

SALES CONDITIONS

GENERAL

The Sales Conditions as stated in this document constitute a part of the agreement and contract between BCM Sensor Technologies bvba located in Industriepark - Brechtsebaan 2, B-2900 Schoten, Antwerpen, BELGIUM (herein further referred to as BCM) and the Buyer who places his purchasing order with BCM and buys BCM's products (herein further referred to as the Buyer), and are subject to any mutually agreed written amendments.

All purchasing orders are accepted by BCM according to these Sales Conditions which supersede any other terms or conditions appearing in any previous publication or elsewhere and, unless otherwise specifically agreed in writing by BCM, these Sales Conditions override and exclude any other terms or conditions stipulated or incorporated or referred to by the Buyer, whether written on Buyer's order or any email message during negotiations between BCM and the Buyer.

QUOTATIONS

Price quotations are ExWorks Antwerpen/BELGIUM (Incoterms 2000). Under this price term the goods ordered are shipped (dispatched) from Antwerpen and transportation costs/charges from BCM to the delivery address (shipping destination) are not included, and tax/duty is unpaid, unless otherwise requested by the Buyer and agreed to in writing by BCM.

All written quotations are valid to the end of the calendar year in which the quotations are issued, unless otherwise requested by the Buyer and agreed to in writing by BCM.

The prices shown on published price lists or on other published literature issued by BCM may be changed without prior notice and are therefore subject to confirmation by a specific quotation or/and order-confirmation of BCM.

Prices are exclusive of value added tax (VAT) and all foreign-, federal-, state-, municipal- or other government-excise, sales, use, occupational, duty or like taxes now in force, or enacted in the future; and are therefore subject to an increase equal in amount to any tax which BCM may be required to collect or pay upon the sale or delivery of the product items purchased by the Buyer.

BCM makes no charge for its standard packing. If a special packing is required by the Buyer, extra costs on packing may be charged by BCM, the price of which is quoted upon request. No credit or deduction in price will be given if no packing is required.

ORDERS

The purchasing order may be placed by fax, or by email with the order prepared in “.pdf” file format and attached in attachment, or via post, and need to be dated and signed by the Buyer. All the received orders at BCM are subject to acceptance by an order confirmation of BCM, i.e., BCM will send the order confirmation to the Buyer via email after the order is processed completely and successfully. Typographical and clerical errors on the quotation and on the order-confirmation are subject to correction.

If a total order amount, or amount of one shipment is less than 100 EURO (100.00 €), an extra charge of 18 EURO (18.00 €) will be automatically added on BCM's commercial invoice as a service charge per invoicing.

CHANGES TO ORDER

The Buyer may, with the written consent of BCM, make changes to his purchasing order. In the event of any such change, the Buyer shall pay to BCM the reasonable costs and other expenses. These would include engineering expenses, costs of semi-finished parts or products, and costs of all commitments to its suppliers and sub-contractors: a) incurred by BCM prior to receipt of notice of change for all the work rendered unnecessary by the change and/or b) incurred by BCM thereafter for all the work required to effect the change. The amount will be determined by BCM by considering specific costs and other expenses as well as BCM's usual rate of profit for similar work. In the event of any such change, BCM shall be entitled to revise its price and delivery schedule accordingly.

DELIVERY

Delivery terms are ExWorks Antwerpen/BELGIUM (Incoterms 2000). The delivery terms are quoted during quotation and are confirmed on the order-confirmation. If the delivery address is not specifically mentioned on the order, the Buyer's address is considered as the default address for delivery. BCM will do its best to ship (dispatch) the ordered goods on time. When the goods are shipped (dispatched), BCM will inform by fax the Buyer of the shipment details with a document of <<Shipment Notes>>.

Unless otherwise stated in writing, the delivery shall be deemed to take place and the risk shall be transferred automatically to the Buyer after the ordered goods are dispatched from BCM and the <<Shipment Notes>> is transferred by fax to the customer.

Delivery date (or lead-time) quoted by BCM is approximate and is therefore based on prompt receipt of all necessary information regarding the order. BCM will use its utmost effort to meet the scheduled delivery date (lead-time), but cannot be held responsible for its failure to do so for causes beyond BCM's reasonable control. BCM reserves the rights to execute partial deliveries with corresponding invoicing.

Exceeding of the approximate delivery date should not lead to the dissolution of the purchase, refusal of reception of the goods or claim for compensation. Exceeding of the approximate delivery date can therefore not lead to the cancellation of the order.

ACCEPTANCE OF DELIVERED GOODS

It is the responsibility of the Buyer to check the products delivered immediately for acceptance when they are made available to the Buyer, and any claims to the quantity and/or quality of the products delivered must be received at BCM within eight (8) days of the products being placed at the delivery address (or Buyer's address) on the date or within the period indicated on the order of the Buyer. Any claim made by the Buyer after these eight (8) days shall be considered late and shall have no effect. In the event that the products delivered have the defects which are attributable to BCM upon BCM's verification, the warranty conditions are applicable.

Unless otherwise agreed to in writing by BCM, the criterion for acceptance of the products delivered, including accessories, shall be the successful operation of the products and accessories according to the published specifications, which are proved by the testing report provided with the products delivered.

All tests for verification shall be run by BCM personnel at BCM's locations using BCM's standard testing procedures, unless otherwise allowed for and agreed to by BCM in writing.

The delivered goods remain the property of BCM until the amount of the corresponding commercial invoice is fully paid and received at BCM's bank. BCM reserves the rights to require the restitution of the delivered goods to the expenses of the Buyer.

TERMS OF PAYMENT

The payment for BCM's commercial invoice regarding the delivered goods is made by the Buyer via bank transfer. For the Buyer who is officially established and located in one of the European Union (EU) member states, the payment has to be made within 30 days net of BCM's invoicing date, unless otherwise specifically agreed to in writing by BCM. For the Buyer who is located outside of the EU, a prepayment (payment is made in advance before the delivery) is required, unless otherwise specifically agreed to in writing by BCM.

Certain orders may, because of their nature or the delivery involved, require progress payments. Pro rata payments shall become due as shipments are made.

If BCM at any time deems that, by reason of the financial condition of the Buyer or otherwise, the continuation of production or shipment on the terms specified herein is not justified, BCM may require full or partial payment in advance.

Amounts of the commercial invoice past due are subject to a service charge of 1.5% per month.

EXCUSABLE CESSATION OF PERFORMANCE FOR NON-PAYMENT

Whenever the Buyer fails to meet the payment requirements set forth in the contract of which these Sales Conditions form a part, BCM may cease performance and delivery

and accelerate payment of any and all unpaid charges. Such cessation of performance shall not be construed to be a breach on any contract or agreement and BCM will resume production as soon as reasonably possible upon receipt of payment of all balances due.

If the Buyer makes an assignment for the benefit of creditors, if a voluntary or involuntary petition or other action in bankruptcy, or for reorganization, or under any other insolvency law filed by or against the Buyer, if the Buyer shall admit its inability to pay its debts, if a trustee, receiver or liquidator is appointed for any part of the assets of the Buyer, or if the Buyer fails to make payments to BCM in accordance with the terms hereof, BCM may, at its option, cancel all undelivered goods of any order by written notice to the Buyer at no expense to BCM.

CANCELLATION AND DELAYS

In the event of cancellation of a confirmed order, the Buyer shall be liable for the payment of reasonable cancellation charges, which shall not exceed the total value of the ordered items canceled.

If manufacturing is delayed upon the Buyer's request, partial payment shall be made based on the percentage of completion and the contract price.

In the event of any shipping delay requested by the Buyer or any delay caused by lack of shipping instructions, BCM will store all items ordered at the Buyer's risk and expense, and will invoice the Buyer for the full contract price of the orders on or after the date on which it is ready for delivery. No delivery delay requested by the Buyer on an order placed under the contract shall be effective unless the Buyer agrees to payment of any costs the delay imposes on BCM.

RETURN OF GOODS

No delivered goods shall be returned to BCM as reject or for repair without prior written authorization from BCM.

With the written consent of BCM the Buyer may return the goods to BCM. A minimum twenty percent (20%) of the value of the returned goods will be charged as the Buyer's expense for restocking service incurred at BCM, unless otherwise specifically agreed to in writing by BCM. The Buyer is responsible for the shipping costs of the returned goods.

The returned goods are only accepted by BCM if they are returned in their original state and are packaged with their original packing and with the original documents which were provided with the product when delivered.

LIMITED WARRANTY (Liability for Repairs or Replacement Only)

The delivered goods are warranted to be free of defects in material and workmanship for one year from the delivery date. BCM's obligation of warranty is limited to repairing or, at its option, replacing the products or components which, on verification at BCM, are

proved to be of production defect. The implementation of warranty is made in a period of six (6) months once the verification is observed at BCM.

BCM extends the warranty only upon proper use of the product in the application for which it is intended, and this warranty does not cover the products which are misused or not correctly used (for instance, subjected to unusual physical or electrical stress or shock) or which have been modified without BCM's written approval, or on which the original identification marks have been removed or altered.

BCM shall not be liable for installation charges, for expenses of the Buyer for repairs or replacements, or for any direct and indirect or consequential damages of any kind.

Whenever the design of the product or the system in which it is to be incorporated originates from the Buyer, BCM's warranty is limited specifically to the product free of defects in material and workmanship and BCM assumes no responsibility for implied warranties of fitness for purpose or use.

Transportation cost and duty paid for the returned goods for warranty repair are at the Buyer's risk and expense.

DOCUMENTATION AND TRAINING

BCM will provide, if requested by the Buyer, subject to terms and conditions to be agreed, technical assistance and written documents including operator instructions with regard to the use of the products and advice or suggestions as to the tendering. BCM is not contractually bound to provide any technical assistance. Training in use and operation of BCM's products may be made available at the Buyer's expense. Should any technical assistance or advice be given by BCM, BCM shall only be liable for its own willful misconduct. Save for said recourse for willful misconduct, the Buyer hereby expressly waives the right to claim against BCM for any damage caused to the products, or damage to the property of, or injury to person caused to the Buyer himself, his personnel or any third party as a result of technical assistance provided by BCM.

PROPRIETARY RIGHTS

BCM retains for itself all proprietary rights in and to all designs, engineering details and other data pertaining to any product specified in the contract of which these Sales Conditions form a part, and to all discoveries, inventions, patent rights, etc., arising out of the work done in connection with the contract or with any and all products developed as a result thereof, including the sole right to manufacture any and all products.

BCM shall retain title to and possession of any models, patterns, dies, molds, jigs, fixtures and other tools made for or obtained in connection with this contract, unless otherwise specifically agreed to in writing by BCM.

BCM reserves the right to make substitutions and modifications in the specifications of products designed by BCM providing that such substitutions or modifications will not materially affect performance in the intended application.

PATENT AND TRADEMARK INDEMNITY

BCM will defend any suit against the Buyer for the infringement of Europe patents and trademarks by products purchased from BCM under the contract of which these Sales Conditions form a part, and in any such suit will satisfy any final compensation for infringement, except BCM assumes no obligation to defend liability for damages (consequential or otherwise) for:

- a) any patent infringements resulting from designs supplied by the Buyer, or
- b) any trademark infringements involving any marking or branding applied at the request of the Buyer, or
- c) any patent claims covering any other products or any contemplated equipment or any assembly, combination, method or process that may use in manufacture, testing, or operation of any products purchased from BCM (notwithstanding that such products purchased from BCM may have been designed only for use in, or may be only useful in such other patented products or patented equipment, assembly, circuit, combination, method or process, or in the manufacture, testing, or operation thereof, and that such products purchased from BCM may have been purchased and sold for such use).

The indemnity is upon the condition that the Buyer gives BCM prompt notice in writing of any such suit or threat of suit of infringement and full opportunity to conduct the defense thereof. No costs or expenses shall be incurred on behalf of BCM without its written consent. At any time BCM may replace or modify any products sold under the contract, to avoid patent and trademark infringement, provided such replacement or modification does not materially affect performance. BCM's liability under this indemnity shall not exceed the purchase price of the infringing products.

REGULATORY LAWS AND STANDARDS

BCM makes no promise or representation that its products will conform to any state or local laws, ordinances, regulations, codes or standards, except as specified and agreed upon for compliance in writing as part of the contract between BCM and Buyer. BCM's prices do not include the cost of any related inspections or permits.

All quotations are made and all orders are accepted by BCM in compliance with Belgian (Flemish) law. The rights and duties of all parties and the construction and effect of all provisions thereof shall be governed by and construed according to Belgian (Flemish) law. The Buyer agrees that any dispute arising in connection with the validity, performance or interpretation of the contract shall be subject to the exclusive jurisdiction of the Courts of Belgium, irrespective of the domiciliation of any negotiable instruments and the terms of payment agreed to. In case of dispute the Buyer submits to the jurisdiction of the Court of Justice in Belgium (Flanders).

Should any term or provision contained in these Sales Conditions contravene or be invalid under applicable law, the contract of which these Sales Conditions form a part shall not fail by reason thereof, but shall remain valid.

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