, war, terrorism, embargo, riot, the intervention of any government authority, strikes (regardless of the characterization thereof), labor slowdowns, walkouts and/or shortages, material shortages, shortage of transport, and failures of suppliers to deliver material and components in accordance with the terms of their contracts ("Force Majeure").

**11. PRODUCT DESIGN.** Seller reserves the right to discontinue the manufacturing and/or sale of any of the Products, to make changes in their design, or to make improvements to the Products at any time without notice to Buyer. In any such event, Seller shall not be required to change any Product previously sold to Buyer.

**12. ASSIGNMENT.** Buyer shall not assign this Agreement or any order issued hereunder without the prior written consent of Seller and any such attempted assignment shall be void.

**13. CANCELLATION.** Buyer shall not be permitted to cancel any order (or portion thereof) which has been accepted by Seller without Seller's prior written consent. If such consent is given by Seller, Seller shall as soon as reasonably practicable cease work on such cancelled order (or portion thereof). Any costs incurred in the performance of the cancelled order (or portion thereof) and any costs in processing the cancellation, including a reasonable profit based on all such costs, shall be invoiced to Buyer. In addition, the price for the non-cancelled portion of Buyer's order may be increased to reflect the additional costs, if any, which must be borne by such non-cancelled portion because of the partial cancellation, plus a reasonable profit upon such increase.

**14. WAIVERS.** No waiver of any of the terms and conditions contained herein or any right or obligations of either party will be effective, except pursuant to a writing signed by the party waiving compliance, and any such waiver will be effective only for the specific instance and purpose stated in such writing.

**15. APPLICABLE LAW.** This Agreement, and any order issued hereunder, will be governed by and construed in accordance with the laws of the State of California, United States of America, without regard to conflict of law principles thereof. The provisions of the United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement or any order issued hereunder.

**16. ARBITRATION. IF ANY DISPUTE, DIFFERENCE, OR DISAGREEMENT ARISES IN RESPECT OF THIS AGREEMENT OR ANY ORDER ISSUED HEREUNDER, OR THE MEANING AND CONSTRUCTION HEREOF OR THEREOF, EVERY SUCH DISPUTE, DIFFERENCE, AND DISAGREEMENT SHALL BE REFERRED TO A SINGLE ARBITER AGREED UPON BY THE PARTIES. IF NO SINGLE ARBITER CAN BE AGREED UPON, AN ARBITER SHALL BE SELECTED IN ACCORDANCE WITH THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION, AND SUCH DISPUTE, DIFFERENCE, OR DISAGREEMENT SHALL BE SETTLED BY ARBITRATION IN ACCORDANCE WITH THE THEN PREVAILING COMMERCIAL RULES OF THE AMERICAN ARBITRATION ASSOCIATION. JUDGMENT UPON THE AWARD RENDERED BY THE ARBITER MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF. ANY ARBITRATION UNDERTAKEN HEREUNDER SHALL BE HELD IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA. THE DECISION OF THE ARBITER SHALL BE FINAL AND BINDING UPON THE PARTIES.**

**17. MODIFICATION.** Any modification or departure from the terms and conditions in this Agreement, including an agreement to accept Buyer's terms and conditions of purchase, shall be valid only if in writing and signed by an authorized representative of Seller.

**18. LIMITED WARRANTY.**

18.1 Seller warrants to Buyer that the Products shall be free from defects in material and workmanship for a period of one (1) year from the date of delivery. Buyer must notify Seller of any such defect within 60 days after discovery of the defect otherwise this limited warranty is void. Seller, at its option, shall repair the defective Product, replace the defective Product with a new or reconditioned Product, or credit the price of the defective Product to Buyer, provided, that the Product is under warranty and notice of the defect is given to Seller within 60 days after discovery.

18.2 New replacement Products carry the same one (1) year warranty as described in paragraph 18.1 above starting from the date of delivery of the replacement Product. Reconditioned replacement Products and repaired Products are warranted against defects in workmanship and materials for the longer of (i) the remainder of the original one (1) year warranty period of the defective Product or (ii) 90 days from the date of delivery of the reconditioned or repaired Product.

18.3 This warranty does not cover defects caused by abuse, mishandling, accident, improper installation or application, the malfunction of another component or part of any device in which the Product is installed or with which the Product interfaces, or extend to Products which have been modified or repaired by anyone except Seller or its authorized service representative, or whose serial numbers or identification marks have been altered or removed.

**18.4 SELLER MAKES NO OTHER WARRANTIES OTHER THAN THOSE EXPRESSLY STATED HEREIN, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, IMPLIED WARRANTIES ARISING FROM A COURSE OF DEALING OR USAGE OF TRADE, AND IMPLIED WARRANTIES AGAINST NON-INFRINGEMENT. IF APPLICABLE LAW DOES NOT PERMIT SELLER TO DISCLAIM IMPLIED WARRANTIES, ANY WARRANTIES IMPLIED BY LAW ARE LIMITED TO THE MAXIMUM EXTENT PERMITTED BY LAW. BUYER'S SOLE AND EXCLUSIVE REMEDY UNDER THIS LIMITED WARRANTY IS REPAIR, REPLACEMENT OR CREDIT AT SELLER'S SOLE OPTION.**

**19. WARRANTY RETURNS.**

19.1 Prior to returning a Product for warranty service, Buyer shall request a return authorization number from Seller. The return authorization number shall be placed conspicuously on the outer package shipping label. Any Product returns which are received by Seller without a return authorization number shall be refused and returned to Buyer at Buyer's expense. Returned Products shall be accompanied by a written description of the reasons for the return and the circumstances under which the defect was discovered. Products must be returned to Seller's facility shipping charges prepaid. Seller shall reimburse Buyer for shipping costs if the returned Products are found to be defective and such defects are covered by Seller's warranty. Seller shall pay the cost to ship Products to Buyer which were repaired or replaced under Seller's warranty.

19.2 If a returned Product is found to contain a defect which is not covered by Seller's warranty, Seller shall provide a written quotation showing the estimated cost of repair or the price of a replacement. In the event that Buyer does not provide instruction as to disposition of the defective Product within 30 days from receipt of such estimate or quotation, Seller shall ship the Product back to Buyer and shall invoice Buyer for the costs of testing and return shipment.

19.3 At Buyer's request, Seller shall provide a written failure analysis and corrective action report with respect to each defect corrected under the terms of Seller's warranty.

**20. TRADEMARKS.** Buyer shall have no right to or interest in any trademarks or trade names owned, used or claimed now or in the future by Seller and its affiliates.

**21. NON-EXCLUSIVE SALES.** All sales are made to Buyer on a non-exclusive basis.