

## General Business Agreement

Last Updated: January 2018

between

Supplier

- hereinafter referred to as the "supplier" -

and

RIBAG Licht AG  
Kanalstrasse 18  
5745 Safenwil  
Switzerland

- hereinafter referred to as the "client" -

Supplier and client hereinafter also being collectively referred to as the "parties".

### Preamble

The client intends to purchase products from the supplier as part of a long-term partnership.

The parties will strive to meet their mutual interests by ensuring an adequate supply of products, improved planning, timely delivery, keeping the volume of products held in stock to a minimum, high quality standards, and reducing the effort required to process them.

§1  
Scope

1. The legal relationships between the client and the supplier are based exclusively on this General Business Agreement, unless otherwise agreed in writing on a case-by-case basis. This applies irrespective of any references by the supplier to its own terms and conditions, even if the client has not expressly disclaimed the same. This also applies if the client places an order with the supplier despite being aware of the latter's conflicting or deviating terms. This General Business Agreement applies to all transactions entered into between the client and the supplier; Swiss law applies as a subsidiary material supplement hereto. This agreement supersedes all previous agreements and provisions, both written and oral, that lie within its scope.
2. This agreement applies to all products approved by the parties for serial delivery ("products"). This approval takes the form of product data sheet confirmations and/or approval logs. The RIBAG data sheet and other RIBAG product documentation are integral parts of this agreement, even if not referred to on a case-by-case basis.

§2  
Orders, revocation, offers, models, samples, and other documents

1. The written acceptance of an offer creates a contract for the purchase and delivery of the products. Orders placed by the client may be withdrawn without cause until such time as they are accepted in writing by the supplier. This does not apply to any orders in which the client expressly waives the supplier's order confirmation.
2. Verbal orders placed by the client are non-binding until followed up with a written order.
3. In cases of force majeure, such as strikes, lockouts, war, natural disasters, and the like, the client is entitled to withdraw from the order in whole or in part or to demand the delivery or execution of the order at a later date; the supplier is not entitled to any claims from such a situation. Neither party shall be liable for any disruption or delay in the performance of obligations under this agreement as long as and to the extent such interference or delay has been caused by force majeure, such as riots and turmoil, wars, strikes, trade embargoes, lockouts, hostilities between nations, laws, regulatory orders, acts of the government or any of its representatives, storms, fires, sabotage, explosions, or any other unforeseen circumstances beyond the control of the same. In such a case, the party affected will inform the other immediately together with supporting documentation. The fulfilment of any orders shall be suspended for the (customary) duration of such an event, then the orders shall be fulfilled post facto.
4. Without prejudice to the other grounds for termination agreed herein, the client is entitled to cancel for cause all orders with the supplier with immediate effect. Such cause exists in particular if (i) insolvency proceedings are opened against the supplier's assets or if they are rejected for lack of sufficient assets; (ii) there are circumstances that make the proper performance of the order impossible; or (iii) the supplier or any party it relies on to meet its obligations is in breach of any essential contractual terms or non-disclosure agreements.
5. Rescheduling and cancellation: if the client subsequently wishes delivery earlier or later than previously agreed upon, the parties will endeavour to find a mutually satisfactory solution. The client is entitled to cancel orders for standard products (without forecast) with written notice sent at least 30 days prior to the scheduled delivery date.
6. The supplier will not charge the client for its offers and samples.
7. The client owns the entirety of the rights for any models, samples, tools, drawings, illustrations, calculations, manufacturing instructions, programs, and other documents it provides to the supplier during contract negotiations and fulfilment. They may not be disclosed to third parties

without the express written consent of the client. They are to be used exclusively for the production ordered by the client. Upon termination of this General Business Agreement, these documents must be returned immediately. They must not be disclosed or provided to third parties. This obligation shall remain in force for a period of 3 years after the termination of this agreement.

### §3

#### Delivery, acceptance, invoicing

1. Agreed delivery dates and deadlines are fixed dates. A delivery deadline has been met if it has been received by the client by that date. If a specific delivery date has not been agreed upon, the delivery period begins with the requested delivery date appearing on the client's order.
2. The supplier shall notify the client immediately of any actual or expected delays even before the agreed delivery date.
3. If the delivery date is not met, the client may withdraw from the order after a 5 working-day grace period regardless of the fault of the supplier and its agents. If the supplier is indeed responsible for failing to meet the agreed delivery date, the client is also entitled to claim damages, including consequential damages and lost profits per the statutory provisions.
4. Delivery notes, dispatch notices, packing slips, and invoices must always include the order numbers, material numbers, and item numbers. Sales and product packaging must meet client specifications. Any breach of these specifications shall entitle the client to refuse delivery; if this results in a missed delivery deadline, the supplier is liable for damages as outlined above. In addition, payment and discount periods only begin once orders have been properly fulfilled, delivered, and accepted.
5. The supplier may not make early deliveries without the client's consent. If an early delivery is nonetheless attempted, the client may at its discretion reject the same, return it to the supplier at the latter's cost and risk, or store it with a third party at the supplier's cost and risk.
6. Unless otherwise agreed, the delivery dates and periods agreed refer to the dates on which the products will arrive at the agreed place of performance. Once a delivery has been accepted by the client, the risk and ownership of the same passes to the client. For deliveries to a consignment warehouse, the provisions concerning the transfer of risk and ownership indicated in the consignment agreement shall apply.
7. If the client is unable to accept delivery due to circumstances that prove unavoidable despite its best efforts, the acceptance date shall be postponed for the duration of the same. In this case, the client will notify the supplier immediately.
8. If the supplier or its upstream suppliers plan to discontinue the production of products that the client has ordered within the last year, it will notify the client in writing no later than twelve months in advance in order to give the client the option to place final orders for the same by no later than six months prior to the planned cessation of production. The supplier must accept these final orders.
9. Invoices are to be sent to the client once the products have been delivered and accepted either by post or electronically. These must contain the complete order number and order date. The delivery address must be clearly indicated on the invoice. Invoices for work must bear the number and date of the corresponding wage or assembly receipts (time cards). Invoices will only be accepted if they comply with the provisions of applicable VAT and customs laws (i.e. including a declaration of origin). Improper invoices will not be accepted.
10. Invoices with material or mathematical defects or errors are not payable and may be returned for correction within the payment period. In this case, the payment period will begin only when

the corrected invoice is received. The payment date shall have no influence on the supplier's guarantee. Payment shall not be considered an acceptance of deliveries nor as a waiver of any warranty claims or claims for damages. Advance payments shall retain their value in proportion to the total order value. The client reserves the right to offset current accounts.

#### §4

##### Prices, payments

1. Unless otherwise agreed, the prices agreed with the supplier shall be considered as fixed prices DAP (Incoterms 2010) delivered to the named location and including packaging/return of packaging.
2. Domestic deliveries shall be "delivered duty paid named place of destination (DDP)" (Incoterms 2010).
3. All orders shall require mutual agreement on the pricing to be valid. If the goods are delivered before the supplier confirms the order, this constitutes agreement to the price indicated by the client in the order.
4. The product prices and their validity are as agreed each year for a period of 12 months in annual price negotiations. The prices are based on the Incoterms 2010 agreed in §4.2 and include the costs of packaging as defined by the client.
5. Payment terms begin with proper receipt of invoice or, if the goods arrive after the invoice, with the proper receipt of the goods, but in no case before the agreed goods receipt date. If partial deliveries are made, even though the goods are only fully operational in their entirety, payment will be made only after the remainder of delivery is made. No applicable discounts will be lost by this provision.
6. The client is entitled to withhold payments due to any warranty claims or other claims against the supplier and/or to offset the supplier's claims against the same.
7. Unless otherwise agreed in writing, the client may choose one of the following payment terms: [within 10 days with 3% discount or 30 days net]. Discounts may also be applied after offsets are applied or payments are withheld due to defects. In this case, the declaration of the same triggers the discount.

#### §5

##### Outsourcing, receivables

1. The supplier may outsource orders in whole or in part only with the prior written consent of the client; otherwise the client may withdraw from the contract either in whole or in part and demand damages. Even if the client does approve such outsourcing, the supplier shall remain the client's contractual partner, liable for making the deliveries as agreed. The supplier's subcontractors must also comply with this General Business Agreement.
2. Without the written consent of the client, the supplier is not entitled to offset its own accounts receivable against the client's. The supplier may not pledge its accounts receivables against the client.

#### §6

##### Guarantees, complaints, warranty, damages

1. The supplier warrants that its deliveries and services will comply with the recognised rules and the latest state of the art; will have the warranted characteristics; will conform to the contractual specifications and functional requirements; and will be free from defects. The products are to meet the specifications in the applicable data sheets. A delivery is also

considered faulty if there is a risk of injury even when handled properly, if direct handling is not possible, or if damage even when used or processed properly cannot be ruled out.

2. The client is entitled to assert claims regarding the quantity, correctness, and/or self-evident defects in goods within 2 weeks after receipt. Hidden defects are to be reported within 2 weeks of discovery.
3. The supplier may not rely on a delay or failure to provide such notice if the lack of conformity is based on facts not disclosed to the client which the supplier was aware of or which it could not have been unaware of.
4. A warranty period of 36+6 months from the date of delivery acceptance is agreed.
5. Returns of faulty deliveries and shipments of replacement deliveries shall be at the supplier's expense. This shall be waived, if after the item has been inspected by the supplier and the client agrees with the findings that the defect was caused not by the supplier, but instead by the client.
6. In the case of a defect and/or warranty claim, the client may ask for the defect to be remedied as far as reasonable or for a reduction in the invoiced amount. The client may also require replacement deliveries or may revoke the order if the defect constitutes a material breach of contract.
7. If a repair is provided, the warranty period shall start over once the repaired product has been delivered and accepted. If the supplier fails to remedy the defect as agreed, the client is entitled to remedy the defect itself and to demand compensation for the necessary expenses. For this purpose, the supplier agrees to the client's internal hourly rates.
8. Even if the supplier is not in default in providing remedy, the client is also entitled to demand such reimbursement of expenses for substitute performance if the client remedies or has remedied minor defects in the goods or if such replacement was reasonable for reasons of urgency, in particular the duty to mitigate damages.
9. The supplementary performance will in this case be at the supplier's expense.

## §7

### Product liability, indemnification, liability insurance

1. The supplier hereby indemnifies and holds the client harmless against any and all product liability claims made by third parties for damages suffered as a result of a product and will reimburse the client for any necessary costs for conversion, recall, and retrofit actions designed to avoid further claims. If the client has given its approval during a final inspection of product manufacturing process, the supplier's liability to the client is only limited if the client has obviously overlooked the defect.
2. The supplier is also obliged to reimburse the client for any expenses arising out of or in connection with the recall of a product purchased by the client and/or a third party, directly or indirectly, delivered with the supplier's product, if the supplier is responsible for the same per §6 (1). If the supplier is responsible for a part of these expenses (e.g. because the product it delivered was also faulty, but this was not the only faulty product), the supplier shall bear the same for its products' defect in proportion to the defects found in other products supplied by the client. To the extent possible and reasonable, the client will notify the supplier about the nature and scope of the recall measures to be carried out and give the supplier the opportunity to comment. If recalls are initiated by third parties, the client is only obligated to provide this notice if it has first been informed of the same. Expenses include, in particular, all third-party claims arising directly or indirectly from deliveries made by the client, even if these have only been claimed, but not yet paid by the client.

3. The supplier agrees to maintain extended product liability insurance with a minimum coverage of CHF 2.5 million for each claim of personal injury or material damage, starting from the first delivery and expiring only 3 years after the final delivery; all other claims for damages remain unaffected.
4. Any disclaimers or recourse to producer/product liability, the time limits for asserting such claims set forth in product liability law also apply internally.

#### §8

##### Retention of title, provision of materials, tools, confidentiality

1. If the client provides parts to the supplier, the client retains title to the same. Any processing or transformation of the same is done on behalf of the client. If the reserved goods are processed with other items not belonging to the client, the client hereby acquires joint ownership in the new item equal to the value of the item it provided to the other items processed with it.
2. If the goods are inseparably mixed with other items not belonging to the client, the client shall acquire joint ownership in the new item in the ratio of the value of the goods it provided to the other processed items at the time of mixing. If the mixing is such that the supplier's new object is the main item, the supplier agrees to assign co-ownership of the same on a pro-rated basis, the supplier retaining possession on the client's behalf.
3. The client retains ownership of any tools provided. If the supplier develops special tools at the client's expense for the fulfilment of its manufacturing and delivery obligations, the ownership of the same is transferred to the client. In this case, the client's ownership of the same shall be visibly marked on the same.
4. The supplier is obligated to use the tools provided by the client or developed at the client's expense, client-specific components and their underlying components, such as mask sets etc., exclusively for the production of the goods ordered by the client. The supplier shall also take out an insurance policy providing full replacement value for the tools thus provided against fire or water damage and/or theft at its own expense. The supplier shall perform any necessary maintenance and inspections at its own expense and in a timely manner. The supplier must notify the client of any disruptions in the use of the same. If the supplier culpably fails to meet these obligations, it shall pay damages to the client.
5. The supplier is also obliged to keep all illustrations, drawings, calculations, other documents, and information developed in the course of this contractual relationship secret. This confidentiality obligation shall survive the termination of this contract. It expires if and insofar as the production knowledge contained in the illustrations, drawings, calculations and other documents has become generally known.

#### §9

##### Intellectual property rights

1. The supplier shall be liable for any infringement of third-party patents and property rights caused by its products and will support the client in any extrajudicial or judicial disputes with the owner of the same, reimbursing the client for all costs incurred and any damages awarded against the client.
2. If the supplier's products and/or services delivered to the client are eligible for intellectual property protection, the supplier hereby grants the client a licence to use the same in addition to transferring the ownership of the physical products.
3. If a third party's claims against the client for breach of industrial property rights or copyrights (hereinafter referred to as "industrial property rights") are caused by the supplier's products, the

supplier will at its own expense obtain a licence to use the same or otherwise deliver a replacement product that does not infringe any such rights.

4. The supplier's obligations per §9.1 above shall only apply if the client notifies the supplier in writing of such claims, has not already acknowledged such an infringement, and negotiates any disputes, including out-of-court settlements, only in agreement with the supplier.
5. The client may not file a claim per (3) if the claim does not result from the products themselves, but instead from their use (including any specific applications), unless the supplier offered the product to the client specifically for said application or if the client had specifically ordered it for that purpose.
6. The client's claim is also excluded if the property rights infringement is the result of the client's specifications or is based on modifications made to the product or on its use with products not supplied by the supplier. This exclusion does not apply if the supplier has failed to review the client's specifications or offered the product to the client specifically for the infringing application (modification or use with third-party products) or if the client has ordered it specifically for said purpose.
7. The burden of proof for the existence of the conditions of the above exclusions of liability or limitations is borne by the supplier.

## §10

### Jurisdiction, place of performance, amendments, applicable law, data management

1. The place of performance is the delivery address specified in the order; if no such address is given, the client's place of business serves as the delivery address and place of performance.
2. Duration: this contract begins when signed by all parties and is indefinite in duration. It may be terminated with 6 months' notice effective at the end of a calendar year.
3. This contract with its individual orders and the aforementioned integral parts of this contract govern the business relationship between the parties with regard to the subject matter of the contract and replace verbal or written agreements or other documents concluded earlier or at the same time.
4. The supplier agrees to the use of personal data, in particular that of its contact person(s), address, telephone and fax numbers, email addresses, and previous purchasing history by the client for up to 3 years after termination of the business relationship. The supplier may withdraw this consent at any time.
5. Any subsequent changes to this agreement must be in writing.
6. The contract is materially subject to Swiss law.
7. If a provision of this agreement is or becomes invalid or null and void, the remaining provisions are not affected. The ineffective provision will be replaced by one that comes as close as possible to the original intent of the original.
8. All disputes concerning the orders, this General Business Agreement, or the legal effects thereof, the courts holding jurisdiction over the client's registered office in 5745 Safenwil, Switzerland shall have jurisdiction. The client is also entitled to sue the supplier at its registered location.

## §11

### General

1. Export controls: the supplier's obligations to deliver and the client's obligations to pay for the products ordered under this General Business Agreement are waived if the required export permits are not granted for any reason not attributable to either party or if other export obstacles arise as a result of US, German, or any other relevant export regulations. The parties will notify each other of any export or re-export restrictions and provisions and the Export Control Classification Numbers (ECCN) for the products. The client guarantees to comply with all export and/or re-export restrictions and provisions regarding the products.

Client

RIBAG Licht AG  
Kanalstrasse 18  
CH-5745 Safenwil  
Switzerland

Supplier

Supplier

.....  
Andreas Richner (CEO)

.....

.....  
Dominik Hausherr (COO)

.....

Safenwil, 01.01.2018

.....  
Place, date

Company stamp: RIBAG	Company stamp: Supplier
----------------------	-------------------------