

Arktis Radiation Detectors Ltd Terms and Conditions of Sale (version 04/17)

April 2017

1. General Provisions

1.1. These Terms and Conditions of Sale (the "Conditions") apply to all contracts related to the sale of materials, equipment, machinery, software and services (the "Goods") by Arktis Radiation Detectors Ltd ("Arktis") to a customer (the "Buyer") unless agreed otherwise in writing.

1.2. Any terms and conditions of the Buyer are only valid if they have been expressly accepted in writing by Arktis and to the extent that they are not in conflict with these Conditions.

2. Conclusion of Contract

2.1. The contract (the "Contract") is deemed to be concluded upon Arktis' written confirmation of the Buyer's order.

2.2. The Contract will be constituted by the following documents in the following order of priority:

- Any specific term(s) agreed in writing by Arktis;
- The Conditions.

2.3. The Contract constitutes the entire agreement between Arktis and the Buyer with respect to the Goods supplied under the Contract. All prior negotiations, proposals and correspondence are superseded by that Contract and these Terms and Conditions of Sale will in all circumstances prevail over the Buyer's terms and conditions of purchase (if any).

3. Terms of Delivery

3.1. The term of delivery starts to run from the date on which Arktis sends the written confirmation but not before all technical and commercial details have been specified and agreed upon by Arktis.

3.2. The Buyer shall timely provide Arktis with all necessary documents and fulfill its obligations in particular regarding the administrative formalities.

3.3. In the circumstances listed below, Arktis shall not be liable for late delivery or non-delivery or for any loss or damage caused to the Buyer by late delivery or non-delivery and in each case, the term of delivery is extended until such time as is reasonable in the circumstances:

- if the Buyer fails to deliver all necessary documents on time or if the Buyer fails to satisfy all administrative conditions which cause a delay in the delivery;
- if the Buyer makes any change which causes a delay in the delivery;
- in case of events outside the control of Arktis such as epidemics, mobilisation, war, revolution, labour disputes, lockouts, strikes, accidents, attacks from third parties on computer systems and software (viruses, etc.), semi-finished or finished products, official actions or omissions by any state authorities or public bodies, natural catastrophes or force majeure;
- if the Buyer or any third party appointed by the Buyer is behind schedule or in default of contractual obligations, in particular if the Buyer fails to respect its payment obligations.

3.4. In all other cases of late delivery or non-delivery, Arktis' liability is limited to the payment of liquidated damages as specified in clause 3.5 below. The Buyer is not entitled to any other remedies such as cancellation of the contract, reduction of the contract price or substitute performance by a third party.

3.5. The Buyer is entitled to claim liquidated damages for delayed delivery only if it is proven that the delay has been caused through Arktis' fault and that the Buyer has suffered a loss or damage resulting from the delay.

3.6. The Buyer has no right to claim liquidated damages for indirect loss or damage. Further, no liquidated damages are due if substitute Goods can be supplied so as to avoid any loss of the Buyer. Liquidated damages for delay shall not exceed 0.5% of the contract price for every full week's delay and shall in no case exceed 5% of the contract price of the part of the delayed Goods.

4. Prices

4.1. Unless otherwise specified in writing, all prices are net, Ex Works (Incoterms 2010), and exclusive of VAT, shipping and insurance.

4.2. Unless otherwise agreed in writing, any customs duties, taxes, VAT, import duties, transit fees or other charges shall be paid by the Buyer. Upon request by Arktis, if the Buyer exports the Goods, the Buyer shall provide evidence that the Goods have been exported.

4.3. For offers quoted in currencies other than CHF, EUR or USD, prices are based on the exchange rate against the CHF specified in the quotation (or, if no exchange rate has been specified, the daily average exchange rate quoted by UBS bank or its successor) on the date of the offer. If the offer currency depreciates by more than 3% against the CHF between the date of the offer and the date of conclusion of the contract (calculated using the daily average exchange rate quoted by UBS bank or its successor), the contract price shall be increased by such percentage. Arktis shall also be entitled to adjust the contract price if during the extension of the delivery term due to any of the reasons mentioned in Clause 3, the monthly Swiss CPI has increased by more than 3% in which case the contract price shall be increased by such percentage or if Arktis incurs additional expense due to any of these reasons.

5. Payments

5.1. Unless otherwise agreed in writing, invoices shall be paid to Arktis without any deduction no later than 30 days from the date of the invoice. Payment shall be made into the account indicated by Arktis.

5.2. If the Buyer fails to comply with the terms of payment he is deemed to be in default without the need for any reminder. In case of delayed payment Arktis is entitled to claim interest at the annual rate of 5% above the then current discount rate of the Swiss National Bank. Payment will be credited first against interest accrued.

5.3. The Buyer has no right of set-off.

5.4. The Buyer must pay Arktis all costs and expenses incurred by Arktis in the recovery of monies owing by the Buyer to Arktis or in otherwise enforcing Arktis' rights against the Buyer under a Contract.

6. Retention of Title

6.1. Arktis retains title in all Goods until the payment of the contract price relating to such Goods or any other Goods has been fully received in accordance with the contract and any claims of Arktis in connection with the provision of the Goods have been settled.

6.2. If the Buyer is in default of any of its obligations, Arktis reserves the right to take possession of all Goods that it retains title to wherever located and the Buyer will allow Arktis to access to its premises or any other premises where the Goods are stored and further indemnifies Arktis from and

against all claims or demands in relation to such repossession.

6.3. The Buyer agrees, pending payment in full of the price and all other sums in relation to the Goods:

- to separately identify (by appropriate labelling) the Goods as being the property of Arktis;
- to store and keep all such Goods in good condition and separate from other goods;
- to keep accurate records reflecting the ownership of Arktis of all such Goods;
- to hold all unpaid for Goods as bailee and fiduciary for Arktis.

7. Transfer of Risk

The risk of loss of or damage to the Goods passes to the Buyer at the moment when the Goods have been placed at the disposal of the Buyer at Arktis' premises or any other named place of delivery. If the Buyer fails to take delivery of the Goods after having received the proper notice from Arktis, Arktis reserves the right to store the Goods for the account and at the risk of the Buyer and the Buyer will be liable for the price and all costs of and incidental to such storage, including the insurance and handling and such charges must be paid by the Buyer upon demand.

8. Warranty & Liability

8.1. Arktis warrants the qualities and characteristics stipulated in the technical specifications or the order confirmation. Any further warranty is excluded and the Buyer has no rights or claims apart from those explicitly mentioned in these Conditions.

8.2. These Conditions supersede and exclude all prior discussions, representations and arrangements relating to the supply of the Goods, including those relating to the performance or the use of the Goods.

8.3. Unless otherwise specified, the warranty period is 12 months (3 months for software) from the day on which the Goods have been placed at the Buyer's disposal. For replaced or repaired parts, the warranty period is 12 months (3 months for software) starting from the day on which the repair work or replacement has been completed and extends only to the replaced or repaired part.

8.4. Excluded from the warranty are all damages which are not proven to have resulted from bad material or poor workmanship, e.g. resulting from fair wear and tear, faulty maintenance, disregard of operating instructions, excessive stress or strain, use of unsuitable materials or facilities, chemical or electrolytic action, work not carried out by Arktis, computer viruses or resulting from any other cause beyond Arktis' control. For software, Arktis does not warrant that it will be error-free, but if errors occur, Arktis will issue a patch or an update to rectify the error within a reasonable time. It is up to Arktis to judge if any warranty claim is valid.

8.5. The Buyer must verify the Goods as soon as possible and immediately notify Arktis in writing of any shortage, error or defect but no later than eight days from delivery of the Goods. Upon the Buyer's written request, Arktis shall repair or replace, at its sole discretion, all parts of the Goods which can be proven to be defective as a result of bad material or poor workmanship provided the warranty has not expired.

8.6. If the Buyer does not notify Arktis within 8 days of delivery in writing of any shortages or errors or defects, the Buyer will be deemed to have accepted the Goods to be of the correct quantity and specification, free of defects and fit for their purpose.

8.7. Arktis shall not be liable for damages arising from inaccurate information provided by the Buyer. The warranty shall lapse if the Buyer or a third party makes alterations or carries out repair works without Arktis' prior written consent.

8.8. In any event, (a) Arktis shall have no liability for operational shutdowns, loss of profit, loss of use or any indirect or consequential loss; and (b) Arktis' maximum liability shall be limited to the contract price of the Goods and is subject to the Buyer's duty to mitigate any losses, except in case of Arktis's gross negligence or willful misconduct.

9. Software

9.1. To the extent that the Goods include software provided by Arktis, a non-exclusive, nontransferable user license will be provided for the duration of the Goods' lifespan. Any form of reverse engineering, modification or deletion of any part of the software is prohibited without Arktis' prior written consent.

9.2. The granting of sub-licenses is not permitted. If the Goods include any standard software available on the market, the terms of delivery and licensing of the third-party supplier shall apply exclusively to this standard software.

10. Termination

Without prejudice to any other provision contained herein or its rights under the law, if the Buyer discontinues, threatens to discontinue or sells its business or becomes subject to bankruptcy proceedings, or if Arktis forms the opinion that the Buyer's creditworthiness or credit standing materially alters (including any change in the shareholding or ownership or control of the Buyer's business without Arktis' written consent having been first obtained) from that as assessed by Arktis prior to entry into the first contract, then Arktis is entitled to:

- a) Treat the whole Contract and any other Contract with the Buyer as repudiated and sue for breach of contract;
- b) Refuse to supply any Goods to the Buyer;
- c) Claim the return of any Goods in the Buyer's possession where title has not passed to the Buyer;
- d) Make all monies owing by the Buyer to Arktis on any account immediately due and payable.

11. Waiver

Arktis' failure at any time to insist on performance of any provision of these Conditions or of a Contract is not a waiver of Arktis' rights at any time later to insist on performance of that provision or any other provision.

12. Intellectual Property

All intellectual property rights in the Goods shall remain exclusively vested in Arktis.

13. Confidentiality

The Buyer will treat any proprietary information or documentation provided by Arktis to the Buyer in connection with the Contract as strictly confidential and will not use it for any other purpose than the purpose contemplated by the Contract. The Buyer will not disclose such information or documents to third parties. This provision continues to apply after the termination of the Contract.

14. Installation

To the extent that Arktis has agreed to carry out the installation of the Goods, the General Conditions of Erection 2009 of the Swiss association of mechanical and electrical engineering industries (SWISSMEM) apply.

15. Export Regulations

15.1. The Buyer acknowledges that Arktis is required to comply with applicable export/import laws and regulations (including without limitation those of

Switzerland, the UK, the EU, the United States of America and Canada) relating to the sale, export, import, transfer, assignment, disposal and use of the Goods, including any export/import licence requirements.

15.2. The Customer must inform Arktis in advance of the location where the Equipment will be used and must inform Arktis immediately of any subsequent change of location.

15.3. The Equipment must not be exported to any other country or transferred to any third party without Arktis's written permission.

15.4. On Arktis's written request, the Customer must provide written evidence satisfactory to Arktis that the Equipment is in the Customer's possession and has not been exported. If Arktis has any doubts, it shall be entitled to unrestricted right to carry out an inspection at the location for the purpose of identifying the Equipment, at the Customer's cost.

15.5. The Customer shall indemnify and hold harmless Arktis from and against any claim, proceeding, fine, cost, loss or other damage arising out of or in connection with the Customer's noncompliance with export control regulations.

16. Miscellaneous Provisions

16.1. Unless otherwise agreed in writing, the place of performance for contractually stipulated deliveries and services is Arktis' registered office.

16.2. If any provision of these Conditions is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect the validity or enforceability in that jurisdiction of any other provision of these Conditions and the validity or enforceability in other jurisdictions of that or any other provision of these Conditions. In this event, the illegal, invalid or unenforceable provision shall be replaced by a legal, valid and enforceable provision having such economic and legal effects as are as close as possible to such effects of the original provision.

16.3. Arktis may vary these Conditions without notice to the Buyer.

16.4. The Buyer shall, and shall procure that all of its officers, employees, agents, subcontractors and any other person acting on its behalf shall comply at all times with all applicable laws, statutes, regulations, codes and sanctions, in particular, but not limited to, those relating to anti-bribery and anti-corruption including the US Foreign Corrupt Practices Act and the UK Bribery Act 2010.

17. Applicable Law and Jurisdiction

17.1. The supply of Goods under these Conditions is governed by Swiss law. The application of the United Nation Convention on Contracts for the International Sale of Goods of April 11, 1980 is expressly excluded.

17.2. Any conflict, controversy or claim arising out of or in connection with the supply of Goods by Arktis to the Buyer shall be submitted to the exclusive competence of the ordinary courts of the city of Zurich, Switzerland.