

---

## GENERAL TERMS AND CONDITIONS FOR THE PURCHASE OF PRODUCT

Dear Customer, thank you for trusting Vectralis Baumann to provide the Products needed. We hope that you are satisfied with your purchase.

These General Terms and Conditions are applicable for every and each Purchase Order received by any Customer or entity issued by a given legal permission.

### DEFINITIONS

The following terms shall have the meaning as defined below:

- Client, Customer or Entity - The Company that purchases any Products from Vectralis Baumann.
- Concept – Sample proposal to the Customer.
- Defect - A deviation of the intended function that affects the behavior of a Product or component.
- Delivery - The process of consigning a Product made by Vectralis Baumann to a carrier or directly at the Customer's premises.
- Documentation – All the documents relating to the Product which are to be turned over to Customer by Vectralis Baumann as agreed in the Technical Specifications and as per the Schedule.
- Installation - The act of making a Product ready for being used in accordance with the previous scope agreed, by the Service Department.
- Notification – A registered letter with return receipt requested or an email acknowledged by the Party to whom it is addressed.
- OEM Warranty - It is the original warranty offered by the manufacturer of a component or system which in turn is purchased by Vectralis Baumann to be integrated into a Product sold to a Customer.
- Party – Refers to the Customer and Vectralis Baumann.
- Product - It can be any component, software, system, fixture, station or any tangible physical device sold by Vectralis Baumann.
- Project – The works required by Vectralis Baumann and Purchaser in relation to the supply of the Product under a given Purchaser Order.
- Purchase Order: The Order from the Customer that confirms the approval of the quotation previously sent and all the terms and conditions of Vectralis Baumann
- Purchase Price - The sales price of the Product (including but not limited to the cost of study, translation in English of the software, if any, and the Documentation, training, assembly and start-up of the Product) as indicated in the Purchase Order.
- Purchaser: The Customer or entity which issues the Purchase Order for the purchase of Product from Supplier (Vectralis Baumann).
- Quotation - Supplier's (Vectralis Baumann) Offer.
- Schedule – Timing which the Customer shall respect in the design, manufacture, delivery, installation, commissioning and service of the Product as provided herein. The time is agreed by the Parties for the installation of the Product.

- Technical Specifications – All agreed technical data and technical functional requirements related to the Product attached to the relevant Purchase Order.
- Vectralis Baumann - Refers to the company Vectralis S.A. de C.V., owner of the registered trademark VECTRALIS BAUMANN.

## **ACCEPTANCE**

Each Purchase Order, including these General Terms and Conditions will be deemed accepted by the Customer and will prevail on this document as well as any other issued now or in the future by Vectralis Baumann, whether directly or indirectly.

The acceptance of the Purchase Order will depend as follows:

- The written Purchase Order.
- Purchase Price based on the valid Quotation provided by Vectralis Baumann.
- The technical and financial proposals included in Vectralis Baumann Quotation.
- Reception and confirmation expressly written by the Sales Department.

Once the Purchase Order has been accepted, Vectralis Baumann will undertake design, manufacture, deliver, insurance and installation of the Product, unless it is not specified on the Quotation provided to the Customer.

Each party shall appoint a Project Leader to oversee its obligations and activities in relation to the design, manufacture and commissioning of the Product. They also shall meet and be in contact as required by the Project.

Vectralis Baumann reserves the right to make changes to the Concept once the Purchase Order has been accepted and validated for the Customer.

## **PURCHASE PRICE**

The Purchase Price shall be set out in the Purchase Order and is exclusive of taxes.

The Purchase Price shall include all requirements for the Product as per the Technical Specifications, or any final adjustments carried out on the Product by Vectralis Baumann in order to achieve the required level of performance.

There may be variations in the Purchase Price in case of a significative change in the Concept through and agreement between Vectralis Baumann and the Customer.

## **ENGINEERING DESIGN**

Vectralis Baumann shall have sole responsibility for the design of the Product and for making the necessary technical choices, those relating to the choice of materials and sub-components which are used in the Product, as long as Customer's standards are expected.

The Customer could express an opinion or give recommendations regarding the engineering design, without its intervention.

Vectralis Baumann shall inform the Customer at regular intervals of the state of advancement of the engineering design and the solutions retained.

The Parties shall sign a Certificate of Design Approval upon the successful completion of this phase. The list of the Design Review Documents includes:

- General Agreement Drawings.
- List of parts for the standard items of materials incorporated in the Product.

### **PROVISIONAL ACCEPTANCE OF THE PRODUCT AT VECTRALIS BAUMANN'S SITE**

The Provisional Acceptance of the Product shall take place in Vectralis Baumann plant in accordance with the provision of the Technical Specifications and the Schedule.

Customer may indicate any reservations it has in relation to the status, performance or non-conformity of the Product in the Provisional Acceptance Report and Vectralis Baumann will correct and remedy all non-conformities mentioned prior to the next approval phase, in compliance with the Schedule.

Vectralis Baumann shall transmit to the Customer the Provisional Acceptance Documents.

Customer must supply Vectralis Baumann the test parts/components necessary to test run the product according to established Performance Tests on time and according to the Gant chart. If the parts are not supplied, the customer shall take responsibility for any and all malfunctions in the final stage of the Gant chart.

### **DELIVERY OF THE PRODUCT TO CLIENT'S SITE, RE-ASSEMBLY AND START-UP**

Customer shall, at his own cost, and under his own responsibility transport the Product to his site, unless the Parties has agreed another term.

Customer must sign acceptance of the equipment through purchase order and, once this is complied, transportation shall be carried out under customer's liability.

### **PERFORMANCE TESTING AND PROVISIONAL ACCEPTANCE OF THE PRODUCT AT THE SITE**

Performance Tests of the Products shall be carried out at the Customer's site in accordance with the initial Technical Specifications.

The Customer shall supply to Vectralis Baumann the test parts / components necessary to test run the Product as per the defined Performance Tests.

Once the installation has been completed successfully, the Parties shall complete and sign an Approval Certificate of the Performance Tests.

In any case, if, due to stoppages, the Performance Tests are not comprehensive, then the Performance Test shall be repeated until they are satisfactory.

The Documentation forms shall be updated by Vectralis Baumann during all Project phases and shall provide it to the Customer with a complete set of documentation. After being signed, anything that goes beyond the scope will not be undertaken to fix by Vectralis Baumann.

## **MODIFICATIONS TO THE PRODUCT AT THE REQUEST OF THE CUSTOMER**

Vectralis Baumann shall carry any additional works or technical modifications requested by the Customer under the following conditions:

- Written request from the Customer.
- Vectralis Quotation with a schedule of performance, a technical description and a detailed cost amendment.
- Purchase Order from the Customer corresponding for such additional works or modifications as agreed by the Parties.

Such additional works or modifications are necessary only to ensure that the Product is in compliance with the Technical Specification.

## **TRAINING**

According to the nature of the project, the trainings could be at the Customer's or Vectralis Baumann's site, in order to ensure they are able to operate the Product under optimal conditions.

Trainings shall take place as agreed by the Parties.

Transportation and lodging costs of its trainers shall be paid by the Customer and are not included in the Vectralis Quotation provided, unless it is.

## **CONFIDENTIALY**

Vectralis Baumann and Customer shall respect the confidentiality of, and not disclose any information of any kind that is communicated to it by the other Party on any type of media (written, electronic, magnetic, etc.) Or verbally and in any form, and any drawings, instructions, specifications and any other technical documents.

The obligations to keep confidential information shall not apply to the information for which the disclosing party has given its written consent to disclose.

A Party shall not transmit such information to any third party, document or other description of the Product without the prior written agreement of the other Party.

Both parties must inform of confidentiality to all their staff and employees subordinated to them, if any information is leaked by any staff or employees subordinated to them, the party that fails to comply with this obligation is liable to all damages caused.

## **TRANSFER OF OWNERSHIP AND RISK**

The transfer of ownership of the Product and its sub-components shall take effect on the agreement or payment of the Product.

## **WARRANTY**

The present warranty applies to the development and integration of all Products fabricated and marketed by Vectralis Baumann in accordance with the Purchase Order, the Technical Specifications and Supplier's Offer. The Product shall be free from design and manufacturing defect and fit for the particular purpose for which it is intended.

This warranty applies only to the original purchaser of the Product and during the specified period. The warranty is not transferable to other subsequent purchasers of the Product, without written consent by Vectralis Baumann.

The OEM warranty consists in the warranty offered by the original supplier of a Product bought by Vectralis Baumann and integrated within a Product made by Vectralis Baumann. The Customer will contact directly the supplier, or alternatively, Vectralis Baumann could provide help for both to communicate.

This warranty covers the repair of the Product or any of its defective parts. Clients must consider at his own cost and under his own responsibility, dismantle, pack, transport, unload, reassemble, submit and install the Product. In case any shipping, installation, return or an additional cost will be required, Vectralis Baumann will not pay for it.

Through this commercial warranty, Vectralis Baumann is committed to:

- Offer an action plan to solve the problem with a proper Schedule agreed by the Parties according their availability.
- Ensure its Products against possible defects of the used materials and the workmanship caused by Vectralis Baumann for 12 months from the date of delivery of the Product.
- Extend the warranty period for 3 (three) months in parts that have been reworked or replaced under warranty.
- Vectralis Baumann or a third company appointed by Vectralis Baumann will take care to fix or substitute the defective part of the Product, re-establishing the initial conditions of the Product that were specified during the purchase.

### **a) TERMS AND CONDITIONS**

The warranty is valid only for Products sold by Vectralis Baumann directly to the Customer. Vectralis Baumann could ask the Customer the original invoice or purchase documentation to verify purchase date and the model of the Product.

Only customers trained by Vectralis Baumann shall be authorized to intervene with the product to carry out urgent maintenance, repair or replacement of parts without affecting the warranty, except for any

mechanical condition, functionality and modification with prior written authorization by Vectralis Baumann. Customer must express through email addresses to be specified next in this document the names of personnel to be trained, whom shall intervene in urgent repairs without losing the warranty provided by the company.

If the Party is unable to resolve the problem with the Product, Customer must notice to their Sales Agent or the Service Department about the problem and require applying the warranty of their Product at the following emails:

- sales@vectralis.com
- service@vectralis.com

Vectralis Baumann shall attend their requirement only by their workdays (from Monday to Friday at 08:00 to 18:00 hrs UTC-06:00) and its availability. The solution time depends on the magnitude of the defect and shall require prior planning of the solution in conjunction with the Customer.

Customer shall accomplish the conditions specified in the 1.4 section of this document (Warranty Application) in case he considers the equipment present anomalies that will apply into a Warranty.

Vectralis Baumann takes the final decision if the Customer's report applies to the warranty of the Product or not, based in the project scope defined by the Quotation. The application of this warranty depends on the previous negotiation and availability of both Parties. In the event that the Customer is not satisfied with the verdict of the non-application of the Warranty, it can be analyzed; if it does not proceed, the expenses will be paid by the Customer.

Any service applicable to the warranty of the Product must be out on Saturday, Sunday or holidays. In such a case the delay to solve the defect shall start from the working day (from Monday to Friday at 8:00 a.m. to 6:00 p.m. UTC-6) following the Customer's first notification.

The Customer should have totally paid the Product or be in schedule with the payments agreed to obtain the warranty of the Product. If the payments are not paid or agreed with the Party, the warranty will not be applied.

## **b) PRODUCT DIAGNOSIS**

The Customer must give information in the event of suspicion that the warranty applies to any Vectralis Baumann Product. The information can include pictures, videos, statistics, log files, reports or other visual or written material that helps to understand and document the defect of the Product.

Vectralis Baumann could ask the Customer about additional necessary information to perform a diagnosis of the defect. This could include Customer employee's participation to make additional or special tests.

## **c) EXCLUSIONS**

This warranty does not apply in any of the following cases:

- i. Pieces of limited life to normal wear and tear.
- ii. Periodic maintenance and repair or replacement of parts resulting from normal wear and tear.
- iii. Sacrificial material or of programmed wear, components that are expected to need periodic changes of parts during the lifetime of the Product. Examples are: sacrificial connectors or test probes, which must be changed after a certain number of operations.
- iv. Damage or defects resulting from: misuse, improper operation, mistreatment of the Product or use including something resulting in damage or physical, superficial changes or appearance of the Product, use outside of its competence, abused, beaten, exposed to moisture as or any other fault attributable to the consumer.
- v. Modifications or repairs by unauthorized personnel or when its functions have been modified from the original defined scope.
- vi. This warranty does not cover risks derived during the shipping of the Product from Vectralis Baumann to the Customer premises. The Customer has to offer the transport warranty for the proper transportation of the Product.
- vii. Damage caused by accidents included without limitation, abnormal electrical current or voltage, water or moisture, fire, extreme heat, natural disasters or accidents.
- viii. Installation and shipping of the Product.
- ix. Services provided to the Customer that does not proceed with the application of this Warranty.
- x. Refunds or expense paid by the Customer.

Vectralis Baumann could collaborate Customer to solve problems or defects not covered by this warranty, however additional charges will apply.

#### **d) WARRANTY APPLICATION**

Customer shall accomplish the following conditions in case he considers the equipment present anomalies that will apply into a Warranty.

- i. Analysis and diagnosis of the Product defect by the Customer.
- ii. Severe evidence (photos, videos, log file)
- iii. Written request by the Customer to the Service Department or Sales Agent.

The Customer must contact their Sales Agent or Service Department to let them know by email to follow it up. It must be on workdays (from Monday to Friday at 8:00 a.m. to 6:00 p.m. UTC-6) and out of Saturday, Sunday or holidays.

Once the requirements will be completed, the Service Department will contact the Customer to evaluate the diagnosis of the Product. Vectralis Baumann may ask for the analysis and diagnosis to determinate if the warranty applies or not.

After being evaluated the defect of the Product, the solution time of the Service Department will depend on their availability. Vectralis Baumann shall generate and inform the action plan scheduling the activities to fix it, unless the warranty does not apply.

In case the Customer requires additional services, which are not covered by the warranty, will be performed by Vectralis Baumann and a charge will apply to the Customer. The freight charge will be paid by the Customer.

Those Products which, by their nature, are difficult to transport, will be repaired in the Customer's site.

Vectralis Baumann reserves the right to use a collaborator or third company to carry out warranty work.

## **INTELLECTUAL PROPERTY RIGHTS**

When you purchase a Vectralis Baumann product you are granted a license only and exclusively for use, and you shall not in any other manner make use of the software belonging to Vectralis Baumann.

Under any circumstance the license does not entitle and/or authorize the customer to request and/or obtain the source code of the product, nor to reverse engineer, decompile, disassemble, modify, translate or, in general, any attempt to obtain or copy its source code. There is not any entitlement to download the software nor install it in the customer's computers or servers, therefore being limited only to its use in the equipment acquired by you from Vectralis Baumann.

## **SCHEDULE**

Customer shall schedule the installation of the Product within 30 (thirty) days of the delivery of the Product. The installation schedule must be on workdays from Monday to Friday at 8:00 a.m. – 6:00 p.m. If the installation schedule is agreed by the Parties on Saturday, Sunday or on holidays, it shall be paid by the Customer and will be included in the additional Vectralis Quotation, unless it is.

In case of risk of delay, Vectralis Baumann shall inform Customer and solve the problem, by adapting its resourced and organization so as to comply with the Schedule.

## **CANCELLATION TERMS**

Customer may terminate a Purchase Order at any time during any phase of the Project upon giving written Notification to our Sales Department with the cancellation of the Product to that effect.

Customer shall pay to Vectralis Baumann a cancellation fee for the part, sub-component or sub-assembly of the Product already manufactured according to the percentage of the Purchase Order regarding to the phase of the Project where it was:

- *Quotation*
  - 2% Kick off + cost of material bought, engineering cost and manufactory already applied
- *Developing*
  - 5% SOW review + cost of material bought, engineering cost and manufactory already applied
  - 10% Design review + cost of material bought, engineering cost and manufactory already applied
  - 15% Design freeze + cost of material bought, engineering cost and manufactory already applied
- *Production*
  - 80% Manufacturing review
  - 85% Quality validation
- *Debug*



- 95% Final release
- 98% Customer acceptance
- *Service*
  - 100% Installation

Upon completion of a Purchase Order, the customer shall keep ownership of the product and all of its parts, subcomponents or subassemblies, except the intellectual property of the software in case the purchased equipment has it.