

# **TERMS AND CONDITIONS OF SALE AND DELIVERY**

## **For Products and Services of HI-TECH CORP.**

valid from jan 2005

### **1. General Provisions**

1.1. Unless otherwise expressly agreed the following terms and conditions, shall exclusively apply to delivery of goods and services by Hi-tech Corp. These general Terms and Conditions of Sale and delivery of Hi-Tech Corp. shall be an integral part of the corresponding contract. They shall also apply to all future contractual relationships with Hi-Tech Corp.

1.2. General terms and conditions of the contracting party of Hi-Tech Corp.(hereinafter referred to as the "Buyer") shall not become part of a contract. By placing an order or concluding a contract with Hi-Tech Corp. the Buyer waives application of its own general terms and conditions, in particular of the clause providing for exclusive application of the same.

1.3. Exceptions of these General Terms and Conditions of Sale and Delivery shall only be effective if confirmed and/or acknowledged by Hi-Tech Corp. in writing. Agreements to change this formal requirement must be made in writing.

1.4. Hi-Tech Corp. reserves the right to amend its Terms and Conditions of Sale and Delivery at any time. Buyers and users are responsible for checking the Terms and Conditions of Sale and Delivery regularly. Terms and Conditions are published on the company web site. The version of the Terms and Conditions of Sale and Delivery in force at the date of contract will apply.

### **2. Offers and Orders**

2.1. Costs estimates (calculations) and offers (Quotation) made by Hi-Tech Corp. shall be non-binding and shall not oblige Hi-Tech Corp. to execute an order for the products and services stated in a cost estimate. Any oral collateral agreements and commitments shall require a written confirmation from Hi-Tech Corp. Offers made by Hi-Tech Corp. shall remain valid for 4 weeks.

2.2. Offers made through Hi-Tech Corp. web page must be in accordance with Buyer`s Gerber data. In case Gerber data doesn't match the specification supplied by the Buyer, Hi-Tech Corp. reserves the right to change the offered product price.

2.3. Prices are quoted in euros and not include any Value Added Tax which may be payable or the transport or delivery. Unless otherwise agreed, prices shall be quoted net, delivery ex works, including costs of packing, including electrical testing, including express service charge, if any. Hi-Tech Corp. will make additional charge for film (tools) costs. Such tools shall remain our property. Prices are based on the costs applicable at the time of the first price offer made by Hi-Tech Corp.

2.4. Cost of freight charges and postage shall be indicated separately in our invoices. The Buyer shall be charged separately for any special tests or inspections ordered.

2.5. Orders shall be considered as accepted when they have been received /confirmed in written form. Orders made through Hi-Tech Corp. web site are also going to be confirmed in written form. In case of any modifications relevant to cost or delivery date, Buyer will receive altered order confirmation.

2.6. Subsequent modifications of or amendments to the contact shall be acknowledged in writing in order to be valid.

### **3. Copies and reproduction**

3.1. Hi-Tech Corp. reserves the right to reproduce the layouts produces by itself. The Buyer guarantees that it is the owner of all rights to layouts produced on its behalf. Hi-Tech Corp. will not be able to verify whether layouts or artwork delivered to Hi-Tech Corp. violate any existing trademark, copyright or any designed patents filed.

3.2. Hi-Tech Corp. shall not be liable for any incorrect, contradictory, and incomplete information given by the Buyer; any consequences rising from above shall be borne by the Buyer.

### **4. Technical Data**

4.1. Hi-Tech Corp. will provide On-line Free DFM (Design For manufacturing) check of technical (Gerber) data supplied from the Buyer, to assure that Buyer`s data is according to production standards. The results of DFM check will be presented to the Buyer for further review. In case of data errors detected by DFM check Buyer shall correct data errors and return complete data.

4.2. Hi-Tech Corp. has no obligation to start manufacturing until the requested data have been received in a timely manner, complete and correct form and in previously agreed format.

### **5. Delivery**

5.1. Agreed date of delivery is the date when the goods leave Hi-Tech Corp. premises. The time for delivery will be considered to have been met when Hi-Tech Corp. hands over the goods or services concerned to the customer or carrier at the agreed time.

5.2. As excess and short deliveries are practice in this business, Buyer is not entitled to complain or to refuse to accept the consignments, provided that his does not jeopardize the achievement of the contract for the Buyer. Unless otherwise agreed, excess deliveries or short deliveries will reach +/- 10% of the quantity ordered. If Hi-Tech Corp. is only able to provide partial consignments of goods and services, the agreed time for delivery will be considered to have been met if the partial consignment is handed over to the carriers by the agreed date of delivery and the remainder will follow without undue delay.

5.3. Provisions with respect to the time of delivery apply for the express service accordingly.

5.4. Hi-Tech Corp. accept no liability for delays in delivery by any carrier.

5.5. If unforeseeable events or circumstances occur and are beyond the will of the parties, such as, all events of force majeure, which prevent execution of the agreed delivery period, the same shall in any case be extended by the time such circumstances prevailed. If, the continuance of the contractual relationship causes difficulty to either party, each party will be entitled to withdraw from the contract. The Buyer shall no right to claim damages against Hi-Tech Corp. as a result of such circumstance.

5.6. For a delay in performance caused by Hi-Tech Corp. alone, the buyer shall be entitled to claim for each full week of delay compensation of 0.5% of the price of that part of supplies which, due to delay, can not be put into use, but it shall not exceed a maximum of 5% (five percent). Any additional claims based on delay shall be excluded to the extent permitted by law.

### **6. Passing of risk**

6.1. Any risk shall pass to the Buyer as the goods, films, layouts leave our premises. The risk of accidental destruction or damage of goods or services passes to the customer at the time at

which goods or services leave our premises or are handled over to the carrier. For any claims that Buyer shall have against the carrier Hi-Tech Corp. shall not be taken responsible.

## **7. Acceptance and Complaints**

7.1. The Buyer is obliged to accept the deliveries; even in they include certain defects or are delayed deliveries. If, even after reasonable deadline is given, the Buyer fails to accept a delivery or part of it, Hi-Tech Corp. is entitled to withdraw from the contract, with regard to the portion which is not accepted by giving written notice, and to claim compensation from the customer for damage due to non-performance.

7.2. The Buyer is required to carry out a complete and thorough inspection of the goods after receipt and to send a written notice of any defect without any delay, but within 7 (seven) days of receipt of the goods or service provided by Hi-Tech Corp.

7.3. Minor defects in materials, surface and color, which are due to the nature of the manufacturing process and do not affect the capability if the goods, do not entitle the Buyer to make a complaint. If case the Buyer has any doubt concerning the minor defects, he/she shall contact our Quality Insurance Department for further explanation.

## **8. Reservation of ownership**

8.1. All goods supplied by Hi-Tech Corp. remain our property until receipt of full payment of all outstanding liabilities, including the claims against the Buyer and any costs from legal proceedings.

8.2. The Buyer is obliged to provide adequate storage of goods and to protect it from fire, theft or similar risks at its own expense until Hi-Tech Corp. holds the ownership title.

8.3. In the case of further processing or redesigning by the Buyer, Hi-Tech Corp. will acquire ownership of the new article, taking into account the value of price charged by Hi-Tech Corp. in proportion to that of the new produced article.

The Buyer must neither pledge the goods nor transfer ownership by way of security.

## **9. Payment**

9.1. Unless otherwise agreed in writing, our invoice shall be payable with 2% discount for payment within 14 days from the date of the invoice, or 30 days net. Discounts granted shall be subject to punctual and full payment. If the payment is overdue, we charge interest of 3 % above the basic interest rate if the European Central bank, starting the 31 day from the date of invoice.

9.2. Payments of the invoices can be made to the following accounts:

Bank: Tutunska Banka  
SWIFT: TUTNMK22  
Acc.no. 210-300000059423  
IBAN Code: MK07210300000059423

Bank: ProCredit Bank  
SWIFT: PRBUMK22XXX  
Acc. no. 380-7-031140-012-60

## 10. Warranty

10.1 Subject to the provisions set forth below and upon compliance with agreed terms of payment, Hi-Tech Corp. shall be obliged to repair any defect impairing functionality which exists at the time of delivery and is the result of error in the construction, of the material or of workmanship. No warranty claims may be deducted from information contained in catalogues, brochures or other written or oral statements that have not been expressly included in the contract.

10.2. Hi-Tech Corp. accepts no warranty obligations with respect to production data and orders received in incomplete, incorrect or concealed data. Only Gerber format (production data) can be valid for manufacturing process.

10.3. As a matter of principle, the warranty period is 12 (twelve) months from the date of the invoice, unless special warranty periods have been agreed for individual delivery items. The warranty period shall commence as of the date on which the risk passes on the Buyer (clause 6).

10.4. Hi-Tech Corp. shall only warrant for the solderability of printed circuit boards (multilayer) if the Buyer proves, upon notification of a defect, that the printed circuit boards were stored and treated in accordance with the conditions in Appendix 1 to this General Terms and Conditions of Sale and Delivery. The warranty period for the solderability of printed circuit boards shall be 6 (six) months. Our warranty obligations do not extend to damage arising as a consequence of incorrect or negligent handling, excessive stress and so forth after risk has passed to the customer.

10.5. A warranty claim may only be asserted if:

- the Buyer immediately, but no later than 7 days upon receipt of the goods at the place of destination, notifies the defects that have occurred in writing and exactly describes the type of defect, and
- the Buyer proves that a defect existed at the time the risk passed (clause 6).

10.6. Defects which could not be detected despite a careful inspection within the period stated above shall be excluded.

10.7 The Buyer shall immediately prove that a defect exists, and in particular make available to Hi-Tech Corp., the samples of the defective goods as well as data in the Buyer's possession.

10.8. After a defect has been identified by the Buyer, any disposal of the goods without the express consent of Hi-Tech Corp. shall be unacceptable.

10.9. Assertion of a defect shall not release the Buyer from its payment obligation.

10.10. If the defect subject to warranty according to clause 10.1 exists, Hi-Tech Corp. shall improve the defective goods or the defective part, or have the defective goods or part returned to it for subsequent improvement or reasonably reduce the price. The Buyer shall return the bare boards concerned, all of which must be unpopulated. Costs of depopulating PCB's will be borne by the Buyer.

10.11. All additional costs incurred in connection with remedying defects (such as mounting and demounting, transport, disposal) shall be borne by the buyer.

10.12. If the goods are produced by Hi-Tech Corp. on the basis of design specification, drawings, models or other specifications of the Buyer, the liability of Hi-Tech Corp. shall only extend to execution as agreed.

10.13. Defects resulting from assembly, insufficient set-up, non-observance of installation requirements and conditions of use, excessive use of parts beyond the performance advised by Hi-Tech Corp., negligent or improper treatment or use of unsuitable operating materials shall be excluded from warranty. Hi-Tech Corp. shall not be liable for damage caused by acts of third parties, atmospheric discharges, overvoltage or chemical impacts.

10.14. Warranty shall be forfeited immediately if the Buyer itself or third party who has not been authorized by Hi-Tech Corp. repairs the delivered items without the written consent of Hi-Tech Corp.

10.15. Warranty claims of the Buyer are limited, at the option of Hi-Tech Corp., to removal of the defect or delivery of a replacement which is free from defects, and Hi-Tech Corp. Replacements are deemed to include the delivery of comparable goods which are suitable for fulfilling the purpose for which the defective goods were intended. The delivery of replacement is carried out in accordance with standard time for delivery within 10-12 days. The same period applies for the removal of defects.

## **11. Liability**

11.1. Any damages shall be excluded if conditions, if any, for assembly, putting into operation or use are not complied with.

11.2. Compensation claims shall become statute-barred 1(one) year after discovery of the damage and the damaging party, however, in any case 6 (six) months after the risk has passed according to clause 6.

## **12. Force Majeure**

12.1. Events of force majeure which affect Hi-Tech Corp. or any of its suppliers shall entitle Hi-Tech Corp. to suspend deliveries for the time of the impairment and a reasonable start-up period. The Buyer, in such a case, shall not be entitled to claim damages or subsequent delivery.

12.2. Events of force majeure shall include but not be limited to all kinds of acts of God, such as, earthquake, lightning, frost, storm, floods; as well as war, laws, official interventions, seizure, transport problems, communication network breakdowns, restrictions on import, export and transit, exchange restrictions on international payments, shortage in raw materials and energy; as well as breakdown of operations or other events.

## **13. Industrial Property Rights and Copyright**

13.1. Execution documents, such as plans, technical documents as well as samples, catalogues, brochures, illustrations and the like shall always remain the intellectual property of Hi-Tech Corp. and shall be subject to the relevant statutory provisions on reproduction, imitation, competition, etc.

## **14. Place of jurisdiction**

14.1 The place of performance for deliveries and payments is the registered office of Hi-Tech Corp.

14.2 Venue shall be local court in Skopje (Republic of Macedonia) in respect to all disagreements resulting from these Terms and Conditions.

14.3 We shall also be entitled to institute legal proceedings before the domestic or foreign court of law competent for the Buyer. Macedonian Law shall be applicable for contracts concluded with foreign contracting parties.

14.4 If individual conditions of these terms of sale and delivery become ineffective, the invalidity of any such condition shall not affect other parts of the remaining contract.

## **Appendix 1**

To the Terms and Conditions of Sale and Delivery for Products and Services of Hi-Tech Corp.

### Conditions of storage of Printed Circuit Boards / Multilayer

1. The materials used for manufacturing multilayer are " hydroscopic", i.e. they absorb moisture during storage (drying is reversible process)
2. The absorbed moisture vaporizes during the "Reflow process" in a very short time, which can lead to lamination.
3. The conditions and duration of storage have an influence on the absorption of moisture.
4. Preferred conditions of storage: **temperature: 20 +/- 5° C, relative humidity: 45+/- 15%**
5. Under the above stated conditions of storage multilayer can be soldered within 6 months.