

GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY of ROCKSON AUTOMATION GmbH

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1. General

- 1.1 The following terms and conditions of sale and delivery (hereinafter referred to as "Terms and Conditions of Sale") shall apply exclusively to all deliveries and other services of **Rockson Automation GmbH** (hereinafter referred to as the "Supplier"); they shall only be applicable vis-à-vis entrepreneurs within the meaning of § 14 section 1 German Civil Code (BGB), legal entities according to public law or public special funds within the meaning of § 310 section 1 German Civil Code. Unless otherwise agreed, German law shall apply to the exclusion of the UN Convention on Contracts for the International Sale of Goods (UNCITRAL/CISG). We reject any terms and conditions of the customer to the contrary or deviating from our Terms and Conditions of Sale, unless we have expressly consented to their validity in writing.
- 1.2 All agreements, which are made between the customer and us for the purpose of executing this contract, shall be laid down in writing in this contract. Any amendments of or supplements to the contract shall be made in writing.
- 1.3 Our Terms and Conditions of Sale also apply to all future transactions with the customer within the framework of current business relations.
- 1.4 Should individual provisions of these Terms and Conditions of Sale be invalid, the validity of the other provisions shall not thereby be affected. The customer and the Supplier undertake to replace invalid provisions by other provisions, which are legally admissible and come as close as possible to the legal and economic aim and purpose of the invalid provisions.
- 1.5 The place of performance for any and all obligations that directly or indirectly arise from this contractual relationship, including the obligation to pay, shall be the registered office of the Supplier.

2. Offers, Scope of Performance and Conclusion of Contract

- 2.1 Our offers are without engagement; cost estimates are not binding.
- 2.2
 - 2.2.1 A contract shall be deemed concluded only if we have confirmed orders received in writing, or if we have delivered the items or performed the services ordered by the customer. This shall also apply to agreements the subject matter of which is the amendment or supplement of contracts.
 - 2.2.2 Quality descriptions vis-à-vis customers, including those contained in documents made available, are approximations only that are customary in this line of business and do not constitute quality guarantees. Insofar as measured values are stated, these values are to be understood without any interference or other environmental disturbance and shall be binding only if expressly incorporated into the contract.
 - 2.2.3 Part deliveries shall be admissible.
 - 2.2.4 The customer shall be obliged to accept delivery items without prejudice to any rights from liability or warranty.
 - 2.2.5 If documents are handed over to the customer within the framework of the contract, we shall retain title to and the copyright as well as any other rights in such documents. Documents may not be used for any purposes other than those defined in the contract without our written consent; they shall particularly not be made available to third parties. They must be returned to us immediately upon request.

3. Prices and Terms of Payment

- 3.1 Unless otherwise agreed, our prices apply "ex works" including loading in our works, however excluding packaging or any other shipping expenses and transport charges plus value added tax. Packaging shall be charged at the cost price and shall not be taken back.
- 3.2 The prices may be inferred from our price list, as applicable from time to time, upon delivery unless already stated in the confirmation of the order.
- 3.3 In the case of equipment not being destined for "sale ex works", the minimum order value as stated in the price list will be charged provided that the order falls below such minimum order value.
- 3.4 In the event of amendment requests of the customer after the confirmation of the order, any additional cost incurred shall be charged to the customer's account.
- 3.5
 - 3.5.1 Payments are to be effected within 30 days according to the invoice date without any deduction, or within 14 days for service affairs, however at the latest on the payment date stated in the invoice. We shall be entitled to draw up partial accounts. Other regulations confirmed by contract are possible.
 - 3.5.2 The customer shall have a right of set-off only if his counter-claims have been recognized by declaratory judgment, have not been contested or have been recognized by us. The customer shall be entitled to exercise a right of retention or a right to refuse performance only if the same conditions have been satisfied as above, or, in the event of defects of the delivery items, such defects have been discovered, recognized by us or at least been proven by the customer (e.g. by a written confirmation of an independent, competent person). Another prerequisite is that the customer's counter-claim is based on the same contractual relationship. We shall be entitled to the statutory rights of set-off and retention.

- 3.5.3 If the customer defaults in payment, we shall be entitled, as of the second reminder, to charge a lump-sum compensation for work done to the amount of EUR 25 per reminder. The statutory claims for payment of default interest shall not thereby be affected.
- 3.5.4 Drafts and checks shall be accepted – if at all – following a prior written agreement, as conditional payment only and subject to their eligibility for discount. Any discount charges or other additional expenses shall be charged to the customer's account; we shall be immediately reimbursed for any such charges or expenses. Drafts and checks shall not be credited until their counter-value is at our disposal without reserve.
- 3.6 Our customer shall not be obliged to transfer claims against us to third parties without our written consent, with the exception of money claims.

4. Delivery Periods, Acceptance and Shipment

- 4.1 The delivery periods stated by us are not binding at any time. Unless otherwise agreed, the delivery period shall commence when the confirmation of the order is sent to the customer, however not until submission of all documents, authorizations and approvals to be provided by the customer and receipt of a prepayment agreed on.
- 4.2 The delivery period is deemed observed if, until its expiry, the delivery items have left our works or the customer has been notified of their readiness for shipment.
- 4.3 Delivery periods shall be extended by the duration of the impairment plus a reasonable start-up period in the event of force majeure or any other unforeseen circumstances beyond our control such as industrial disputes, natural disasters, difficulties in procuring raw materials, delays in delivery caused by subcontractors as well as interruptions of traffic or of operations. We shall not be responsible for any of the aforesaid circumstances, either, if these occur during an already existing delay caused by us. In the event of an impairment exceeding six months, either contracting party shall be entitled to rescind the contract after the expiry of another additional period of reasonable length to be fixed. Damage Claims shall be excluded in this case.
- 4.4 The delivery period shall be extended by a period of time of reasonable length provided that we extend or modify our scope of performance on the customer's request.
- 4.5 The customer shall be entitled to rescind the contract if we are in default with performance, the customer granted us an additional period of time of reasonable length for performance after the occurrence of the default and such additional period of time expired without results. However, in this case the customer shall be entitled to claim damages for non-performance only if our default was caused intentionally or by a negligent, material breach of our duties. This limitation of liability shall not apply if a transaction for delivery by a fixed date where the date is of essence was agreed; the same shall apply if the customer may assert that he is no longer interested in performing the contract because of our default. In this case, our liability shall be limited to the foreseeable damage which is typical of the contract, unless the damage was caused intentionally.
- 4.6 If shipping of the delivery items or acceptance of the performance are delayed on the customer's request, any costs incurred owing to the storage of the delivery items shall be charged to the customer's account one month following notification of the readiness for shipment, however a lump sum of 1 % of the invoice amount per month if the delivery items are stored at our works. We reserve the right to assert further claims.
- 4.7 The customer shall be obliged to accept our performance or deliveries on the due date immediately upon request. This obligation to accept performance or deliveries constitutes the customer's principal duty.
- 4.8 If the customer defaults in accepting the performance or deliveries, we shall be entitled, after the expiry of a period of reasonable length to be fixed by us, to refuse performance of the contract and claim damages for non-performance. We shall be entitled to charge either the damage actually occurred or – without evidence of damage – the amount of 1.5 % per week of default in performance, however maximally the amount of 10 % of the price agreed on.
- 4.9 If the customer ordered items to be delivered on demand, he shall be entitled to request delivery of the items ordered – of the entire items ordered in the event of several delivery items – within 12 months calculated from the order date. This shall not apply to development orders or if otherwise stated by contract.
- 4.10 Unless otherwise provided for by the contract, shipment shall be effected ex works, at the customer's risk and expense. We will insure the consignment against theft, breakage, damage caused in transit or any other insurable risks on the basis of a contractual arrangement and at the customer's request only.

5. Passing of Risk

- 5.1 The delivery clause "ex works" (Incoterms 2010) shall apply to the passing of risk. This shall also apply if part deliveries are effected, or if we contractually assumed the performance of other services, e.g. the transport, assembly or installation of delivered items. The risk will pass to the customer upon receipt of the delivery items at the delivery address stated by the customer at the latest. If we take back delivery items for reasons beyond our control, the risk will lie with the customer until receipt of the delivery items at our works. If we take delivery items into custody on the customer's behalf, such custody shall be at the customer's risk and expense. Unless otherwise agreed, the customer shall be obliged to pay to us a compensation for the storage that is customary for a professional warehouse keeper.
- 5.2 If an acceptance has been agreed on, this shall not be deemed to constitute the date of the passing of risk unless a contract for services was agreed on.

6. Reservation of Title

- 6.1 We shall retain title to the delivery items until receipt of all payments owed by the customer under the contract. In the event that the customer acts in breach of contract, in particular defaults in payment although a time-limit was fixed, we shall be entitled to take back the items delivered with a reservation. If we levy execution against or reclaim the items

delivered with a reservation, this shall always correspond to a rescission of contract. After having taken back the items delivered with a reservation, we shall be entitled to realize the same. The realization proceeds will be set off against any outstanding liabilities of the customer minus reasonable realization costs. The provisions relating to realization of the Insolvency Code shall not thereby be affected.

- 6.2 The customer is obliged to handle items delivered with a reservation carefully; he is obliged to insure the same sufficiently at the reinstatement value at his expense against damage caused by fire, water and theft.
- 6.3 The customer shall inform us in writing without undue delay of attachments and any other interference by third parties with the items delivered with a reservation. Insofar as the third party is not in a position to reimburse us for the court and out of court expenses of an action pursuant to §771 German Code of Civil Procedure (ZPO), the customer shall be liable for any loss suffered by us owing to the interference of the third party.
- 6.4 The customer shall be entitled to resell the items delivered with a reservation in the ordinary course of business; however, he herewith already assigns to us all claims to the amount of the invoice sum total (including value added tax) accruing to him from the resale against his customers or third parties, irrespective of whether the delivery items have been resold without or after having been processed. The customer shall be authorized to collect this claim even after assignment. Our right to collect the claims ourselves shall not thereby be affected. However, we undertake not to collect the claims ourselves as long as the customer performs his payment obligation from the collected proceeds, does not default in payment and, in particular, no petition for the institution of insolvency or composition proceedings has been filed against the customer and the customer did not stop payments. In such cases, we may demand that the customer states which claims have been assigned and their debtors, furnishes all the information necessary for the collection and hands over the appurtenant documents. The customer shall be obliged to notify the debtor of the assignment.
- 6.5 Any processing or transformation by the customer of the items delivered with a reservation shall always be carried out on our behalf. If the items delivered with a reservation are processed or mixed with other items not belonging to us, we shall acquire joint title to the new thing proportionally to the value of our items delivered with a reservation to the other processed items at the time of the processing or mixing. In all other respects, the provisions applicable to the items delivered with a reservation shall also apply to the thing resulting from the processing.
- 6.6 If the items delivered with a reservation are mixed with other items not belonging to us to form an integral part, we shall acquire joint title to the new thing proportionally to the value of the items delivered with a reservation to the other mixed items at the time of mixing. If the mixing is done in such a way that the customer's thing must be deemed to be the main thing, it is agreed that the customer will have transferred joint title to us proportionally. The customer shall hold the sole or joint title arising therefrom on our behalf.
- 6.7 To secure our claims against him, the customer also assigns to us the claims against third parties resulting from any union of the items delivered with a reservation with real property.
- 6.8 We undertake to release the securities to which we are entitled on the customer's request also to the extent that the value of our securities exceeds the claims to be secured by more than 20 %. Selection of the securities to be released shall be incumbent on us.

7. Warranties

In the event of defects of performance, the following shall apply:

- 7.1 Warranty rights (warranty claims) exist only if the customer inspects the delivered items immediately upon receipt and gives written notice of any visible defects without undue delay after carrying out the inspection, specifying the defects discovered (§377 German Commercial Code (HGB)). Hidden defects shall also be notified immediately after having been discovered.
- 7.2 Warranty claims shall be excluded if there are only slight deviations from the quality contractually agreed, or an insignificant impairment of the usability of the delivered items.
- 7.3 Warranty claims of the customer will become statute-barred 12 months after delivery, or, in the case of a contract for services, 12 months after acceptance. Insofar as the law provides for limitation periods exceeding 24 months, e.g. with regard to items which are customarily used for system installations and caused the defectiveness of the same (§438 section 1 No.2 German Civil Code), for the customer's claim under a right of recourse pursuant to §479 section 1 German Civil Code and for buildings and building defects (§§634a, 438 section 1 No.2 German Civil Code) as well as in the case of defects caused intentionally or by gross negligence and the concealing of a defect with intent to deceive, the statutory limitation periods shall apply. The statutory limitation periods shall also apply to consequential damages caused by a defect in accordance with §437 No.3 or §634 No.4 German Civil Code (damages in the case of defects). If subsequent performance is required as a result of our defective delivery, the limitation period between the notification of defects and subsequent performance will only be suspended but not set into motion again. Hereto deviating conditions have to be filed in writing.
- 7.4 Any parts or services which prove to be deficient shall be repaired or reperformed/replaced by us free of charge, at our option, provided that the parts or services concerned prove to be defective within the warranty period for defects of quality and the cause of such defects already existed upon the passing of risk.
- 7.5 Warranty claims shall be excluded if the defect was caused by unsuitable or improper use of the delivered items, incorrect wiring, assembly, installation or setting into operation by the customer or third parties, natural wear and tear, incorrect or negligent handling of the delivered items owing to unsuitable operating resources or substitute materials, inadequate construction work or installation situation due to mechanical, chemical or electrical influences, provided that the fault is not attributable to us.
- 7.6 In case a customer wrongfully notifies defects, or the defects are beyond our control, we shall be entitled to charge to the customer's account reasonable expenses incurred by him for remedying the delivered items and/or determining the defects.
- 7.7 Claims of the customer owing to expenses required for the purpose of subsequent performance, in particular transport

charges, traveling expenses, cost of labor and of materials, shall be excluded to the extent that the expenses increase if the delivered items are subsequently brought to a place other than the original place of delivery (place of performance). We shall be entitled to charge any such additional cost to the customer's account.

- 7.8 In the event of defects, we shall be given the opportunity to effect subsequent performance within a reasonable period of time, unless we have given any guarantee to the contrary. Only then, the customer may assert further claims (rescission of contract, reduction of the purchase price, damages, reimbursement of expenses). The customer shall be entitled to remedy the defect himself, or have the same remedied by third parties and ask us for reimbursement of the necessary costs incurred only in urgent cases of industrial safety or in order to avert disproportionate, substantial damage in which case we must be notified without undue delay. Should subsequent performance fail despite at least two attempts, should it be impossible, or unacceptable for the customer, or should we refuse subsequent performance, the customer may rescind the contract or reduce payment. §8 of these Terms and Conditions of Sale shall apply to the assertion of damage claims by the customer. The assertion of any further claims or rights against us or our contractual representatives, which are based on a defect of quality, shall be excluded.
- 7.9 The following provisions shall additionally apply to defects of title: Unless otherwise agreed, we shall only be obliged to carry out the delivery free of any rights of third parties in the country of the place of delivery. In the event of a violation of industrial property rights of third parties for which we are responsible we may, at our option, either obtain – at our expense – a right of use which is sufficient for the agreed or expected use and grant the same to the customer, or transform the delivery items such that the industrial property right is not infringed, or replace the delivery items provided that the agreed or expected use of the delivery items by the customer is not thereby impaired. If this is impossible for us, or unacceptable, the customer shall be entitled to assert the statutory claims and rights. § 8 of these Terms and Conditions of Sale shall apply to damage claims.
- 7.10 Any warranty in connection with the delivery of used items shall be excluded.

8. Liability for Damages

- 8.1 Damage claims and claims for reimbursement of expenses (hereinafter referred to as "Damage Claims") of the customer – irrespective of the legal grounds –, particularly for violation of duties under the obligation or from unlawful act, shall be excluded unless hereinafter otherwise provided.
- 8.2 The assertion of claims for damages caused by defects of deliveries or services owed to the customer shall be excluded, unless we caused the defects intentionally, by gross negligence or by a negligent, material breach of our duties. The assertion of claims for consequential damage caused by defects, in particular lost profits, on the basis of such defects shall be excluded to the extent that we caused the defects by slight negligence, or through no fault of ours. This shall particularly apply if we cannot effect subsequent performance for reasons beyond our control. We shall be liable for consequential damage caused by defects which is subject to § 437 No. 3 German Civil Code and §634 No. 4 German Civil Code in the case of intent or gross negligence only.
- 8.3 Insofar as our liability is excluded or limited, this shall also apply to the personal liability of our employees, workers, agents and contractual representatives.
- 8.4 The customer shall ensure that suitable and acceptable safety precautions, especially monitoring, are in place in order to minimize any damage caused by our deliveries or services.
- 8.5 The above limitations of liability shall not apply to claims pursuant to §§1, 4 Product Liability Act (Produkthaftungsgesetz), in case of intent or gross negligence, to violations of life in the event of personal injury or injury to health, owing to a guarantee given for the existence of a certain quality (quality guarantee), or in the event of a violation by negligence of our substantial duties. Also in these cases, however, our liability for negligence shall be limited to the typical, foreseeable damage unless a violation of life, personal injury or injury to health or a guarantee for the existence of a certain quality is given, or unless otherwise agreed.
- 8.6 The provisions of §8 of these Terms and Conditions of Sale do not involve an amendment of the statutory provisions relating to the burden of proof.
- 8.7 The limitation of actions in respect of claims between the customer and us shall be determined by §7.3 of these Terms and Conditions of Sale, unless claims based on product liability in tort (§§823 et seq. German Civil Code) or the Product Liability Act are concerned.

9. Secrecy

- 9.1 Either contracting party undertakes not to disclose to third parties any documents or information provided by us within the framework of the contract negotiations or for the purpose of performance of the contract as long as these documents or information have not been made public.
- 9.2 These duties shall also continue to exist after the termination of the contract and shall also be incumbent on third parties to which such documents or information have been admissibly disclosed.

10. Jurisdiction

If the customer is a fully qualified merchant, the courts of Kiel shall have exclusive jurisdiction over any disputes out of or in connection with the contractual relationship - also from deeds, drafts and checks – with regard to either party. However, we shall be entitled, at our option, to also assert claims against the customer before the court having jurisdiction over the customer's place of residence, registered office or assets.