

MASTER PURCHASE AGREEMENT

This **Master Purchase Agreement** (hereinafter the “Agreement”) shall become effective as of _____ (hereinafter referred to as the “Effective Date”). This Agreement is entered into by and between the following parties (individually, each a “Party” or collectively, the “Parties”):

ESCATEC SDN. BHD. (Company No. 381411-D) (hereinafter referred to as “ESCATEC Sdn Bhd”), a company incorporated in Malaysia and having its principal place of business at Bayan Lepas Free Industrial Zone III, 11900 Bayan Lepas, Penang, Malaysia, and on behalf of itself and its Affiliates (ESCATEC Sdn Bhd and its Affiliates hereinafter collectively referred to as “ESCATEC”) of the one part; and

[Supplier Name] (Company No. _____) (hereinafter referred to as “Company”), a company incorporated in [country] and having its principal place of business at [Address], and on behalf of itself and its Affiliates (Company and its Affiliates hereinafter collectively referred to as “Supplier”) of the other part.

WHEREAS

- (A) ESCATEC Sdn Bhd or one or more of its Affiliates wishes to purchase certain components, materials, and/or goods (hereinafter referred to as “Product or Products”), and the Affiliates of ESCATEC Sdn Bhd have appointed ESCATEC Sdn. Bhd. to perform for and on their behalf the necessary procurement services required for their operation and for such purpose, as the case may be, to enter into agreements and exercise the powers of the Affiliates which this Agreement requires or permits.
- (B) Company and its Affiliates undertake that they are desire to sell such Products to ESCATEC Sdn. Bhd. and/or its Affiliates.
- (C) ESCATEC and Supplier mutually desire to set forth the terms and conditions which will apply to transactions between ESCATEC and Supplier with respect to the Products which ESCATEC shall purchase from Supplier.

NOW, THEREFORE, in consideration of the covenants, agreements and promises set forth herein, the Parties hereby agree as follows:

1. DEFINITIONS

- 1.1 “Affiliates” means an entity either directly or indirectly controlling or controlled by a Party or under common control with the Party. The term “control” is used in this definition to mean the direct or indirect ownership of more than fifty percent (50%) of the shares or interest entitled to vote for election of directors of the entity or otherwise having the ability to direct the management of such entity.
- 1.2 “Applicable Laws” means applicable federal, national, provincial, state, municipal or local laws, rules, regulations, guidelines and standards (whether of Malaysia or other applicable jurisdictions).
- 1.3 “Customer” means any customer of ESCATEC.
- 1.4 “Specifications” means the functions, capabilities, features, drawings, samples and specifications of the Products required by ESCATEC and/or Customer.

2. SCOPE AND RELATIONSHIP OF THE PARTIES

- 2.1 Supplier shall sell to ESCATEC the Products and ESCATEC shall pay Supplier for the Products in the form, on the schedule, and subject to the other terms and conditions as set forth in the

purchase order released to Supplier. General business terms and conditions of ESCATEC and the Supplier shall not apply in any event. If there is a conflict between the terms of this Agreement and any other individual agreement, the terms of each document shall apply in the following order of precedence: (i) the purchase order released to Supplier; (ii) individual agreement signed by authorised representatives of Supplier and ESCATEC; and (iii) this Agreement.

- 2.2 This Agreement does not render Supplier an employee or partner of ESCATEC and will not be construed in any manner to do so. This Agreement shall not be construed as creating an association, joint venture, or partnership between the Parties or as imposing any partnership obligation or liability upon either Party. Except as otherwise set forth herein, neither Party shall have the right, power or authority to enter into agreements or undertakings for, or act on behalf of, or as an agent or representative of, or to otherwise bind, the other Party.
- 2.3 It is agreed by the Parties that this Agreement is “non-exclusive”, and that ESCATEC may therefore contract with any other third party for the provision to ESCATEC of similar Products to those intended herein regardless of the continuity in effect of this Agreement or the termination thereof.

3. PRICE

- 3.1 The purchase price of the Products shall be as negotiated as set forth in the Supplier’s Quotation and accepted in writing by ESCATEC and shall remain valid for six (6) months after which they can be re-negotiated by either Party.
- 3.2 ESCATEC expects Supplier to work diligently on reducing the product cost with the target of a minimum of five percent (5%) reduction of the prices per half-year. The Supplier further agrees to extend to ESCATEC any Product Price decrease that is a result of changes in market conditions, Supplier’s cost reduction programs, Product materials price reductions, or cost reductions negotiated and agreed between Supplier and ESCATEC’s Customer on whose behalf ESCATEC is purchasing Products.
- 3.3 The Product price stated in the purchase order released to Supplier shall be as stated in Supplier’s quotation or as agreed in writing by ESCATEC. In the event of any unavoidable product price increase Supplier will notify ESCATEC at least sixty (60) days in advance. For any price increase to be effective it must be agreed in writing by ESCATEC.
- 3.4 Supplier warrants that the prices offered to ESCATEC do not exceed the prices charged for like quantities of the same or substantially similar articles to any other purchaser of Supplier. If at any time Supplier sells the same or comparable products, in comparable quantities, to another purchaser of Supplier at any lower price than that charged ESCATEC, Supplier will promptly offer that lower price to ESCATEC.

4. PAYMENT

- 4.1 Payment will be made net sixty (60) days from the date of receipt by ESCATEC of an invoice or as otherwise agreed in writing between the Parties. Payment of invoices will not constitute acceptance of Products and will be subject to adjustment for errors, shortages, defects in the Products or other failure of Supplier to meet the requirements of the purchase order and/or this Agreement.
- 4.2 ESCATEC may offset against payments due to Supplier amounts due to ESCATEC as refunds for rejected Products, past overpayments, or other charges under this Agreement.

5. ORDERING, PLANNING PROCEDURE AND DELIVERY

- 5.1 Except where Supplier supplies Products under Replenishment Programs, ESCATEC shall initiate purchases by written or electronically dispatched purchase orders setting forth the purchase order number, ordered goods description, quantities, required delivery dates, prices, destination and shipping instructions.

- 5.2 The delivery date(s) stated on the purchase order is the delivery date at ESCATEC's premises. The Supplier must take the shipping instructions into consideration when shipping the Products to ensure on time delivery of the Products at ESCATEC's premises.
- 5.3 Only written orders issued by ESCATEC shall be valid. Verbal or telephone orders, as well as any additions, changes or different conditions, shall only be valid if they have been confirmed by fax, e-mail or other writing by ESCATEC and accepted by the Supplier. The Supplier shall confirm released orders within two (2) working days by fax or e-mail.
- 5.4 (a) Supplier acknowledges that time is of the essence with respect to all delivery dates. Meeting the scheduled delivery date is a material term of this Agreement. Supplier agrees to one hundred percent (100%) on time delivery. On time delivery window is defined as three (3) days early, zero (0) days late from the committed delivery date. If Supplier is unable to supply Products on the delivery date Supplier shall immediately notify ESCATEC verbally and through e-mail notification of the situation. Both Parties will jointly develop alternatives to resolve any late delivery of Product in order to minimize adverse consequences resulting from such late delivery.
- (b) If Products are not delivered in accordance with the delivery schedule stipulated in the purchase order and/or agreed upon by both ESCATEC and Supplier and if the delay in delivery is not due to Force Majeure events, the Supplier shall pay to ESCATEC liquidated damages in the amount of five percent (5%) per week of the order value of undelivered quantities as late delivery charges until actual delivery of the Products subject to a maximum of thirty percent (30%).
- (c) In case of a delay in excess of four (4) weeks, ESCATEC is entitled to declare the purchase order null and void without any cost and liability to ESCATEC. If the Supplier repeatedly remains in default due to late deliveries after ESCATEC have given notice of default to Supplier, ESCATEC is entitled to claim compensation for part or all of the verifiable damages caused by any late delivery of the Products. ESCATEC's resort to liquidated damages for the delay period does not preclude ESCATEC's right to other remedies, damages, and choices under the transaction including ESCATEC's right to reject shipments or deliveries not then made and terminate the purchase order or this Agreement. Such damages may include, but shall not be limited to, the amount of any compensation or penalty which ESCATEC is required to pay its Customer by reason of late delivery of the products.
- 5.5 Unless ESCATEC otherwise agrees in writing Supplier shall deliver the Products based on Delivered At Place (D.A.P.) (Incoterms 2010) ESCATEC's premises as stated on the purchase order, at which point delivery shall be made and title and risk of loss and damage shall pass from the Supplier to the ESCATEC.
- 5.6 ESCATEC may cancel standard product at no charge with written notice prior to Supplier's shipment date. ESCATEC may cancel non-standard or unique product ("Custom Product") with written notice prior to Supplier's shipment date. Upon cancellation of Custom Product, ESCATEC shall remain liable for raw materials and work in process at a price equal to the completed percentage of the Product multiplied by the price of the finished Product as of the date that Supplier received the notice. The Supplier is responsible to update ESCATEC at the earliest opportunity on any changes to the order lead time. ESCATEC will keep its ERP system updated according to the latest lead times provided by Supplier.
- 5.7 Upon ESCATEC's issuance of any Engineering Change Requests (ECRs) Supplier shall inform ESCATEC of the impact thereof on delivery schedule, price and any obsolete material within five (5) working days of receiving the ECRs.
- 5.8 Supplier shall not change the components (including raw materials used to produce the Products), specifications, manufacturing process, or implement any changes which alter any of the Product even if the Product is still within the Specification, without providing advance notice to and obtaining the prior written consent of ESCATEC and/or ESCATEC's Customer. Such notice should be given six (6) months in advance so that ESCATEC and its Customer have an opportunity to consider the proposed changes and evaluate potential effects prior to implementation.

5.9 Unless otherwise agreed, each delivery of Products will be accompanied by the Supplier's certificate of conformity ("COC") confirming the compliance of the Products with the Specifications as further detailed in the COC.

6. QUALITY ASSURANCE

6.1 Supplier is expected to continuously work toward zero defects.

6.2 Supplier must ensure proper and safe packing corresponding to the means of transportation. The cost of any shipment damage due to improper packing will be borne by Supplier.

6.3 Supplier shall ensure that ESCATEC's purchase order number appears on all packing lists and bills of lading or other shipping documents and shall appear on each package, container or each shipment.

6.4 Each new product shall be subject to a First Article qualification. Supplier shall submit a First Article report to ESCATEC together with samples of the products produced. ESCATEC shall evaluate the samples and give the Supplier a written feedback. If the samples are accepted, and upon receiving written authorisation from ESCATEC, Supplier can start volume production.

6.5 Where the Supplier is not an authorised distributor, agent or the original manufacturer then upon request Supplier will provide evidence of origin of the Products. A Letter of appointment shall be furnished to ESCATEC if the Supplier is the authorised distributor or agent. Supplier must ensure that all Products provided to ESCATEC under this Agreement are new Products and do not contain anything used or reconditioned unless otherwise agreed in writing by ESCATEC.

6.6 The requirements of any Quality Assurance Agreement where included as an addendum to this Agreement shall also apply.

7. WARRANTIES, REPRESENTATIONS AND UNDERTAKINGS

7.1 Supplier represents and warrants to ESCATEC that the Products delivered are free from all defects in materials and workmanship for a period of eighty four (84) months after ESCATEC's acceptance of Products. All Products shall conform strictly to any Specifications which may have been provided to or furnished by ESCATEC. Supplier further warrants that it has good title to the Products free and clear of all liens and encumbrances and will transfer such title to ESCATEC.

7.2 In the event of any breach of the Supplier's warranty under Section 7.1, ESCATEC shall have the right to reject such Products and shall notify Supplier of such rejection provided however that the absence of any such notice by ESCATEC following a review, inspection or test shall not relieve the Supplier of its obligations hereunder.

7.3 Upon ESCATEC's written notice of such rejection, ESCATEC shall inform Supplier which of the following options for rectification of the non-conformity or deficiency ESCATEC wishes, in its sole discretion, to pursue with such determination being binding on Supplier. ESCATEC may require Supplier to promptly perform at Supplier's own cost (i) to re-work or make good the Products; (ii) to replace such defective Products as may be necessary to correct any such deficiencies, or (iii) to refund to ESCATEC the purchase price of the non-conforming Products plus actual transportation costs, insurance premiums, duties and taxes, if any, paid thereon by ESCATEC in each of case (i) and (ii), to bring the provision of the Products up to the standard and Specification agreed by the Parties, and in each case until the applicable Products are determined satisfactory by ESCATEC. In the event of such replacement, re-working or making good all additional expenses shall be borne by Supplier.

- 7.4 Supplier must approve the return of rejected Products within two (2) working days upon receiving ESCATEC's reject note. A replacement is expected within five (5) working days. If Supplier does not perform any necessary action within seven (7) working days ESCATEC reserves the right to order the goods from other sources and any additional costs and expenses shall be borne by Supplier. In any such instance Supplier will be advised in writing by ESCATEC.
- 7.5 ESCATEC will issue a Corrective Action Request (CAR) to Supplier where defects are identified, Supplier shall provide a root cause analysis and corrective action response within five (5) working days or a mutually agreed time.
- 7.6 Unless otherwise specified all Products delivered shall conform to the shelf life in **Appendix A**.
- 7.7 Where the Supplier is not the manufacturer of the Products the Supplier shall, without limiting its other obligations, extend to ESCATEC the benefit of any warranty or other terms given by the manufacturer.
- 7.8 In the event of any product liability claims on ESCATEC relating to the Products where such claims arise as a result of non-conforming Products, the Supplier shall be liable for and shall indemnify, defend and hold harmless ESCATEC and its Customer from and against all losses incurred or suffered by them as a result, including the recall of a product incorporating the Product to the extent such recall arises as a result of the non-conformance of the Products.
- 7.9 Any acceptance by ESCATEC of the Products, or any payment by ESCATEC shall not constitute a waiver by ESCATEC of its rights to inspect such Products, or to reject such Products.

8. CONFIDENTIALITY

- 8.1 In the absence of a separately signed Non-Disclosure Agreement with Supplier, the terms and conditions of the Non-Disclosure Agreement in **Appendix B** will apply. If this Agreement expires or terminates prior to the expiration or termination of the Non-Disclosure Agreement the Parties hereto will still be bound by the terms and conditions set forth in the applicable Non-Disclosure Agreement.

9. END-OF-LIFE AND SPARE PARTS

- 9.1 Supplier shall provide a minimum of six (6) months notification to ESCATEC prior to end-of-life production of any Product. A last time buy schedule shall be provided by Supplier to ESCATEC at least 6 months in advance for the necessary order planning.
- 9.2 Subject to section 9.1 and unless otherwise agreed by the Parties, for a period of seven (7) years after the date upon which Supplier makes delivery of the Products under ESCATEC's last issued purchase order, Supplier shall make available to ESCATEC the Products necessary to satisfy ESCATEC's requirement to fulfil Customer demand at the prices mutually agreed to and justified by and between the Parties.

10. TERM AND TERMINATION

- 10.1 This Agreement will commence on the Effective Date and shall continue for an initial term of two (2) years and thereafter shall be automatically extended annually unless terminated pursuant to the provisions of Section 10 herein. If this Agreement is signed after the Effective Date, this Agreement shall be deemed retroactive to the Effective Date.

The Appendices or Schedules referred to in this Agreement and their updates, which may be signed at later dates, shall in no way affect the validity and enforcement of the terms and conditions in this Agreement.

- 10.2 Either Party may terminate this Agreement at any time by giving not less than six (6) months written notice to the other Party.
- 10.3 Upon expiration or termination of this Agreement for any cause the rights and obligations of the Parties under this Agreement shall terminate except for the rights and obligations expressly provided in sections 1, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, and 15 which shall survive the expiration or termination of this Agreement.
- 10.4 The provisions for termination of this Agreement and their exercise shall not constitute a waiver by either Party or a substitute for any relief or remedy which is otherwise available to it.

11. INFRINGEMENT

Supplier warrants that it has the right and license to make and sell the Products to ESCATEC and that there are no actions, claims or other proceedings pending or otherwise made against Supplier or manufacturer of the Products in any way relating to the Products. Supplier further warrants that ESCATEC's use of the Products in the manufacture, sale or incorporation of the Products into other product, anywhere in the world, does not infringe or otherwise violate the intellectual property rights of any third party. Supplier will defend, indemnify and hold ESCATEC and its Customer harmless at Supplier's own expense from and against any claim, loss, damage, expense or liability, including attorney's fees, arising out of any action by a third party that is based upon a claim that the Products supplied/delivered under this Agreement infringe or otherwise violate the intellectual property rights of any person or entity. Supplier will at its own expense procure the right to continue using the Products or replace or modify the same so that they become non-infringing. If Supplier does not promptly undertake its obligations under this section and pursue them diligently and in good faith, then after thirty (30) days notice and opportunity to cure, ESCATEC may take any and all actions it reasonably deems necessary to protect its interest, including the defence or settlement of any infringement claim, at Supplier's sole cost and expense.

12. COMPLIANCE WITH LAWS; COMPLIANCE WITH THE PRINCIPLE OF THE UN GLOBAL COMPACT; ETHICAL CONDUCT

- 12.1 (a) Supplier warrants that Supplier's performance hereunder and the performance of any subcontractor, employee, representative or agent of Supplier hereunder shall not breach any Applicable Laws. Supplier shall defend, indemnify and hold harmless ESCATEC and/or its Customer from any and all costs, expenses, damages, liabilities, penalties and/or any other effects of such breaches, including without limitation all direct, indirect, and consequential damages by reason of any alleged breach by Supplier, any subcontractor, employee, representative or agent of Supplier hereunder.

(b) In respect of Section 12.1(a), upon request by ESCATEC, Supplier agrees to declare, in a timely manner, that Products supplied or to be supplied to ESCATEC comply with European Union RoHS Directive 2002/95/EC, REACH Regulations, NANO Regulations, U.S. Legislation on Conflict Minerals and other applicable Product compliance regulations. With respect to Conduct of Business, upon request by ESCATEC, Supplier agrees to confirm compliance to the Electronics Industry Citizenship Coalition ("EICC") Code of Conduct or an equivalent.

- 12.2 The Parties shall respect and comply with the following principles of the United Nations (UN) Global Compact ("Global Compact"), and shall not subcontract to an outsourcing company which violates the Global Compact.
 - (1) Businesses should support and respect the protection of internationally proclaimed human rights.
 - (2) Businesses should make sure that they are not complicit in human rights abuses.
 - (3) Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.
 - (4) Businesses should uphold the elimination of all forms of forced and compulsory labour.

- (5) Business should uphold the effective abolition of child labour.
- (6) Business should uphold the elimination of discrimination in respect of employment and occupation.
- (7) Businesses are asked to support a precautionary approach to environmental challenges.
- (8) Businesses are asked to undertake initiatives to promote greater environmental responsibility.
- (9) Businesses are asked to encourage the development and diffusion of environmentally friendly technologies.
- (10) Businesses should work against corruption in all its forms, including extortion and bribery.

13. RECORD KEEPING AND AUDIT RIGHTS

- 13.1 Supplier will maintain (and provide to ESCATEC upon request) all relevant business and accounting records to support invoices under this Agreement, its financial report for each fiscal year, all quality-related documents, and proof of the required permits and professional licenses (“Records”), for a period of time as required by local law, rules, regulations, or ESCATEC, but not for less than seven (7) years following last purchase of the Products by ESCATEC unless otherwise specified in writing. All accounting records will be maintained in accordance with generally accepted accounting principles.
- 13.2 Upon ESCATEC’s reasonable advance notice to Supplier, ESCATEC may audit the Records and the status of compliance with the obligations under this Agreement, during ordinary working hours at Supplier’s business place or facility, for the period of time set forth in the foregoing Section 13.1.

14. FORCE MAJEURE

- 14.1 Neither Party shall be liable for delays in or failures of performance due to causes beyond such Party’s reasonable control, including without limitation, occurrence of natural disasters, epidemics, shortages of energy or raw materials, times of war or civil unrest, terrorist attacks, fire, extensive damage to or long-term suspension of the operations of the Parties, acts or omissions of any nature by any relevant government bodies, embargoes, disruption of the means of transport, industrial action and so forth.
- 14.2 In the event of any such delay or failure, the affected Party shall send written notice of the same and the reason thereof to the other Party within seven (7) days from the time the affected Party knew, or should have known, of the force majeure in question. The performance of the affected Party shall be deemed suspended so long as and to the extent that any such force majeure continues; provided however, that after thirty (30) consecutive or cumulative days of such suspension on the part of either Party, the other Party may terminate without liability its obligations hereunder to the extent that the affected Party’s performance has been prevented or delayed.

15. MISCELLANEOUS PROVISIONS

- 15.1 Neither Party may delegate its obligations or assign or transfer its rights under this Agreement, in whole or in part, without the prior written consent of the other Party. This Agreement shall inure to the benefit of the Parties’ successors and assigns.
- 15.2 This Agreement may not be amended except by written agreement between the Parties.

- 15.3 Notices under this Agreement shall be deemed sufficiently given when sent by registered mail or courier to the other Party in writing to the address indicated on the first page of this Agreement, to the attention of the person listed in **Appendix C** as the authorised representatives of ESCATEC and Supplier regarding matters related to this Agreement. Change of authorised representative by either Party shall be notified in writing to the other Party and **Appendix C** updated accordingly.
- 15.4 This Agreement and Appendices referred to in this Agreement, which are an integral part thereof, constitute the entire understanding between the Parties and supersede any previous agreement, memorandum, letter of intent, representation or understanding regarding the subject matter hereof.
- 15.5 No waiver by either Party of any default or defaults by the other Party in the performance of any of the provisions of this Agreement shall operate or be construed as a waiver of any other or further default or defaults whether of a like or different character.
- 15.6 Supplier shall obtain ESCATEC's approval before making publicity announcements regarding the Products or Supplier's activities relating hereto. Supplier shall also cause its subcontractors to comply with this requirement.
- 15.7 If any clause or provision of this Agreement shall be found to be invalid, illegal or unenforceable then, notwithstanding such finding, this Agreement shall remain in full force and effect and any invalid, illegal or unenforceable clause or provision or portion thereof shall be replaced with a legal and enforceable one approximating the original intent of the Parties subject to the same being permitted by the Applicable Laws.
- 15.8 This Agreement shall be governed and construed in accordance with the laws of Malaysia.
- 15.9 (a) In the event that a dispute arises between the Parties concerning this Agreement they shall attempt in good faith to settle such dispute by discussion between members of their respective staffs.
- (b) If within ten (10) working days of the Parties commencing discussions pursuant to Section 15.9(a), such dispute has not been resolved the dispute shall be referred to the Chief Executive Officer of ESCATEC and Supplier, or the designated representative(s) of the respective Chief Executive Officers.
- (c) In the event that the Parties are unable to resolve the dispute within thirty (30) working days (or such longer period as the Parties may agree) after the dispute is referred to the Chief Executive Officers (or their designated representatives, as the case may be) of ESCATEC and Supplier, then either Party to the dispute may commence arbitration proceedings in accordance with Section 15.9(d).
- (d) Any dispute which is not settled by agreement between the Parties shall be finally settled in accordance with the Arbitration Rules of Kuala Lumpur Regional Centre for Arbitration ("KLRCA") for the time being in force, which rules are deemed to be incorporated herein by reference. The tribunal shall consist of three arbitrators to be jointly appointed by the Parties, and if no agreement can be reached within thirty (30) days after submission to the arbitration, then the arbitrators will be chosen by the KLRCA. Arbitration proceedings shall be conducted in English and the venue of arbitration shall be in Penang, Malaysia. Each Party will bear its own attorney's fees, costs and disbursement arising out of the arbitration proceeding and shall pay an equal share of the fees and costs of the arbitration proceeding; however the arbitrator will be authorised to determine whether a Party is the prevailing party, and if so, to award to that prevailing party

reimbursement for its reasonable attorneys' fees, costs, and disbursements, and/or the fees and costs of the arbitration. The arbitral award shall be final and binding on the Parties hereto and may be fully enforced by any court of competent jurisdiction.

(e) Notwithstanding anything in this Agreement to the contrary, the existence of any dispute, including without limitation, the pendency of any arbitration proceeding, shall not excuse nor suspend the obligation of the Parties to continue performance of their obligations under this Agreement.

15.10 This Agreement may be executed in any number of separate counterparts, each of which shall be deemed to be an original, but which together shall constitute one and the same instrument.

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IN WITNESS WHEREOF the Parties have caused this Agreement to be executed by their duly authorised representatives on the day and year first written above, in two (2) duplicate originals.

ESCATEC Sdn. Bhd.:

[Supplier Name]:

Authorised Signature

Authorised Signature

Name:

Name:

Title:

Title:

In the presence of :

In the presence of :

Witness

Witness

Name:

Name:

Position:

Position:

**Appendix A
Products Shelf Life**

(A) PCB Shelf Life

No	Surface Finishing	Shelf Life (from the date of manufacture)	Remaining Shelf Life At Incoming Inspection of ESCATEC
1	HAL (Tin-Lead)	12 months	≥ 3 months
2	LF-HAL (Tin)		
3	Immersion Gold		
4	Gold Flash		
5	Immersion Silver	6 months	≥ 3 months
6	OSP		

(B) Component Shelf Life

No	Components	Shelf Life (from the date of manufacture)	Remaining Shelf Life At Incoming Inspection of ESCATEC
1	Semiconductor	24 months	≥ 3 months
2	Passive Components		
3	Batteries		
4	Transformer	12 months	≥ 3 months
5	Switch	24 months	≥ 3 months
6	Connector		
7	Wire and Cable		
8	Relays		

(C) Chemical Shelf Life

No	Chemical	Shelf Life	Remaining Shelf Life At Incoming Inspection of ESCATEC
1	All Chemicals	Follow individual label on the container	≥ 3 months

Appendix B

NON-DISCLOSURE AGREEMENT

This NON-DISCLOSURE AGREEMENT (“Agreement”) is entered into on _____ (“Effective Date”), between [**ESCATEC IBU NAME**] (Company No. _____), a company duly incorporated and existing under the laws of _____ and having its principal place of business at [_____ Address _____] (“ESCATEC”), and [**CUSTOMER/SUPPLIER NAME**] (Company No. _____), a company duly incorporated and existing under the laws of _____ and having its principal place of business at [_____ Address _____] (“Company”).

ESCATEC and Company (each referred to as a “Party” and collectively referred to as the “Parties”) desire to disclose Confidential Information for the purpose of exploring and discussing potential business activities of mutual interest (the “**Purpose**”). The Parties hereby agree as follows:

1. Confidential Information: Confidential Information means all information concerning the disclosing Party or its business, products, or services that is not generally known to the public, including without limitation, technical designs of any kind, schematics, circuit designs, technical, financial or business information or data, lists of actual or potential customers, suppliers, research and development plans, proprietary methods and processes, and product and business plans and strategies. Confidential Information also includes all information that the disclosing Party is required by third parties (including the disclosing Party’s customers) to keep confidential. Confidential Information disclosed in written, or other tangible form shall be prominently marked or stamped as “Confidential Information” or the like at the time of disclosure; Confidential Information disclosed orally, visually or in other non tangible form shall be identified as being confidential at the time of disclosure and confirmed as such in written or other tangible form within thirty (30) calendar days after the disclosure. Information that is given or obtained by any means, whether intentionally or unintentionally through the Parties’ restricted access network shall be treated as Confidential Information whether or not identified as being confidential.

2. Exceptions: This Agreement will not apply to information which

- (a) is or becomes generally known or available through no act or failure to act by the receiving Party;
- (b) is already known by the receiving Party prior to disclosure by the disclosing Party;
- (c) is hereafter rightfully furnished to the receiving Party by a third Party without restriction on disclosure;
- (d) is independently developed by the receiving Party without use of or reference to the Confidential Information;
- (e) is required to be disclosed pursuant to law or judicial action provided that the receiving Party shall give the disclosing Party reasonable advance notice of such requirement; or
- (f) is disclosed by the receiving Party with the disclosing Party’s prior written approval.

3. Disclosure Restrictions: All Confidential Information delivered pursuant to this Agreement shall

- (a) be used by the receiving Party only for the sole Purpose of this Agreement, unless otherwise expressly agreed to in writing by the disclosing Party;
- (b) not be distributed, disclosed, or disseminated in any way or form by the receiving Party to anyone except its own employees, contractors or suppliers who have a need to know such Confidential Information in order to carry out the Purpose, provided that such employees, contractors or suppliers have a written confidentiality obligation to receiving Party no less stringent than the confidentiality obligations of this Agreement; and
- (c) be treated by the receiving Party with the same degree of care to avoid unauthorised disclosure to any third Party as with respect to the receiving Party’s own confidential information of like importance but with no less than reasonable care.

4. Ownership; No Other Right or Obligation: All Confidential Information of disclosing Party including, without limitation, all copies, extracts, and portions thereof, is and shall remain the sole property of disclosing Party. Nothing in this Agreement will be construed to (a) grant to either Party any right in the Confidential Information of the other Party, except for the limited right to use such Confidential Information for the Purpose; (b) oblige either Party to enter into any agreement or transaction; or (c) preclude either Party from independently developing or acquiring from a third Party products, services or technology competing with the other Party’s products, services or technology.

5. No Warranty: The Confidential Information is provided “as is” and there are no representations or warranties, express or implied, with respect to the Confidential Information, including but not limited to a warranty against infringement or for accuracy or completeness.

- 6. Return of Confidential Information:** At the request of the disclosing Party, the receiving Party shall promptly return to the disclosing Party all materials containing any Confidential Information or confirm such destruction upon the disclosing Party's request; provided however, that electronic copies of, or containing, Confidential Information, that are automatically generated through data backup and/or archiving systems and which are not readily accessible by receiving Party's business personnel (the "electronic copies"), shall not be deemed to violate this Agreement, so long as such electronic copies are not disclosed or used in violation of the terms of this Agreement. Nothing in this Agreement shall prohibit receiving Party's legal personnel or counsel from retaining one (1) copy, including any electronic copy of any of the Confidential Information as necessary to comply with receiving Party's record keeping policy or procedure.
- 7. Injunctive Relief:** Each Party acknowledges that damages for improper disclosure of Confidential Information may be irreparable; therefore, in the event of any actual or threatened breach of this Agreement, the injured Party is entitled to seek equitable relief, including injunction and preliminary injunction, in addition to all other remedies at law or in equity.
- 8. Term and Survival:** This Agreement shall be effective as of the Effective Date and shall continue in force for a period of three (3) years thereafter unless earlier terminated or extended by either Party by giving one (1) month notice in writing to the other Party. Notwithstanding the foregoing, the confidentiality obligations under this Agreement will survive for a period of three (3) years from the termination or expiration of this Agreement.
- 9. Related Companies:** The receiving Party may disclose to its related companies the Confidential Information, the fact of discussion, and the existence of this Agreement only to the extent reasonably necessary for the Purpose, provided that the receiving Party shall procure their respective related companies to observe and comply with the terms of this Agreement where necessary or applicable.
- 10. Export Control:** Each Party shall comply with all applicable export laws and regulations of each Party's country of domicile as they pertain to the use and disclosure of its Confidential Information.
- 11. Governing Law and Dispute Resolution:** This Agreement shall be governed by the laws of Switzerland without regard to its conflicts of law principles. All disputes arising out of or in relation to this Agreement shall be finally settled by arbitration in accordance with the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The venue of the arbitration shall be in Zurich, Switzerland. The arbitral proceeding shall be conducted in English. The award shall be final and binding upon both Parties. In any action to enforce this Agreement, the prevailing Party shall be entitled to recover, in addition to all other relief, its reasonable attorneys' fees, costs and expenses incurred in such action.
- 12. Miscellaneous:** (a) This Agreement represents the entire understanding and agreement of the Parties and supersedes all prior communications, agreements and understandings, if any, between the Parties relating to the subject matter hereof.
(b) This Agreement may not be modified, amended or waived except by a written instrument duly executed by both Parties.
(c) Failure by either Party to enforce the other Party's strict performance of any provision of this Agreement will not constitute a waiver of its right to subsequently enforce such provision or any other provision of this Agreement.
(d) If any clause or provision herein shall be judged invalid or unenforceable, it shall not affect the validity of any other provision, which shall remain in full force and effect.
(e) Neither Party shall assign its respective rights or obligations under this Agreement to a third Party without the prior written consent of the other Party, such consent shall not be unreasonably withheld.
(f) This Agreement shall be binding upon the respective heirs, personal representatives and successors-in-title of the Parties herein.
(g) This Agreement may be executed in counterparts each of which will be deemed to be an original but all of which together will be deemed to be one and the same instrument. This Agreement may also be executed by exchange of facsimile or electronic transmissions between the Parties.
(h) All notices hereunder shall be in writing and shall be mailed, faxed or hand-delivered to the addresses aforementioned above.



IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be signed by their duly authorised representatives effective as of the day and year first above written.

ESCATEC:

Company:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Appendix C

Contact Information

ESCATEC Contact: (for contractual or other matters requiring general management action)

Name	
Title	
Direct	
Fax	
Email	

Supplier Contact: (for contractual or other matters requiring general management action)

Name	
Title	
Direct	
Fax	
Email	