



Microcontroller Systems LLC

General Terms and Conditions of SEGGER 2006/01

1. General

These General Terms and Conditions exclusively apply to any and all sales, and related business. Any alterations or amendments to these General Terms and Conditions, especially the validation of customer's terms, shall only be accepted if SEGGER provides a written objection hereto.

2. Offers and prices

Offers shall be subject to change and non-binding. Purchase orders shall only be regarded as accepted by a respective declaration in writing e.g. a Purchase order confirmation and/or by delivery of the product.

3. Deliveries

The agreed terms of delivery are binding once the contract is settled or an agreed down payment is received by SEGGER. If the customer's obligation becomes overdue, the agreed delivery time is suspended. We shall continue to be bound by offers prepared for a specific purpose, as stated in the offer. The offer and the contract shall only be regarded as accepted on receipt by the other contractual partner of a respective declaration of acceptance in writing.

4. Circumstances beyond our control

Circumstances beyond our control – defined as circumstances not caused by SEGGER - suspend for this certain period all contract obligations or its effects.

If these circumstances beyond our control last for a period longer than 6 weeks, each party shall be entitled to terminate the contract as long as performances still remain. Furthermore claims based on or caused by these circumstances shall have no liability effect for SEGGER.

5. Payments

Payment is due within 30 days of the date of the invoice. The acceptance of bills of exchange shall require a written acceptance by SEGGER. Any costs related to cashing the bills of exchange shall be compensated by the customer. We reserve the right to claim additional damages for late payments. The customer is only entitled to hold back with his money due or retain outstanding debts if SEGGER agrees or is contained in a binding judgement of a court. Insufficient payments will be credited without regards to customer's determination on the oldest debt and if expenses and interest are hereto due the payment will be credited first toward these expenses and interest.

6. Handling of shipment

We will invoice the customer for all handling and shipment costs. We take care to match customer's shipment demands. Handling and shipment expenses caused on these demands shall be compensated by the customer.

7. Warranty

It is pointed out that it is not possible to develop computer programs so that they are error free for all application areas. All information of the product, SEGGER provides with regard to a specific purpose, function, behavior or technical statement, are the best of ones knowledge. To the maximum extent permitted by applicable law in no event will the product description or any

other information provided by SEGGER have the meaning of a guarantee or warranty. Customer is in to test and check the product immediately to verify that the product is error-free and conforms with its purpose. Otherwise the product is regarded as successfully passing customers applicable quality assurance procedures. Complaints shall only become effective within 8 days due to obvious problems, by hidden problems as occurred and in no case later than 12 months (if not otherwise stated in the specific software license agreement) after receiving the product. The warranty period starts from the receiving date of the product. We will analyze and correct or replace the product in the event that customer claims a fault. If the fault is determined to be a non justified complaint or a user error, we shall be reimbursed for working, services and personal expenses. In the event of a justified complaint we shall in the first instance be entitled to correct the defects. Tools which have been used during software development shall be free of charge provided during this period. The correction period for software may be within 30 days from the date of receiving the needed tools. The warranty covers only the original software; that means software without modifications from the customer side. If the defect is not fixed within an appropriate period of time, the customer may choose between price reduction or refund of the purchase price. These warranty terms cover all of our warranty handling.

8. Liability

The total monetary liability of SEGGER is in any case limited to the amount paid by the customer for the faulty product part. It is understood that this limitation excludes liability for gross negligence or intention.

9. Reservation of ownership

The delivered product is owned by SEGGER as long as the customer has not paid in full. If full payment is not received by SEGGER the customer shall not sell the product to a third party. Any exceptions need in advance a written agreement by SEGGER. In that case the customer shall disclose the extended reservation of ownership and assign the claim of that amount up front to SEGGER.

10. Grant of Software Licensee

SEGGER grants the software under the terms and conditions of a separate License agreement, which needs to be signed by the customer.

11. Miscellaneous

Any alterations or amendments to these General terms will require that SEGGER be notified in writing and require the acceptance in writing by SEGGER. Any modification or alteration has no effect upon the remaining terms. If any of these terms is invalid, illegal or unenforceable, such term shall be served and all other terms remain in full force and effect. Both parties agree that the invalid, illegal or unenforceable term will be replaced by the closest commercially valid term.

12. Governing Law

These General Terms and Conditions shall be governed by the law of Massachusetts. Any dispute, controversy or claim arising out of or in connection with these General Terms and Conditions shall be submitted to the courts of the country in which SEGGER is incorporated.