

## WMD DECLARATION SIDE LETTER

This Contract provided by the INNOVATEST Group of Companies ("**Side Letter**") is an integral, enforceable component of the Sales Agreement No. SO-..... ("**Order confirmation**") between INNOVATEST Europe BV a private company with limited liability, incorporated under the laws of the Netherlands ("**Supplier**"), and ..... ("**Customer**") dated ..-.-....., and is a legally binding provision thereof as if set forth at length therein.

### RECITALS

- A. The Agreement provides that certain materials testing equipment (the "**Equipment**") manufactured by Supplier will be sold to Customer.
- B. The Equipment is versatile and can be used in a wide range of processes and applications.
- C. Supplier is obligated by internal rules & regulations and by law to ensure that the Equipment is not used in connection with, or for the purpose of, the prohibited acts identified below.
- D. Customer hereby obligates itself to ensure that the Equipment will not be used in connection with, or for the purpose of, a prohibited act.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is forever acknowledged and confessed, and intending to be legally bound, the Parties agree as follows:

### SUPPLEMENTAL AGREEMENTS

#### 1. Prohibited Act

1.1 A weapon of mass destruction ("**WMD**") is anything that certain authoritative sources consider to be a weapon of mass destruction, either now or at any future date, as certain documents may be interpreted hereafter. The authoritative sources are: the UN Commission on Conventional Armaments ("**CCA**"); the 1967 Outer Space Treaty; the 1972 Seabed Treaty; the 1991 Strategic Arms Reduction Treaty; the Agreement Governing the Activities of States on the Moon and Other Celestial Bodies; the United States Missile Technology Control Regime guidelines; and the 2003 European Council Declaration on Non-proliferation of Weapons of Mass Destruction. For the avoidance of doubt, WMD includes, but is not limited to, any device that uses fission or fusion processes as a weapon.

1.2 A landmine ("**Landmine**") is any device covered by the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction.

1.3 For purposes of this Side Letter, a "**Delivery System**" is any device primarily intended for use as an airborne method of delivering a WMD to a target. For the avoidance of doubt, this includes but is not limited to, intercontinental missiles, cruise missiles and rockets, other than rockets exclusively used for space exploration and satellite launch.

1.4 Manufacturing, testing, researching, developing, selling, buying, shipping or demonstrating a WMD, a Landmine or a Delivery System is a prohibited act (“**Prohibited Act**”).

1.5 For the avoidance of doubt, any device that the CCA considers to be a conventional weapon is not a WMD for purposes of this Side Letter.

## 2. Restrictions Accepted by Customer

2.1 Customer agrees not to use the Equipment in connection with, or for the purpose of, a Prohibited Act.

2.2 Customer agrees, on first request of the supplier to (i) re-certify to Supplier it has not use the Equipment in connection with, or for the purpose of, a Prohibited Act ever since the Product was supplied and (ii) identify the physical locations where the Equipment is being used and has been used since it has been taken in use for the first time.

2.3 At Supplier’s request, Customer must permit reasonable inspection of its facilities and records by Supplier or Supplier’s agent to verify Customer’s compliance with this Side Letter. Supplier and/or Supplier’s agent will execute and deliver to Customer reasonably tailored Non-Disclosure Agreements relating to any confidential information learned that does not relate to a Prohibited Act. Supplier and/or Supplier’s agent will conduct such inspection, in a manner to be agreed upon amicably, that will limit disruption to Customer’s operations and limit inspection of information unlikely to be helpful to the discovery of a Prohibited Act. Customer consents to unlimited aerial surveillance of its operations.

2.4 Customer agrees not to sell, lend, rent, transfer or provide the Equipment to another party unless the other party agrees in writing to be bound by the provisions of this Side Letter as if it were the Customer. Customer agrees to provide a copy of such writing to Supplier at least three (3) business days before the Equipment is used by such other party.

## 3. Extraordinary Consequences of Prohibited Acts

3.1 The following is provided for information only.

3.2 Committing a Prohibited Act is a violation of international law. Many of the Countries that are signatory to the above treaties vigorously enforce international laws dealing with Prohibited Acts extra-territorially. Persons committing a Prohibited Act potentially face severe legal consequences.

## 4. Supplier Remedies

4.1 In the event that Supplier believes Customer used, or allows the Equipment to be used, in connection with, or for the purpose of, a Prohibited Act, and Customer has failed to allow Supplier or Supplier’s agent reasonable access to its facilities, Supplier may broadly disseminate information about this belief to the public, to competitors, suppliers and customers of Customer, and to any governmental, quasi-governmental or United Nations body, in any manner Supplier chooses.

4.2 Supplier will have no liability to Customer for this disclosure in the absence of gross negligence in forming its opinion.

4.3 In the event of a breach of this Side Letter:

(a) Customer must return to Supplier at Customer’s sole cost all items delivered to Customer by Supplier, including without limitation the Equipment, related instruction materials, parts and tools. Customer expressly recognizes that any breach of this Section 4.3(a) of this Side Letter by it will result in irreparable injury to Supplier and agrees that Supplier will be entitled, if it so elects, to institute and prosecute proceedings in any court of competent jurisdiction, to enforce the specific performance by Customer of this Section 4.3(a) of this Side Letter, and/or to enjoin Customer from activities in violation of this Side Letter.

(b) Customer will pay to Supplier all costs it incurred in enforcing this Side Letter, including without limitation reasonable attorneys’ fees, service of process and costs of collection.

(c) Supplier will be entitled to interest on any award until paid at the lesser rate of (i) Twelve Percent (12%) or (ii) the maximum rate of interest or its equivalent under the law of the applicable enforcement forum.

(d) Supplier has the right, by any means available to the Supplier, to put the product out of operational service.

4.4 In the event of a conflict between the Side Letter and the Agreement, the terms of the Side Letter will control.

IN WITNESS WHEREOF, the parties have duly signed and delivered this Side Letter as of the date first written above.

Customer:

.....

By:

Name:

Title:

Supplier:

INNOVATEST Europe BV

By:

Name:

Title: