



SALES TERMS & CONDITIONS

1. LEAD TIME

The number of business days until the deliverable is shipped, is quoted as per the following:

- a. Lead time of the first article produced is quoted **post receipt of final artwork approval (in case of special custom solution with engineering).**
- b. Production lead time is quoted **post receipt of final first article approval (for standard BOM solution is typically 16 weeks).**

Lead time may be impacted by the following events:

- A. Delays incurred during the period between the receipt of purchase order and receiving final artwork approval.
- B. Delays incurred during the period between the receipt of final artwork approval and the receipt of final first article approval.

Lead-time quoted is after-receipt and acceptance of purchase order and is based on business days and does not include transit time. Lead time does not include the second and third weeks of August and the period between 25th December and 6th January.

2. PRICE QUOTATIONS

Unless otherwise specified, quoted prices are for a single shipment. Prices are based on specified quantities. Grouped prices are based on receiving one purchase order for the total quantity of all grouped items at one time and for one shipment. A price may be given for a yearly quantity with scheduled shipments.

Prices are based on shipping +/-10% of quantity ordered. Seller reserves the right to correct any quotation containing a pricing or clerical error. Novasom Industries will accept orders at the quoted prices 30 days from the date of quotation. As we cannot predetermine rejections by our inspection or spoilage, our quotations are based upon purchaser's acceptance of over-runs and under-runs not exceeding ten percent of quantity ordered. Prices are subject to any city, county, state, or Federal taxes which are or may become effective and are based on continuous manufacturing in the quantities specified.

A minimum of a fifty percent deposit is required on Non-Recurring Engineering (NRE) charges such as tooling, art and preparation, with the balance due upon approval of first article. Quoted prices are subject to change based on price increase of raw material to seller. Delivery is subject to raw material availability.

Our sales department, in conjunction with our credit insurance carrier, is in charge of accepting or denying, for financial reasons, Net 30 day terms. If you choose to participate in our credit program, you may be required to provide more than a 50% deposit for purchase of items.

The BOM group productions don't provide overproduction for exchange purposes (within or without guarantee) so it is advisable to always buy a certain percentage of boards to be used more as a spare.



Because of the complexity of the manufacturing processes, production may vary up to 5% less (production waste). It is advisable to always purchase a certain percentage of boards in more to ensure the achievement of the required amount.

In case the production reaches 95% of the material required, the supply is deemed complete and the HW value, not delivered, will be returned to the customer.

3. MODIFICATION TO ORDER; CANCELLATION OF ORDER

Our acknowledgement is our acceptance of your order subject to Credit Department approval. Modifications, changes, additions, cancellations or suspensions will not be binding upon us unless accepted by an officer of our company in writing upon terms that will indemnify us against all loss. When your orders contain printed or stamped provisions inconsistent with the written, printed or stamped provisions of our acknowledgement, our acknowledgement will prevail. Clerical errors are subject to corrections. If quantities are reduced or production held up or interrupted by you, parts will be subject to extra charges for the loss involved. Reorders for parts previously manufactured are considered as placed under the same terms and conditions in the original contract, except for such price changes as may be necessary, when such orders are not placed pursuant to a formal quotation and acceptance.

All changes and cancellations are subject to change and cancellation fees. Regardless of the reason, the Buyer agrees to pay the Seller for all work started and all costs incurred, plus markup, up to the date of change and/or cancellation.

4. DELIVERY AND SHIPMENT

Upon delivery of material Ex Works (EXW) carrier at Seller's factory, all risk of loss, damage, or other incidents of ownership shall immediately pass to Buyer, but title to such materials will be retained by Seller as security for Buyer's performance until payment is received in full.

5. DELAYS

Seller shall not be liable for delay in failure in performance hereof arising from any cause not within Seller's reasonable control, including, but not limited to, accidents to, or breakdowns to, mechanical failure of, plant machinery or equipment arising from any cause whatsoever, strikes or other labor troubles, labor shortage, fire, flood, war, acts of the public enemy, acts of God, priorities, allocation, limitations, or other acts required or requested by Federal, State or local government or any sub-division, bureau or agency thereof, or failure of usual sources of supply of material.

In the event of delay or failure of performance not excused under the foregoing subdivision, Seller's liability shall not exceed that portion of the invoice price represented by the quantity of the material delayed or not shipped. In no event shall Seller be liable for any consequential, special or contingent damages.

6. PAYMENT

Buyer's financial responsibility is at all times subject to approval of Seller's Treasury Department, and Seller may at any time require payment in advance or satisfactory security or guarantee that invoices will be promptly paid when due. If payment is not made when due, interest will be charged on any overdue



accounts at a rate not to exceed the maximum prevailing legal limit. The buyer shall also be liable for all costs of collection including, but, not limited to, reasonable attorney fees, court cost and reasonable collection agency fees.

Successive shipment will be blocked when a payment is not made on time and will start again as soon as payment is made. However future shipment credit terms will be again reviewed by Sellers Credit Department.

Unless otherwise agreed by both parties, in writing, Buyer agrees to Seller's payment terms indicated in the quotation.

7. DIES, TOOLS, FIXTURES, MATERIALS and ARTWORK:

Dies, tools, fixtures, materials and artwork will be held by us at your risk, and kept in condition for production by us during the normal life of same. They shall, however, be subject to any existing Federal or Trade Codes and to lien in our favor for all sums due for the cost of making or preparation and any and all other claims which we may have at any time against you, all of which sums and claims shall be paid and discharged before we shall be required to deliver such dies, tools, fixtures materials and artwork. When dies are paid for, they become the property of the customer, but because die charges only represent material and labor cost estimates, dies may not be removed from possession of the manufacturer until engineering and maintenance charge of fifty percent of the original charge is paid by the customer. Dies, tools and fixtures not used for three years may be scrapped without notice.

8. PATENTS

Original Novasom Industries' products are warranted as free of patents as and when sold.

If parts produced in your behalf (according to specifications different from our standards) infringe or are claimed to infringe letters, patent or copyright, under which claims are made against us, you assume full responsibility for everything done by us in producing such parts and agree to indemnify us and hold us free of any and all losses, including expenditures made or incurred for judgments, settlements, attorneys' fees, litigation, negotiation, and any and all losses and disbursements directly or indirectly resulting therefrom.

9. APPLICATION

Our products are not a consumer products but are intended for sale to design engineers—system integrators with the knowledge necessary to correctly connect electronic Board, sensors, actuators and system components in a mode to avoid any kind of fault or HW problems on our hardware, third party equipment or injuries to people.

Questions regarding the use of our products should be directed to the manufacturer or to distributor sales for referral to technical personnel.

Use of our product will be considered approval and acceptance of this Condition of Sale.

Our products documentation including detailed data sheets and technical specifications are available on the website www.novasomindustries.com, and by contacting franchised distributors and representatives.



End users and system integrators must adhere to all guidelines and parameters detailed in the data sheets and technical specifications.

Use of Products in Life Support Applications: Our Products are not designed for use in life support equipment or any other equipment in which malfunction of such product can reasonably be expected to result in personal injury. Customers using our products in any such equipment do so at their own risk and agree to fully indemnify Novasom Industries for any damages or claims.

Use of Products in Critical Applications: Our Products are not designed for use in critical application equipment (example transport control, military, production process) or any other situation in which malfunction of such product can reasonably be expected to result in serious damage to object, things, and people. Customers using our products in any such equipment do so at their own risk and agree to fully indemnify Novasom Industries for any damages or claims.

10. SCHEDULED RELEASES

We reserve the right to run the total quantity at one time when an order is placed for scheduled releases. Therefore, no changes may be made by Buyer in design, quantity, or release dates without our prior written approval. Buyer agrees to specify the release schedule for the entire blanket order quantity at the time of purchase order placement. Unless otherwise agreed upon by both parties, Buyer agrees to take possession of the entire blanket order quantity within one year from the original purchase order date.

11. CLAIMS

Claims shall be governed by:

- For all countries except the Americas: the jurisdiction is in Bucharest Romania
- For the Americas: the Superior Court of the State of New Jersey, Ocean County.

12. EMAIL SUBSCRIPTION AND PERIODIC EMAIL UPDATES

Novasom Industries maintains certain information on each individual we do business with. Information includes, but is not limited to, your phone number, email address, and physical address. From time to time, we will communicate to our contacts information related to our business. By providing us with your contact information, you understand and agree to allow Novasom Industries to add your contact information to their business system, AND accept periodic email updates including, but not limited to, email promotions, product updates, and major business changes.

Novasom Industries collects contact information from a variety of avenues. Such avenues include, but are not limited to, requesting a quotation or placing an order.

Novasom Industries will NEVER sell or share your contact information with any 3rd party! Should you wish to opt-out of receiving periodic email updates from Novasom Industries, please submit your request to opt-out to sales@novasomindustries.com.