

Radio Frequency Systems - GENERAL CONDITIONS OF PURCHASE

Article 1 - DEFINITIONS

The present General Conditions of Purchase are hereinafter referred to as "GCP". In these GCP, the following terms are defined as follows:

- "Order": in order of priority: (i) the order form; (ii) the specific conditions and their appendices; (iii) the GCP; and (iv) any documents drafted by the Supplier, which the Purchaser expressly agrees in writing to incorporate in the Order.
- "Purchaser": Radio Frequency Systems GmbH (address: Kabelkamp 20, 30179 Hannover, Federal Republic of Germany)
- "Party(ies)": individually either the Supplier or the Purchaser and collectively the Supplier and the Purchaser.
- "Supplier": the legal entity selected by the Purchaser to carry out the Order.
- "Supply": any goods, products, equipment, works or services, including documentation necessary to understand and operate the Supply.

Article 2 – CONTRACTUAL DOCUMENTS

The GCP shall take precedence over any general or specific terms and conditions communicated by Supplier specially any of those contained in Supplier's general or particular terms and conditions of sale, unless Purchaser accepts these in writing. The GCP shall apply also if, having knowledge of Supplier's conflicting or deviating conditions, Purchaser accepts Supplier's delivery without reservations. Modifications and departures from the GCP will only apply if they have been agreed in writing between the Parties and they shall only be valid for the Order in question. The Purchaser waives and refuses all liability in respect of performance by the Supplier of a verbal Order or of a modification made verbally to the said Order.

Article 3 – ACCEPTANCE OF THE ORDER – PERFORMANCE – NON EXCLUSIVITY

Supplier shall be deemed to have accepted all the terms of the Order, without limitation, if it does not object in writing within five (5) calendar days of receipt of the Order. In any case, the acceptance of any Order or simple commencement of performance by the Supplier implies automatic acceptance by Supplier of these GCP. Supplier is subject to an obligation to achieve a specific result regarding its compliance with the terms of the Order and, more specifically, delivery times, dates, conformity and performance. Acceptance of the Order does not confer any exclusivity in favour of the Supplier. The Purchaser shall neither have any obligation to generate a minimum turnover for the Supplier nor to place any further Orders. Purchaser reserves the right to stop ordering products or services to Supplier at any time without indemnity to Supplier. Supplier acknowledges Purchaser's right and waives any claim for compensation in this respect.

Article 4 - MODIFICATIONS OF THE SUPPLY

The Purchaser may require the Supplier to make modifications to the Supply initially defined in the Order. The Supplier shall inform the Purchaser as rapidly as possible of the new delivery date and extra costs (if any) and more generally of any other effect on the Order directly arising from the said modifications. The said modifications must be confirmed by an amendment to the Order. In case of disagreement upon such a modification, the Order may, at the Purchaser's sole discretion, either be implemented according to the previous agreed conditions or terminated without compensation.

Article 5 - DELIVERY – LIQUIDATED DAMAGES

5.1 – All deliveries shall be made "Delivered Duty Paid - named place of destination" (DDP), as defined in the latest edition of ICC Incoterms, to the agreed address and days as set forth in the Order.

5.2 – Compliance with delivery lead times - Liquidated Damages

Compliance with the delivery lead times is an essential condition of the Order. Whenever a delay to the delivery date is foreseeable, the Supplier must inform the Purchaser immediately in writing of the extent of and reasons for the delay. Any delay in delivery shall automatically and without notice incur the application of the liquidated damages as set forth in the Order or at least equal to 0.5% of the Order value per day of delay. After 5 calendar days, Purchaser may automatically cancel or rescind the Order by means of a letter sent by registered mail, and Purchaser reserves the right to place the Order with a third party at the expense of defaulting Supplier. These liquidated damages may be either invoiced to the Supplier or deducted, at the Purchaser's sole discretion, as of right from any sums owed to the Supplier. The above mentioned remedies shall not affect the Purchaser's right to claim damages from the Supplier and/or to cancel the Order immediately as of right without notice.

Article 6 - ACCEPTANCE OF THE SUPPLY

Acceptance of the Supply shall occur after verification by the Purchaser that it conforms to the Order and, where applicable, after receipt and acceptance by the Purchaser or Purchaser's representative of the sales documents, in particular all documents set forth in the Order. The Supplier shall also give the Purchaser all information and documents relating to the safety and use of the Supply. Delivery of and/or payment for the Supply by the Purchaser shall not constitute acceptance. If the Supply (i) fails to operate properly within ninety days from the delivery date, or (ii) is refused by the Purchaser, then the Supply shall be kept available at the point of delivery, at the Supplier's risk and expense, and unless the Purchaser decides otherwise in writing, the Supply shall, at the Purchaser's sole discretion, be repaired or replaced within a short time, and in all event no more than within a five (5) day period, at Supplier's risk and expense without the Supplier being entitled to raise any objection concerning in particular its production and/or delivery schedule.

Article 7 - TRANSFER OF OWNERSHIP AND RISKS

The transfer of ownership shall occur on delivery of the Supply; nevertheless, with respect to services (including software development, studies, or research and development works) ownership to the Supply shall pass to the Purchaser upon completion and at the latest upon delivery. No reservation of title clause shall apply. The transfer of risks shall occur in all cases on delivery of the Supply, except in the event of rejection of the said Supply, as described in Article 6.

Article 8 - PRICES

Unless otherwise specified in the Order, the prices shall be fixed lump sums and non revisable except that Purchaser shall benefit in any decrease in Supplier's price list. The applicable currency is the one specified in the Order. Prices shall include all costs associated with the Supply including, but not limited to, those incurred in the manufacturing, packing, loading, transport and unloading of the Supply and in the recovery and processing of the packing materials and in the collection and treatment of the wastes originating from the Supply if such an obligation has to be borne by the Supplier by law. Prices are understood as being inclusive of all taxes (including VAT or withholdings taxes), duties and levies applicable or to become applicable under the Order. The Supplier shall bear all costs relating to customs duties, taxes, and fees payable by the Supplier.

Article 9 - INVOICING AND PAYMENT TERMS

Invoices shall be issued to the Purchaser in duplicate by the Supplier. They shall be sent to the address stated on the Order, quoting the Order number and references. Provided that the Supply has been duly performed and its conformity recognised by the Purchaser, and unless otherwise stipulated in the Order, the invoice shall be paid within ninety (90) calendar days from receipt of the relevant invoice, by bank transfer to the account specified on the Order or by bank cheque. Payment of the invoice does not affect the Purchaser's right to dispute in writing any abnormally invoiced charge.

Article 10 - MOST FAVOURED CUSTOMER AND COMPETITIVE OFFER

The Supplier undertakes to grant the Purchaser the most favourable commercial conditions that the Supplier is able to grant to third parties for the supply of items of similar characteristics, in comparable quantities to those ordered by the Purchaser and under equivalent financial conditions.

Article 11 - GUARANTEES

11.1 - Object

The Supplier guarantees that it has full right of disposal over the Supply. The Supplier further guarantees that the Supply conforms to the specifications stated in the documentation and the Order. The Supplier guarantees that any software supplied or licensed by Supplier under an Order ("Software") is not based in whole or in part on open source or free software, including those governed by the "General Public License" or "GNU" license, which would oblige Purchaser to comply with any restriction or limitation on use, integration and/or distribution of the Software or any derivative work thereof, which is not expressly set forth in the Order.

11.2 – Duration and scope

In addition to all applicable statutory warranties, the Supplier shall warrant, for a minimum period of twelve (12) months from the acceptance of the Supply, provided that the said Supply is in conformity with the specifications and free of all defect, fault, contamination and abnormal wear of whatsoever nature. Supplier is required, at Purchaser's choice, to (i) carry out, at its expense and as rapidly as possible, the replacement or repair necessary to obtain or maintain the Supply's characteristics/specifications and/or performance or (ii) reimburse the price paid for this Supply. The Supplier shall bear all costs of any replacement and repair of the Supply, in particular travelling expenses and the costs of return to the factory, parts and labour. Any replacement or repair of the Supply under warranty shall give rise to a new warranty for a minimum period of twelve (12) months, unless otherwise agreed in the Order, from the date of acceptance of the repaired or replaced Supply.

11.3 – Availability of spare parts and software maintenance

Unless otherwise specified in the Order, the Supplier guarantees (i) to supply all the spare parts necessary for the correct operation of the Supply for a minimum period of five years from the date of delivery, and (ii) that maintenance services, including for Software, shall remain available for twenty four (24) months after the Supply's end of commercialisation.

Article 12 – QUALITY - TRACEABILITY

12.1 – Subject to a three (3) calendar days' notice in advance to the Supplier, the Purchaser or Purchaser's representative shall be entitled to carry out quality controls at the Supplier's production sites before or during performance of the Order. The quality control carried out by the Purchaser shall not reduce the Supplier's contractual liability and it shall not affect the Purchaser's right to refuse all or part of the Supply on delivery.

12.2 – The Supplier undertakes, upon request of the Purchaser, to communicate all information which will enable it to identify the origin, place and date of manufacture of the Supply, in addition to the serial or batch numbers, if required. The Supplier agrees to provide the Purchaser with all information considered as necessary with regard to the French, European and US export and import control regulations and in particular the Supplier shall provide, when applicable, the Purchaser with the U.S Export Control Classification Number applying to the Supply.

Article 13 - LIABILITY AND INSURANCE

13.1 – The Supplier shall be liable for and shall indemnify and hold the Purchaser harmless from and against all direct, special, indirect, incidental, consequential and intangible damages caused by the Supplier and/or its subcontractors to the Purchaser or to third parties as a result of the Supply and/or performance of or failure to perform whole or part of the Order, and/or of the use, supply or distribution of the Supplies.

13.2 – Unless otherwise specified in the Order, the Supplier and the Supplier's subcontractors must have taken out, at their own expense and must maintain the validity of the said policies at least for the period of performance of the Order, all the necessary and/or requested insurance policies. The Supplier shall provide the Purchaser, at the Purchaser's request, with one or more insurance certificates from its insurers, certifying the existence, conformity, duration and renewal of the policies.

Article 14 – TRANSFER AND SUBCONTRACTING

The Supplier is not entitled to transfer or subcontract the Order to third parties, even in part, without the prior, written consent of the Purchaser. The Purchaser may, at its discretion, transfer the Order to any third party.

Article 15 - TERMINATION

15.1 – Termination for cause

Each Party may terminate the Order as of right in the event of non-performance of an obligation of the other Party, after a prior written notice remaining without effect for a period of fifteen (15) calendar days. In the event of termination of the Order by the Purchaser, all payments already made and concerning an unperformed portion of the Supply shall be immediately refunded to the Purchaser.

15.2 – Termination in the event of bankruptcy

Unless otherwise prohibited by law, the Purchaser may terminate the Order as of right without warning and without notice in the event of liquidation or bankruptcy of the Supplier, or in the event of the latter's being put into receivership.

15.3 – Termination for convenience. The Purchaser shall be entitled at its discretion to terminate the Order at any time without further consideration. Compensation shall then be awarded to Supplier amounting to no more than the total costs specifically incurred in connection with the Order by Supplier at the time of termination, less any part payments already made. Purchaser (except if it expressly waives such right) shall then be the owner of any materials purchased and/or finished equipment or work in progress relating to the Order.

Article 16 - INTELLECTUAL PROPERTY RIGHTS - INFRINGEMENT

16.1 – Transfer of intellectual property rights

The agreed financial conditions in any given Order include transfer to the Purchaser of the material and intellectual property rights (including without limitation, patents, copyrights, trademarks, design or model rights, know how, data base, or trade secrets) ("IPR") of all Supply or part of the Supply, in particular the plans, studies, works and documents prepared, created and developed by the Supplier for Purchaser within the frame of the performance of the Order ("Foreground"), without any need to stipulate this on the Order. Consequently, the Supplier transfers or agrees to transfer to the Purchaser all rights of use, reproduction, representation, modification, marketing and utilization of the Foreground for all countries, languages and media and for the duration of protection and ownership of the IPR. This transfer of ownership shall occur upon acceptance by the Purchaser of the Foreground with retroactive effect at the time such Foreground was created or developed. In such a case the Purchaser shall also have the free right to use, for itself and its affiliates, its sisters and parent companies (and for end-users, as necessary), any of Supplier's other intellectual property rights ("Background"), if and to the extent required in order to exploit such Foreground. Supplier guarantees to obtain from its employees or subcontractor(s) involved in the development of the Foreground, the assignment all their IPR in the Foreground so as to perfect Purchaser's right in respect thereto.

Where Supplier furnishes software and/or other products not specifically created for Purchaser, Supplier grants to Purchaser and its affiliates, its sister and mother companies, for themselves (and for distributors or end-users, as necessary), without need to obtain the Supplier's prior agreement, an irrevocable and non-exclusive right to (i) use the said Software or product, (ii) integrate the said Software or product in any other product or system including in a third party' system, and (iii) distribute the software either on a stand alone basis or as integrated in a specific product or system. The consideration with respect to this right is included in the price agreed upon for the Supply.

16.2 – Infringement of intellectual property rights

The Supplier guarantees the Purchaser against any claims or legal action by third parties due to an infringement of intellectual property rights arising out of the use or distribution of the Supply. The Supplier shall compensate the Purchaser, without limitation, for all damages and consequences of such action, in particular if the Purchaser is obliged to withdraw the Supply. If a prohibition of use is alleged or pronounced against the Supply, the Supplier must, at its own cost and at Purchaser's sole discretion, either replace or modify the Supply in such a way that the infringement no longer occurs. These solutions must be implemented within time frame compatible with the needs of the Purchaser to use the Supply. Failing this, the Supplier undertakes to refund the Purchaser the price of the Supply. The above provisions do not affect the right of the Purchaser to claim all relevant damages from the Supplier.

Article 17 - PRINCIPLES OF ACTION OF THE CODE OF CONDUCT - ENVIRONMENTAL

The Supplier recognized having been made fully acquainted with the Electronic Industry Citizenship Coalition (EICC) code of conduct which is made permanently available at www.alcatel.lucent.com/sustainability/policies, and undertakes to apply the principles set out therein with respect to the performance of the Order, in particular with reference to non-discrimination of employees, combating bribery of domestic and foreign public officials, protection of international human rights and environmental responsibility. Supplier recognizes that violation of such principles will be considered as a breach of the Order. More generally the Supplier shall comply with all laws, rules, provisions and codes of practice applicable to the Supply (including but not limited to export and import control regulation) in order to ensure that the said Supply may be legally bought, sold, transported, used and distributed by the Purchaser (if any). Upon Purchaser's request, the Supplier shall (i) comply with the ISO 14001 requirements and (ii) to provide an eco-declaration compliant to ECMA-TR70 standards or to return the Purchaser the Alcatel Lucent Environmental Questionnaire after filling it. More specifically, Supplier is responsible for compliance with the substances and product end of life European regulations. The Supplier shall also ensure that any of its subcontractors comply with the same.

Article 18 - REPORTING - AUDIT

The Supplier shall keep full and accurate records and accounts of any Order and Supply. Upon fifteen (15) days prior written notice, during regular business hours at Supplier's principal place of business, Supplier shall make these records available for audit by the Purchaser or by an independent auditing firm. Such audit shall be limited to checking the compliance with the terms and conditions of these GCP. The Supplier undertakes to retain all corresponding books and records for the minimum period as required by the applicable laws or regulations in the country of incorporation of the Supplier.

Article 19 – CONFIDENTIALITY- PRIVACY & DATA PROTECTION

All documents or information disclosed to the Supplier or to which the Supplier has access within the frame of the Order shall be treated as strictly confidential and not disclose to any third party. The Supplier undertakes to observe this obligation of confidentiality and to ensure that their personnel do likewise. Unless otherwise specified in the Order (i) this obligation of confidentiality shall expire three (3) years after the date of delivery of the Supply, and (ii) upon expiration of the confidentiality obligation the Supplier undertakes to return the concerned information after having destroyed any copies possibly made. Supplier agrees that any collection, use, accessing, transferring, transmitting and/or storage ("Processing") of personally identifiable information ("PII") shall be in accordance with the data privacy and/or protection laws of the applicable country of residence of the data subject and/or owner of the PII. In case Supplier will process personal data on behalf of Purchaser, Purchaser's procurement terms „Privacy & Data Protection" shall apply to all agreements incorporating this GCP.

Article 20 - REFERENCE TO THE PURCHASER'S BRANDS AND TRADE NAMES

The Supplier shall not be entitled to refer to the company names or brands of the Purchaser's group, for any purpose whatsoever, without the prior express written consent of the Purchaser.

Article 21 - APPLICABLE LAW - ATTRIBUTION OF JURISDICTION

THE GCP AND THE ORDER SHALL BE GOVERNED BY THE LAWS OF THE FEDERAL REPUBLIC OF GERMANY, TO THE EXCLUSION OF ITS CONFLICTS OF LAW PROVISIONS. UNLESS OTHERWISE SPECIFIED IN THE ORDER, ANY DISPUTE RELATING TO THE INTERPRETATION OR EXECUTION OF THE GCP AND THE ORDER WHICH CANNOT BE SETTLED AMICABLY SHALL BE SUBJECT TO THE EXCLUSIVE JURISDICTION OF THE COURTS OF HANNOVER.