

## International Terms and Conditions of Sale and Delivery of Regent Beleuchtungskörper AG

### 1. General

- 1.1 The following Terms and Conditions of Sale and Delivery shall apply to any deliveries and services rendered by Regent Beleuchtungskörper AG of Basle, Switzerland, hereinafter referred to as the Supplier. The Purchaser's terms and conditions of purchase shall only apply to the Supplier subject to being explicitly accepted in writing by the Supplier.
- 1.2 The invalidity of specific provisions of these Terms and Conditions of Sale and Delivery now or in the future, shall not affect any other provisions.
- 1.3 Cost estimates, drawings and any other documents handed over to the Purchaser whilst negotiating a contract, shall be subject to the Supplier's copyright. These shall remain the Supplier's property and shall only be made accessible to the Purchaser after prior approval by the Supplier. If an order is not placed, any documents handed over shall be returned immediately at the Supplier's request.

### 2. Acceptance of Orders

The type and scope of deliveries stated in an order shall only become binding upon receipt of a confirmation by the Supplier. If a confirmation is not sent, the Purchaser's written application shall apply. The Supplier shall confirm verbal agreements, in particular secondary agreements and promises by agents, in writing.

### 3. Prices and Payment

- 3.1 Prices shall be quoted ex works or from the warehouse of the Supplier, excluding packaging, freight and insurance, plus VAT as per law if applicable, unless otherwise agreed.
- 3.2 If no fixed price has been explicitly agreed, agreed prices shall be binding until the date of delivery stated in the confirmation of order. If such a date has not been agreed, the Supplier shall be bound to agreed prices for a period of four months since confirmation of the order. Thereafter the Supplier shall be entitled, should costs have risen after confirmation of an order, to make adequate price increases. This shall not apply should the Supplier's deliveries be delayed.
- 3.3 Payment terms are to be agreed. Cheques and bills of payment eligible for rediscounting, shall be accepted for fulfilment only. Any costs incurred in this context by the Supplier shall be charged to the Purchaser.
- 3.4 If a payment date is exceeded, interest of 5% above the official Swiss national bank rate shall be charged, unless the Supplier proves higher debit interest or the Purchaser provides proof of a lower rate.
- 3.5 Non-compliance with terms of payment or circumstances that may reduce the Purchaser's creditworthiness shall result in any claims by the Supplier against the Purchaser becoming due at once. The Supplier shall be entitled to return any cheques or bills of payment eligible for rediscounting, accepted for fulfilment only, and demand cash payment or a security. Moreover, the Supplier shall be entitled to demand advances for unpaid deliveries and to rescind from the contract after an adequate period of grace or to claim damages for non-fulfilment.
- 3.6 Retention of payments and offsetting of Purchaser's counterclaims, if contested by the Supplier and not confirmed by an enforceable judicial decision, shall be excluded.

### 4. Period of Delivery and Acceptance

- 4.1 The delivery period shall commence after receipts of all documents required for the completion of an order and the agreed advance payment. All delivery periods and fixed dates shall apply subject to a tolerance of four weeks, unless a fixed transaction has been agreed. A delivery period shall have been met when the item to be delivered has left the Supplier's works or warehouse prior to its expiry.
- 4.2 The period of delivery will be appropriately extended in the event of an Act of God affecting the Supplier or his subcontractors. Such acts include government intervention, power and raw material supply problems, strikes, lockouts and unforeseen delivery problems, not caused by the Supplier. In these cases, the Supplier shall be entitled to partly or fully rescind from the contract. The Purchaser shall not be entitled to claim any damages because of the cancellation.
- 4.3 If the Supplier has not completed the delivery after written notification of delay and a written extension of the delivery date having been set, the Purchaser shall be entitled, subject to the exclusion of any further claims, to claim damages for delay from expiry of the extension, should a delay in delivery be due to intent or Net negligence of the Supplier, his legal representatives or agents. The maximum compensation shall be 0.5% for each full week of delay and maximum 5% of the price of the delivery in total, which could not be delivered in good time due to the delay.
- 4.4 Part deliveries shall be allowed. Deliveries shall be accepted by the Purchaser although being subject to minor defects, irrespective of the Purchaser's warranty claims.
- 4.5 The Supplier explicitly reserves the right to make changes in the design and equipment of any items supplied due to technical progress.

### 5. Packaging, Shipment, Transfer of Risk

- 5.1 The Supplier shall select the packaging and type of shipment at his best discretion.
- 5.2 The risk shall be transferred to the Purchaser when the goods leave the Supplier's works or warehouse. If the delivery is delayed due to circumstances beyond the Supplier's control, the risk shall be transferred when readiness for shipment is notified.

### 6. Retention of Title

- 6.1 All deliveries shall be subject to retention of title. Deliveries shall remain the Supplier's property prior to any of the Supplier's claims against the Purchaser being fulfilled by the Purchaser, even if the price invoiced for specific amounts receivable has been paid. In case of current accounts, retention of title shall apply as a security for the Supplier's accounts outstanding.

- 6.2 Processing or converting by the Purchaser of any goods subject to retention of title shall be made under exclusion of acquisition of ownership, the Supplier remaining the owner of the newly created item, which shall serve as a security for any of the Supplier's claims according to para. 6.1 above.
- 6.3 The Purchaser shall not be entitled to resell any goods subject to retention of title, except for goods in connection with its ordinary business and under the condition that he has agreed with his customers retention of title in accordance with para. 6.1 above. The Purchaser shall not be entitled to dispose of the goods in any other way whatsoever.
- 6.4 In case of resale, the Purchaser agrees to assign herewith to the Supplier until satisfaction of all of the Supplier's claims, any accounts receivables or other claims against his customers and any ancillary rights whatsoever, caused by the said resale. At the Supplier's request, the Purchaser shall provide any information and hand over any documents required for asserting the Supplier's rights against the Purchaser's customers.
- 6.5 Should the Supplier make use of his right of retention by taking back any goods supplied subject to retention of title, in accordance with the above provisions, the Supplier shall be entitled to sell or auction the goods at his absolute discretion. The taking back of goods subject to retention of title, not deemed to be rescission from the contract, shall take place for the proceeds obtained or at the most for the agreed prices. The Supplier shall reserve any further claims for damages, in particular due to loss of profit.

### 7. Warranty

- 7.1 The Supplier shall be liable for any defects in supplies, including a lack of explicitly assured characteristics, for a period of 24 months after transfer of risk, subject to the exclusion of any other claims.
- 7.2 Notifications of defects shall be made in writing immediately, but at least within five working days after receipt of a delivery. For non apparent defects the period is prolonged to one week after detection, but at the longest for a period of twelve months after transfer of risk.
- 7.3 For substantiated notifications of defects made in due course, warranty shall be limited, at the Supplier's option, to repairs or replacements.
- 7.4 The Supplier shall not be liable for any defects caused by the intervention of third persons, incorrect assembly, excessive loads or voltages or chemical effects, not caused by the Supplier. The above causes for defects shall be subject to loss of warranty claims. The same rule shall apply to any unauthorised repairs or intervention in supplied items by the Purchaser or third parties.
- 7.5 Should the Supplier not honour his warranty liability in accordance with para. 7.2 above within an adequate period of time set in writing, the Purchaser shall be entitled to reduce the price (reduction) or cancel the contract (cancellation), or declare rescission from the contract for the defective part of the delivery only. Any further claims, in particular compensation for consequential damages and loss of profit, shall be excluded.
- 7.6 Planning services and/or definition of the scope of supply by the Supplier shall be exclusively rendered in the Purchaser's interest. The Supplier shall assume no liability for these, unless the Supplier is acting with intent or Net negligence.

### 8. Guarantee conditions for Regent LED lamps

Without prejudice to legal guarantee claims, beginning with the 2012 production year, Regent provides a manufacturer's guarantee of 5 years from the date of delivery for proven material or manufacturing defects on all Regent brand LED lamps that have been correctly installed and used in accordance with directions. Regent reserves the right to decide upon the eligibility of the claim under guarantee following product inspection. In the event of a justified claim, Regent can elect to repair defective parts, replace them with sound parts or deliver a replacement.

All additional costs associated with the guarantee service (installation and removal costs, transport, travel expenses, reinstallation/programming, etc.) are at the Purchaser's expense. To obtain guarantee services, the Purchaser must send the product and delivery note/invoice to a domestic Regent distribution branch, carriage paid.

Guarantee services do not create either an extension of the guarantee period or set a new guarantee period in motion. The guarantee period for repaired/exchanged parts or replacement deliveries ends with the guarantee period of the overall product. Agreed limitations of liability are proportionally applicable to the claim under guarantee.

Only failure rates that exceed the rated failure rate (0.2% per 1000 hours of operation) are covered by the guarantee. A drop in luminous flux of LED modules up to 0.6% per 1000 hours of operation is normal and therefore not covered by the guarantee.

Wear parts, such as hard drives, computers and servers that contain either hard discs or mechanical wear parts, software defects or viruses are excluded from the guarantee.

### 9. Samples and Returns

- 9.1 Standard lamps (standard samples) ordered for inspection shall remain the Supplier's property. Should these not be returned after a maximum period of two months, payment shall be due. In all cases, lamps shall be charged when modified or damaged by the addressee. Returned samples of standard lamps shall only be accepted undamaged in their original packaging and after prior agreement with the Supplier against charging a global processing fee of 20% of the net goods value. Transport costs shall be charged to the Customer.
- 9.2 Samples to be produced at the request of an interested party as special designs, shall be invoiced and cannot be returned.
- 9.3 In case of deliveries based on the Purchaser's drawings or models, the Purchaser shall be liable regarding third-party intellectual property rights.

- 9.4 The Supplier shall be entitled at his discretion to store at the Purchaser's cost and his own discretion, goods ready for shipment, to be despatched at the Purchaser's specific request later than on the agreed delivery date. The agreed purchasing price shall become payable on commencement of storage.
- 9.5 Returns shall only be accepted after prior written agreement and against refund of an overall fee of 20%. Any costs incurred for refurbishment and modification shall be invoiced separately.

**10. Data Protection**

The Supplier notifies the Purchaser that he will store the Purchaser's data as far as required business.

**11. Place of Performance and Jurisdiction**

- 11.1 The place of performance for any duties emanating from this Contract or contract negotiations shall be the domicile of the Supplier at Basle, Switzerland.
- 11.2 The parties submit to the exclusive jurisdiction of the courts of Basle, Switzerland.
- 11.3 These Terms and Conditions shall be exclusively subject to Swiss law. Application of the United Nations Convention for International Purchasing Contracts (CISG) shall be excluded.