

THELIS CORPORATE

Sales conditions



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Sales conditions

This document is an annex to all offers made by THELIS to its customers regarding custom developments and manufacturing. It describes our sales conditions as well as different levels of intellectual property. It also defines what is the property of THELIS and what is the property of the customer at end of custom developments

INTELLECTUAL PROPERTY

In all cases, THELIS keeps all intellectual rights and remains the owner of the product until all invoices related to the development have been paid. THELIS may retain all technical information until all due invoices are paid.

Some developments involve usage of third party libraries (property of THELIS or any other third party).

THELIS shall inform the customer of the fact that the developed product includes third-party licenses, if the license requires payment of a fee or royalty and the price of the royalty is not included in the offer. THELIS shall also inform the customer of the possible time-limited license's availability.

Unless explicitly stated, no intellectual property transfer nor grant to access source/code or any other information will be made to the customer relative to the usage of those third-party libraries.

3 levels of custom developments are defined.

When no level is explicitly specified in an offer or contract, Level 1 is assumed. A customer willing to change to an upper level may ask THELIS. THELIS will make an offer for each particular case.

Level 1

THELIS develops a new product or adapts an existing solution to meet specific needs of the customer. The customization or development remains the exclusive property of THELIS. However, the customer will pay this customization only once and will be licensed to use it with THELIS products without additional royalty cost excepted the hardware cost or other royalties involved in the use of additional licenses which are not covered by the custom development and are used in the project.

The customer must purchase the hardware to THELIS as long as he wants to benefit from the custom development. THELIS on its side agrees to maintain its production price within admissible limits. Price could for example be subject to follow exchange rates, inflation or important changes in the components prices or availability.

THELIS is not required to provide any technical information nor files concerning the custom

development.

Level 2

THELIS develops a new product or adapts an existing solution to meet specific needs of its customers. The binary result of the development is the property of its customer. However, as the intellectual knowledge of THELIS has been involved in the development, THELIS will not release any source code. The customer will receive a file giving all necessary information to reproduce the hardware and program the necessary components (binary compiled files available). He will however not receive the source codes and will thus not be able to make modifications in the programmable components without help of THELIS.

THELIS will not sell the customized version of the product to any other third party without prior approval of the customer.

What is made available to the customer:

- The Gerber files to reproduce PCB (in case of hardware development)
- The binary files (Hex, JED, EXE) to program the components
- The schematics (pdf or printed) of the hardware (in case of hardware development)
- The bill of materials and their implementation on the PCB (no reference to suppliers) (in case of hardware development)

Level 3

THELIS develops a new product or adapts an existing solution to meet specific needs of its customers. The product is the full property of the customer and THELIS will release all the complete information and files related to the customer's specific development done (i.e. the work specifically made for the customer; if the development uses some third-party libraries or technologies those are not involved in the intellectual property transfer)

THELIS will not sell the customized version of the product to any other third party without the consent of its customer.

The customer will receive all information required to reproduce or adapt the product.

What is made available to the customer:

- The Gerber files to reproduce PCB (in case of hardware development)
 - The binary files (Hex, JED, EXE) to program the components
 - The full sources developed specifically for the project
 - The schematics (pdf or printed) of the hardware (in case of hardware development)
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- The bill of materials and their implementation on the PCB (in case of hardware development)
- The internal notes concerning debugging and test of the material (in case of hardware development)

PROJECT APPROVAL & ACCEPTANCE CRITERIAS

The project quotation normally states acceptance criterias. By accepting the quotation and placing an order, the customer implicitly accepts the proposed acceptance criterias.

Once those acceptance criterias are met, the customer has 10 days to reject the acceptance without losing his right to the warranty on development.

The project is considered approved when this period of 10 days elapses

Unless specified, the customer has a period of 2 weeks for prototypes approval. If no response or comments from the customer are received before this period elapses, the prototypes are implicitly approved.

CERTIFICATIONS

Unless explicitly specified in the offer, EMC or any other compliance tests are not included. When the test are not included in the offer or not chosen by the customer, THELIS will not be liable versus the result of any future conformity tests that would be executed by the customer or any third party. THELIS's liability regarding EMC testing can only be involved if EMC testings are ordered at the same time as the development.

WARRANTY

Manufacturing

The standard warranty on manufactured goods is one (1) year, starting from shipment date. During this warranty period, THELIS will repair or exchange the defective goods at no charge for the customer, provided that the goods are returned to THELIS and that the goods were used under normal operating conditions. THELIS is not liable for the transport, product removal and re-installation of goods. THELIS is not liable for any damage, loss of activity or any other constraint of the customer due to defective material.

The manufacturing warranty covers non-conformity or failure of the product regarding the normal behavior of the product in the state known by the customer at time of order. If any correction or change is made to the design of the product after production is launched, those corrections or

changes are not covered by the manufacturing warranty nor the development warranty.

Hardware & Software developments

The standard warranty on development is six (6) months, during which period, detected incompatibilities with the specifications described in the official offer will be resolved at no charge. Fixes after this period or any change requests relative to the specifications will be charged to the customer at THELIS's standard hourly-rate.

Warranty covers all engineering defects (hardware & software) excepted for the cases stated above, such as EMC restrictions. The warranty is limited to the update of the design in order to comply with the specifications, and does not cover any damage, commercial lost or any other type of indemnity the customer could request.

Warranty period starts when acceptance criterias are met.

When prototypes are delivered as part of the development process, those prototypes are not intended for use in real environment. Prototypes are part of the development block and same warranty duration applies.

PAYMENT CONDITIONS

In case of fixed-price quotation, THELIS will start the development process after reception of an installment of 30% of the total amount. The remaining 70% are due after approval of the project, as defined above.

When specified in a quotation that the customer provides some test material, if this test material is not available at time of development or if the test equipment is not working as expected, THELIS has the right to charge its customer for the additional time necessary to compensate or fix these problems.

In case of hourly work project, THELIS will provide a time-sheet describing the time spent. The time-sheet will be accompanied by an invoice to be paid within a delay of 30 days. All other external costs necessary for the correct project execution (tooling costs, prototyping, specifications to be purchased (e.g. special protocols required for the project)) will be charged to the customer.

Prices are always specified VAT excluded

In case of delayed payment, an interest of 12% per year will be due to THELIS.

VALIDITY OF OFFERS

Unless explicitly specified, all offers have a validity of 30 days from their date of issue. After expiration of that delay, THELIS is no more bound by the offer.

THELIS always reserves the right to refuse an order, even in the period of validity of the offer. In this case THELIS must notify the customer within five (5) working days.

When a development duration or production delay is specified, it is always indicative and has to be confirmed at time of order.

GENERAL NOTES

THELIS's knowledge, sources and databases is its own property. When a customer asks for a development, he will benefit of THELIS's knowledge. For this reason, a customer may never ask any kind of right for the additional knowledge THELIS or its employees would have acquired during the development of its product.

When developing products, THELIS uses different development tools. When sources are released to the customer, the development tools are not part of it. It is thus possible that some of the files delivered will not be readable by the customer if it does not own a license of the same development tools. It is also possible that some of the files will not compile without access to third-party libraries.

Upon request, THELIS will inform its customer of the required tools.

CONFLICTS

If information stated in the personalized offer is contradictory with this document, the personalized offer has precedence for the conflicting items.

By accepting THELIS's offer, the customer agrees that this document and the personalized offer prevail over any standard purchase conditions he may have defined.

In case of conflicts, only the court of Namur, Belgium is eligible.