

Terms and Conditions

1. Purpose

The following terms and conditions ("T&C") will apply by and between PCB Technologies Ltd. ("PCB") and the party purchasing Products from PCB (the "Buyer") and shall govern the terms of the sale and delivery of PCB's printed board circuit products (the "Products") to the Buyer. These terms and conditions shall be part of each Buyer Order by the Buyer from PCB.

2. Orders

Buyer shall place orders for the Products by submitting to PCB a completed purchase order which shall specify the quantity of Products ordered, the requested delivery date, the price, the delivery destination, any applicable shipping information and the specific Product specification (a "PO"). PCB shall acknowledge receipt of the PO and shall accept or reject POs within 3 business days after their receipt. Purchase orders shall be binding upon PCB only upon PCB's written acceptance thereof ("PO Acceptance").

3. Delivery

- 3.1 PCB shall deliver the Products to the Buyer in accordance with the quantity and at the delivery destinations that are specified in the PO, within the time frame specified in the PO Acceptance. The date upon which the Products are delivered to the Buyer's specified destination shall be deemed the "Delivery Date".
- 3.2 All sales to Buyer shall be DAP (as defined under INCOTERMS 2010) unless specifically specified otherwise in writing.
- 3.3 A delay in delivery shall not constitute a breach of this PO if such delay does not exceed 5 business days following the Delivery Date. In the event that the Delivery Date of a PO is shorter than 15 business days, then a delay in delivery shall not constitute a breach of this PO as long as it does not exceed 2 business days.
- 3.4 Items shall be packed, marked and shipped in accordance with IPC standards, unless specifically specified otherwise in writing.

4. Cancellation

Buyer cannot cancel all or any part of any PO. In the event the Buyer must cancel all or any part of any PO, the parties will agree upon the appropriate remedy.

5. Price and Payment

- 5.1 **Price.** The price for each Product shall be as set forth under the PO, and shall be net of all taxes, duties, levies or similar charges.
- 5.2 **Payment.** PCB shall invoice for all units of the Product upon delivery, and payment will be due and payable according to the payment terms set between the Buyer and PCB in the PO. Payment shall be effected in according to the currency set between the buyer and PCB in the PO, by way of a bank transfer for the invoiced amount to PCB's bank account designated in the invoice. Buyer may not deduct or set-off, for any reason whatsoever, from any invoiced amount.
- 5.3 **Late Payments.** Without derogating from any other remedy available to PCB hereunder or at law, any payment not paid on time, shall bear interest at the rate of 1.5% per Month, compounded daily, accruing from the due date and until full payment thereof is made, and shall also entitle PCB, at its discretion, to withhold any delivery or shipment of any Products to be delivered under such PO.
- 5.4 **Taxes.** Buyer shall be responsible to pay amounts equal to any fees, costs and taxes resulting from these T&C's, or any activities hereunder, including the delivery and importation of the Products (such as value added taxes, customs, duties, use, excise or similar taxes), exclusive of taxes based on PCB's net income. All payments to be made by Buyer under this PO shall without any deduction of or withholding for any taxes levied in the territory in which it is active, situated or elsewhere; provided that if Buyer shall be required by applicable law to make any deduction or withholding from any payment to PCB then Buyer shall gross up the payments due to PCB to cover any such tax payments it may be required to deduct or withhold. Any personal property taxes assessable on Products after delivery from PCB's premises shall be borne by Buyer.

5.5 Retention of Ownership. Notwithstanding anything to the contrary herein, PCB shall remain the sole and exclusive owner of the Products and shall retain complete ownership and title thereto until the full payment by the Buyer for such Products.

6. Specifications

6.1 The Products provided under any PO, shall be provided in accordance with the IPC standards, unless specifically specified otherwise in writing.

7. Warranty

7.1 Limited Warranty. PCB warrants that, under normal use, each of the Products delivered hereunder shall conform to the specifications, and be free from defects in material and workmanship in accordance with market standards for a period of six (6) months after delivery of such Product to the Buyer (the “**Warranty Period**”). The Buyer further warrants that it has good title to the Products, full authority to sell and transfer the Products, and that the Products are sold free and clear of liens and encumbrances.

7.2 Return of Products. If a Product fails to meet the warranty set forth in Section 7.2 above and Buyer provides PCB written notice thereof during the applicable Warranty Period, PCB shall correct the failure by replacement of the Product. If PCB cannot or if PCB determines in its sole discretion that it is not practical to replace a Product, it shall refund Buyer the price paid for such Product. The defective Product shall be shipped by Buyer to PCB's site for repair or replacement. The costs of shipment to PCB and of return shipping shall be borne solely by the Buyer. Risk of loss or damage shall remain with the Buyer throughout the repair period.

7.3 Exclusions from Warranty. PCB shall not be liable to Buyer for the warranty provisions set forth herein if: (i) modifications are made to the Products by someone other than PCB; (ii) the Product is not properly stored, tested, installed, used, operated, maintained or repaired or otherwise subject to misuse or abuse; or (iii) failure of the Products is caused by factors external to the Products, including, without limitation, improper environment, power failures and/or electrical power surges, etc.

7.4 Sole Remedy. Notwithstanding anything to the contrary herein or otherwise, Buyer's sole and exclusive remedy under the Warranty is limited to either of: (i) the replacement of any defective Product, which was proven not to conform to this Warranty and which shall be subsequently returned by the Buyer to PCB's facility during the Warranty Period; or (ii) refund to the Buyer of the price paid to the PCB for such non-conforming Product, all at PCB's sole and absolute discretion, and subject to the receipt of immediate notification of such defect from the Buyer.

7.5 THE WARRANTY SET FORTH IN THIS SECTION 7 IS AND SHALL REMAIN THE SOLE AND EXCLUSIVE WARRANTY PROVIDED BY PCB TOWARDS BUYER, AFFILIATES, AND CUSTOMERS AND IN LIEU OF ALL OTHER WARRANTIES, EITHER WRITTEN, ORAL OR IMPLIED, WHICH ARE HEREBY SPECIFICALLY DISCLAIMED AND EXCLUDED BY PCB.

7.6 THE REPLACEMENT OR REFUND OF THE PRODUCTS IN THE MANNER PROVIDED ABOVE WILL CONSTITUTE FULL AND FINAL FULFILLMENT OF ALL OF PCB'S OBLIGATIONS WITH RESPECT THERETO.

8. Limitation of Liability

8.1 EXCEPT TO THE EXTENT THAT LIABILITY MAY NOT BE LAWFULLY EXCLUDED, IN NO EVENT SHALL PCB BE LIABLE, WHETHER IN CONTRACT, TORT OR OTHERWISE, TO BUYER OR TO BUYER'S CUSTOMERS FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, BUSINESS, INCOME, GOODWILL OR OTHER COMMERCIAL LOSS, ARISING OUT OF OR RELATED TO THE PRODUCTS AND THESE T&CS OR THE PERFORMANCE OR BREACH THEREOF, INCLUDING THE SALE OF THE PRODUCTS, EVEN IF PCB HAS BEEN ADVISED OF THE POSSIBILITY THEREOF.

8.2 EXCEPT TO THE EXTENT THAT LIABILITY MAY NOT BE LAWFULLY EXCLUDED, IN NO EVENT SHALL PCB'S CUMULATIVE LIABILITY, IF ANY, TO BUYER OR TO BUYER'S CUSTOMERS HEREUNDER EXCEED THE TOTAL AMOUNTS THAT HAVE BEEN PAID TO PCB HEREUNDER BY THE BUYER WITH RESPECT TO THE APPLICABLE SPECIFIC PURCHASE ORDER.

9. Miscellaneous

- 9.1 These T&C are a binding and final expression of the parties' agreement, and a complete and exclusive statement with respect to all of the subject matters hereof. These T&C may only be modified or supplemented in writing and signed by the parties to These T&C.
- 9.2 Neither Party shall be deemed to be in breach of these T&C or of any PO issued hereunder, nor shall such Party incur liability or bear responsibility due to a delay or failure in performance (other than of obligations regarding the payment of money or confidentiality), which delay or failure were caused by circumstances beyond the reasonable control of the Party affected, including but not limited to acts of God, fire, flood, war, terrorism, embargo, accident, labor disputes, or shortage of material, equipment or transport, any law, regulation, or any ruling of court, tribunal or governmental agency ("**Force Majeure**"). A Party affected by an event of Force Majeure shall: (a) notify the other Party hereto in writing of any such event and the estimated duration thereof; and (b) make reasonable efforts to remedy any such event of force majeure. Performance that is delayed by any event of force majeure shall be extended for such time as the event shall continue.
- 9.3 In the event that the any liquidation or bankruptcy proceedings are initiated against the Buyer or in the event of the appointment of a receiver or trustee over the whole or any substantial part the Buyer's assets, PCB shall have the right to cancel all or any part of any open PO.
- 9.4 The failure of a party to insist upon strict performance of any provision of these T&C or to exercise any right arising out of these T&C neither impairs that provision or right nor constitutes a waiver of that provision or right, in whole or in part, in that instance or in any other instance. Any waiver must be in writing and signed by the parties to these T&C.
- 9.5 Buyer may not assign, transfer, convey or delegate any or all of its rights or obligations under these T&C, whether directly or indirectly, without the prior written consent of PCB. Any assignment, transfer, conveyance or delegation, or attempt at the same, made without such prior written consent shall be void and without effect. However, PCB may, without notice or consent, assign any or all of its rights or obligations under this PO to an affiliate at any time.
- 9.6 These T&C and/or any PO issued under its terms shall not constitute and shall not be construed as constituting a partnership, joint venture or employment relationship between PCB and the Buyer.
- 9.7 If a court of competent jurisdiction adjudicates any part of these T&C invalid, unenforceable or illegal, such adjudication shall not affect or impair, in whole or in part, the validity, enforceability, or legality of any remaining portions of These T&C.
- 9.8 The validity, performance and construction of these T&C shall be governed by and interpreted in accordance with the laws of the State of Israel (without regard to its conflict of laws principles). Any claim or dispute with respect thereto shall be submitted to the exclusive jurisdiction of the competent courts of Tel Aviv to the exclusion of any other jurisdiction.
- 9.9 All notices given by one party to the other party shall be given in writing, and shall be deemed to have been delivered to the addressee immediately upon their delivery if delivered by hand, or within one (1) business day following transmission if sent by facsimile and confirmed by a machine printout, or within five (5) business days after being sent by registered mail, to the addresses or facsimile numbers provided by either party.