



900 Calle Plano, Suite K
Camarillo, CA 93012 USA
T 805.389.6600
F 805.389.6605
www.micronor.com

MICRONOR INC. TERMS AND CONDITIONS OF PURCHASES

Document 98-MCRO-07, Revision A
(Effective December 22, 2017)

1. General

These General Purchase Terms are applicable for all Purchase Orders to our Suppliers. Micronor Inc. is hereto referred to as either the "Buyer" or "Micronor."

Deviating Terms of the suppliers shall not apply without Micronor's written consent and shall be binding to the extent only as they are not in contradiction to these General Purchase Terms. Special written agreements between us and our suppliers are reserved.

2. Orders

Micronor Orders are given in writing in form of a Purchase Order. Order Confirmations must be in our possession no later than 3 days after accepting the Purchase Order. Upon Supplier accepting the Purchase Order, Supplier shall not seek to: Modify, contradict, negate or add to any term of the Purchase Order without our consent and revised written Purchase Order.

3. Delivery Dates and Cancelations

The Delivery date stated in the Purchase order will be deemed accepted by Supplier unless supplier objects in writing to Buyer within five (5) business days of its receipt of the Purchase order or unless otherwise set out in the Purchase Order.

Time is of the essence for delivery and all other obligations arising herein. "Delivery Date" shall mean the date Supplier is required to deliver the Product to the location designated on Buyer's Purchase Order.

If Supplier does not meet the scheduled Delivery Dates, and Supplier fails to demonstrate to Buyer that it has taken best commercial efforts to comply with meeting the Delivery Dates, then Buyer may at its option, cancel the Purchase Order, or any part of the Purchase Order, without incurring any liability therefore. If Buyer requests expedited shipment of any late deliveries, Supplier will be responsible for these expedited shipping costs.

Supplier, when it has reason to believe that deliveries will not be made as scheduled, shall provide immediate written notice to Buyer, setting forth the cause of such anticipated delay.

Notwithstanding the above, neither Buyer nor Supplier shall be liable for delays or defaults due to fires, floods, earthquakes, riots, storms or acts of civil or military authority and without their fault or negligence. In the event that any such condition exists as to Supplier, Buyer may at its option, cancel the affected Purchase Order in whole or in part.

The shipping Terms of delivery are to be FCA named location ("FCA") as that terms is defined in Incoterms 2010. If both parties agree, the terms of delivery may be changed. For FCA terms, Supplier must utilize the carriers or forwarders specified with the Purchase Order. If the Supplier uses any other carrier or forwarder, the Supplier will be requested to credit Buyer for any additional costs incurred. If carrier of forwarder is not specified in the Purchase Order, the Supplier will request shipping instructions from Buyer.

Buyer will accept early delivery on any Purchase Order.

4. Packaging and Shipping

The default Shipping Rule of Transport shall be Free Carrier (FCA) as defined in ICC Incoterms 2010. In the purchase order, the Buyer shall specify the method of transport, carrier, ad/or forwarder. The Supplier shall be responsible to either arrange pickup by the carrier or deliver directly to the carrier's terminal or transport hub. If the carrier or forwarder is not specified in the Purchase Order, the supplier shall request shipping instructions from the Buyer. If the Supplier uses any other carrier or forwarder, the Supplier shall credit the Buyer for any additional costs incurred. If both parties agree, then the terms of shipping and delivery may be changed.

Shipments must be preserved, packaged, handled and packed to permit efficient handling, provide protection from loss or damage. Supplier will be liable for any loss or damage due to its failure to properly preserve, package, handle or pack any shipment.

No charges shall be allowed for handling, packaging, crating, unless specifically provided for in the Purchase Order.

All packaging lists, bills of lading and invoices must list the Purchase Order Number.

5. Quality and Inspection

Supplier will deliver Products conforming to applicable specifications (i.e. drawings specification sheets, etc.) and which are free of any and all defects and otherwise comply with the warranties set forth in Section 7.

Upon request, Supplier will make available to Buyer all Product Test Data relating to qualification as well as production yield as evidence of conformance to specifications and quality control.

Buyer may at its option, reject and return any products which contain defective material or workmanship or which do not conform to the Purchase Order, applicable drawings, specifications, or samples. Rejected products which Buyer return to Supplier shall be returned at Supplier's risk and expense.

If product is rejected, Supplier agrees to supply Buyer with a Return Material Authorization Number (including replacement product if requested by Buyer) and a shipping account number.

6. Pricing, Invoices and Payment

All Invoices from the Supplier must reference the Purchase Order Number and shall be addressed to Micronor via email to iris@micronor.com. All invoices shall be issued and payment shall be made in the currency stated on the invoice. Unless otherwise agreed upon, Buyer shall pay the invoice within 30 days of receipt of invoice unless otherwise agreed to in writing by the parties.

7. Warranties

Seller warrants to Buyer that for a period based on the greater of (1) twelve (12) months from the Delivery Date or (2) the Sellers standard warranty period, all Goods will: (a) be new and free from any defects in workmanship, material and design; (b) conform to applicable specifications; (c) be fit for their intended purpose and operate as intended.

Any applicable statute of limitations runs from the date of Buyer's discovery of the noncompliance. If Buyer gives Seller notice of non-compliance, Seller shall, at its own cost and expense, promptly replace or repair the nonconforming Goods or Services.

8. Changes

Buyer reserves the right, at any time, to request changes in the specifications, drawings, samples or other description to which the Products or Services are to conform, the quantity and method of shipment and packaging, or in the time or

place of delivery.

9. Taxes

No Sales or Use Tax shall be added when a valid tax exemption is indicated on the Purchase Order by the Buyer

10. Title and Risk of Loss

Unless otherwise specified in the Purchase Order, risk of loss of the Goods remains with Seller and Title will not pass to Buyer until the Goods are delivered to and accepted by Buyer at the specified Delivery Location mentioned in the Purchase Order.