

General Terms and Conditions of Business
TRINAMIC Motion Control GmbH & Co. KG (Date: 08.12.2016)

1. General

- 1.1. **Scope:** These General Terms and Conditions of Business (GTCs) of TRINAMIC Motion Control GmbH & Co. KG (TRINAMIC) apply to all of our business relationships with our customers, but only if the customer is an entrepreneur as defined in Section 14 of the German Civil Code (Bürgerliches Gesetzbuch/BGB), a legal entity under public law or a special fund under public law. The GTCs apply in particular to the provision of goods and services of all kinds to our customers. They apply to the sale and/or provision of movable goods regardless whether we manufacture them ourselves or buy them from suppliers (Sections 433 and 651 BGB). If nothing to the contrary is agreed, they apply in the version that was valid when the customer placed the order or in any case in the version last supplied to the customer in writing as a framework agreement for all future transactions of the same kind without us having to refer to them each and every time. TRINAMIC saying nothing does not mean that it has given its consent.
- 1.2. **Contradiction Clause:** We hereby contradict any contrary or supplementary terms and conditions of the customer to which we have not given our express consent in writing. This consent requirement applies in every case, even if we are aware of the customer's GTCs and deliver goods and services to the customer without proviso. Any such consent applies only in the individual instance and not to previous or future deliveries.
- 1.3. One-off, individual agreements with the customer (including side agreements, additions or amendments) definitely have priority over these GTCs. The content thereof, subject to proof to the contract, is a written agreement or our confirmation in writing.
- 1.4. References to the validity of statutory provisions serve merely to clarify. Even without such clarification the statutory provisions shall apply unless they are expressly amended or ruled out in these GTCs.

2. Offers and Order Confirmation

- 2.1. **Offers, Deals:** Our offers are non-binding and subject to confirmation. They constitute an invitation to the customer to make an offer. Unless otherwise agreed, we are bound by specially prepared offers for 14 calendar days. Orders and agreements only become binding if we confirm them in writing or deliver the goods. If within 14 days of receipt of the order or agreement we have neither confirmed it in writing nor delivered the goods, a contract shall be deemed not to have come about. Acceptance of our deliveries shall in every case be considered to constitute consent to our General Terms and Conditions of Business.
- 2.2. **Quality Specifications:** Details in our publications, such as prospectuses, type lists, catalogs, data sheets and other advertising material, in specifications, specification sheets and other technical terms of delivery, such as a certificate of compliance, and other forms constitute neither a quality agreement as defined in Section 434 (1) 1 BGB nor a quality or durability guarantee as defined in Section 443 BGB. Reliability statements for our products are mean statistical values. They are intended to help customers orient themselves and are made to the best of our knowledge but do not relate to individual deliveries and constitute neither quality agreement as defined in Section 434 (1) 1 BGB nor a quality or durability guarantee as defined in Section 443 BGB. We assume no liability for public statements by the manufacturer or by other third parties (such as advertising claims).
- 2.3. **Order Documents:** We reserve the right of property, copyright and industrial property rights to cost estimates, drawings, logos, industrial designs and other documents supplied to the customer in the course of order negotiations and fulfillment of contract. They must not be used by the customer for other purposes than contract negotiations or fulfillment of contract and may not be duplicated or made available to third parties. Drawings and other documents must be returned to us on demand without delay if the order is not placed with us.
- 2.4. **Order Confirmation:** When we receive an order the customer will receive a written order confirmation without delay.
- 2.5. **Sub-Contractors:** We are entitled to use sub-contractors for all services agreed by the terms of the contract.
- 2.6. **Changes in Performance:** If the customer requests a change we will oblige as far as possible. Costs incurred as a result of this change will be borne by the customer in addition to the remuneration agreed.
- 2.7. **Samples:** If we provide the customer with product samples they must be considered to be prototypes and are solely for the customer's internal use to test the product's suitability for an intended use. For these tests the customer must strictly observe the tolerances specified for the product sample and the details, in our supplementary notes in the delivery documents, on how to handle the samples.

3. Prices

- 3.1. **Price List:** Goods and services that are not agreed in the contract are billed in accordance with our price list when the order is received.
- 3.2. **Price Adjustments:** We reserve the right to adjust agreed prices to changes in wage and material costs at the time of delivery. If the contractual products contain precious metals or other materials the value of which is subject to changes at short notice, a price adjustment may be made at any time as long as the change in value between the date of our order confirmation and the proposed delivery is at least 10%. In all other cases a price adjustment is permissible if there is a period of at least one month between the date of our order confirmation and the proposed delivery date. The customer is entitled to cancel the contract if the cancellation reaches us within a week of notification of the price adjustment.
- 3.3. **Adjustment of Ongoing Payments:** For all contracts that provide for ongoing remuneration we are entitled to increase the remuneration subject to three months' notice if and insofar as is necessary due to increases in the wages and wage overheads of employees entrusted with the provision of our services and/or the procurement costs of materials and services required for the provision thereof. If this increase exceeds the previous year's remuneration by more than 10%, the customer is entitled within one month of receipt of notification of the increase and irrespective of any minimum term agreed to cancel prematurely, giving three months' notice. In this case the previous remuneration remains unchanged until the contract termination.
- 3.4. **Sales Tax:** Our prices do not include statutory sales tax; it is shown separately in the invoice at the level in force on the billing date.

4. Delivery

- 4.1. **Deliveries:** All deliveries of computer hardware products, computer software programs, accessories and other goods (hereinafter referred to as "goods") are shipped ex warehouse in Hamburg, Incoterms 2010 and priced accordingly. The customer is solely responsible for the export, import and export-/importability of all products and services and for securing any necessary permits.
- 4.2. **Delivery Dates:** Delivery dates are only binding if agreed in writing. Compliance with them presupposes fulfillment by the customer of all of the requisite delivery conditions. Transactions for delivery on a fixed date require our express consent.
- 4.3. **Delays in Delivery and Performance:** If there is a delay in delivery or performance the customer will be notified without delay. Even when dates and deadlines have been bindingly agreed, we shall not be liable for delays due to force majeure or to events that make delivery or performance substantially more difficult or impossible for us, such as subsequent difficulties in procuring materials, operational disturbances, strikes, lockouts, personnel shortages, a lack of shipping facilities, official rulings, especially export bans, non-fulfillment by our suppliers, etc., even if their suppliers or subcontractors are to blame provided that the blame does not lie with either us or our suppliers. You authorize us to postpone the delivery or performance by the duration of the reason for delay plus an appropriate run-up time or to cancel the contract wholly or in part on account of the part that has not yet been fulfilled. In the case of cancellation we will reimburse without delay any consideration we may have received to which we are not entitled. If we are demonstrably to blame for failure to meet the delivery deadline the customer is entitled, subject to proof of damage sustained as a result of delay in delivery and following failure to deliver after a grace period specified in writing of at least two weeks, to claim for each full week's delay 0.5% of the value of the goods not delivered on time in compensation up to a maximum of 5% thereof. We reserve the right to prove that the customer has sustained no damage or much less than is claimed. Higher claims by the customer for damages are in all cases of delay in delivery ruled out as per Section 9 (below).
- 4.4. **Immediate Payment, Suspension of Deliveries:** All our accounts receivable are due for immediate payment irrespective of terms or receipts if payment terms that have been agreed continue not to be observed after a reminder or if the customer's financial position deteriorates in such a way as to pose a threat to our claims (Section 321 BGB). We are then also entitled to make any further delivery subject to a prepayment or surety. The same applies if the customer offsets our claims against claims that we do not recognize and that have not been legally established as final and absolute.
- 4.5. **Quantity Deviation:** If our products are supplied in packaging units or containers we reserve the right, in view of production and packaging tolerances, to oversupply by up to 10% or undersupply by up to 5% of the amount ordered provided that the invoice is adjusted accordingly.
- 4.6. **Self-Delivery:** Correct and timely supply to ourselves is reserved. We also reserve the right to deliver successor models instead of the goods ordered provided that they comply with the specifications agreed and are not more expensive than the goods ordered.
- 4.7. **Partial Deliveries:** We reserve the right to make partial deliveries insofar as the customer is able to use them in the context of their contractual purpose, delivery of the remaining goods ordered is ensured, and the customer does not incur significant additional effort or expense (unless, that is, we agree to reimburse these costs).
- 4.8. **Shipping Costs:** Unless otherwise agreed, prices are ex warehouse carriage forward and duty unpaid (POB), but inclusive of standard packaging. If we ship the goods by a mode of transport other than our standard one, such as by Express or UPS Air, the customer will pay the additional cost. We are entitled to deliver goods COD only, with the customer paying the extra cost.
- 4.9. **Acceptance:** System installations and other services that we provide must be accepted by the customer within two weeks of handover in the presence of representatives of both parties. The customer must confirm acceptance in writing if the specifications agreed are essentially fulfilled.
- 4.10. Buyer's rights as per Sections 8 and 9 of these GTCs are not affected; neither are our statutory rights, especially in the case of exclusion of the obligation to perform due, for example, to impossibility or unacceptability of performance and/or supplementary performance.

5. Payment Terms and Reservation of Title

- 5.1. **Payment Term:** Payment of all invoices is due 14 days after receipt, net and without deduction, unless otherwise agreed. If this payment term is exceeded we are entitled to charge interest at the going rate of default interest from the due date. Irrespective thereof, we are entitled to charge for each reminder the reminder fee as defined in Section 288 (5) BGB. We reserve the right to demand further compensation for delay in payment, less the reminder fee. Our entitlement to commercial default interest as per Section 353 HGB remains unaffected.
- 5.2. **Payments:** Payments with debt-discharging effect may only be made to TRINAMIC.
- 5.3. **Time of Payment:** The time of payment is when the payment is credited to TRINAMIC account.
- 5.4. **Due Date:** If a customer falls behind with payments, all unpaid invoices are due for immediate payment.
- 5.5. **Offsetting and Rights of Retention:** Offsetting and assertion of rights of retention, including commercial rights of retention, are only permissible if the underlying counter-claims are undisputed, legally established, or have been recognized by us. The customer is only entitled to a right of retention insofar as the counter-claim is based on the same contractual relationship.
- 5.6. **Assignment:** The customer is only entitled to assign rights arising from the contract – other than payment claims – with our prior consent in writing. This consent may only be withheld for good cause.
- 5.7. **Retention of Title, Extended Retention of Title, Processing Clause:** Goods sold remain our property until payment in full of all our current and future claims arising from the ongoing business relationship with the customer. The customer is entitled to dispose of the purchased goods in the proper course of business. Retention of title extends to products resulting from processing, mixing or connecting with our goods at their full value, with us counting as the manufacturer. If, as a result of processing, mixing or connecting with the goods of third parties, third-party rights of retention apply, we acquire a share in ownership correspond-

- ing to the ratio of invoice values of the processed goods. The customer will already assign to us as a surety any claims against third parties arising from selling goods on – either in full or in accordance with our share of ownership. We accept the assignment. The customer is authorized to collect these claims on our behalf until we cancel the instruction or payment of our invoices is completed. The customer is not entitled to assign these claims for the purpose of collection by way of factoring unless the factor is required to pay us directly our share of the counterclaim for as long as claims of ours against the customer are still outstanding. The customer must notify us without delay by registered mail of any recourse by third parties to goods and claims of ours, such as attachments, and of an application to initiate insolvency proceedings. Exercising the right of retention does not mean withdrawal from the contract. The goods and the claims that take their place may be neither pledged to third parties nor assigned or ceded by way of security until payment has been made in full. Should the realizable value of the securities provided for us exceed the sum of our claims by more than 10%, we will, if so requested by the customer, release securities of our choice.
- 5.8. **Deterioration of Financial Situation:** In the event of a deterioration of the customer's assets (Section 4.4 above) we are entitled to prohibit the further disposal or processing of goods supplied under retention of title and to demand their return at the customer's expense.
- 6. Customer's Obligations**
- 6.1. **Vicarious Agents:** Unless agreed otherwise, the customer is responsible for laying cables required for the goods supplied to function, for setting up a steady power supply (if need be an uninterruptible power supply) and for providing us with all the information that is necessary. If we name a company for the preparations required for installation, that company does not count as our vicarious agent.
- 6.2. **Use of Computer Software Products, Including Firmware:** The customer undertakes not to use computer software products supplied by us, including firmware, for a purpose other than the one intended and not to copy it, distribute it, process it or otherwise adapt it unless expressly permitted to do so by a license agreement concluded with us or the holder of the rights to the software. All backup copies must contain the copyright holder's proprietary notices. The source code of computer software products is only supplied if that is expressly agreed.
- 7. Use of TRINAMIC Products**
- 7.1. **Intended Use:** TRINAMIC products are not designed for and used at own risk in connection with (i) any applications where the failure of such products would reasonably be expected to result in significant personal injury or death (safety-critical Applications), (ii) military or aerospace applications or environments or with automotive applications or (iii) life support systems without the specific written consent of TRINAMIC. Life support systems are equipment intended to support or sustain life, and whose failure to perform, when properly used in accordance with instructions provided, can be reasonably expected to result in personal injury or death.
- 7.2. TRINAMIC conveys no patent, copyright, mask work right or other trademark right to the products. TRINAMIC assumes no liability for any patent and/or other trademark rights of a third party resulting from processing or handling of the products and/or any other use of the products. The resale and/or use of the products are at the purchaser's own risk and his responsibility. The examination of fitness for the intended use is the sole responsibility of the purchaser.
- 8. Warranty**
- 8.1. The statutory provisions will apply to the customer's rights in the event of defects of quality and defects of title unless anything to the contrary is agreed in the following.
- 8.2. **Inspection on Arrival, Notification of Defects:** The customer's warranty claims presuppose that he has performed his statutory inspection and notification duties (Sections 377 and 381 HGB). If, on inspection or thereafter, a defect is identified, we must be notified in writing without delay, meaning within two weeks, posting the notification in time being sufficient to meet the deadline. Irrespective of this inspection and notification obligation the customer must notify us within two weeks of delivery of obvious defects (including underdelivery or delivery of the wrong goods), posting the notification in time here too being sufficient to meet the deadline. If the customer fails to inspect the goods properly and/or to notify us of any defects, any liability for unnotified defects on our part is ruled out.
- 8.3. **Supplementary Performance:** If the goods supplied are defective, the customer can initially demand supplementary performance in the form of either elimination of the defect (rectification) or delivery of an item that is free from defects (replacement). If the customer fails to state which of the two rights he wishes to exercise, we can set him an appropriate deadline. If he fails to make a choice within this period, the choice then lies with us. We are entitled to make supplementary performance depending on the customer paying the purchase price. The customer is entitled to retain an appropriate proportion of the purchase price. For the purpose of supplementary performance, the customer must give us the time and opportunity to – especially – check the rejected goods. If we replace the goods, the customer must return the rejected goods to us as required by law. Supplementary performance does not include removing the rejected item and fitting the replacement if we were not originally required to fit it.
- 8.4. **Supplementary Performance Costs:** Expenses incurred for checking and supplementary performance, especially travel, shipping, work and material costs (but not the cost of removal and fitting) will be borne by us if a defect is actually identified. We may otherwise require the customer to reimburse us for costs incurred, especially inspection, shipping and travel costs, in connection with an unwarranted claim for rectification of a defect – unless the customer could not recognize that the goods were not defective.
- 8.5. **Right of Self-Remedy:** In urgent cases, such as a risk to operational safety or to avert disproportionate damage, customers are entitled to remedy defects themselves and to demand from us the reimbursement of objectively necessary costs. We must be informed without delay, and preferably beforehand. The right of self-remedy does not exist if we were entitled by law to refuse to rectify the defect.
- 8.6. **Withdrawal, Reduction:** If supplementary performance has failed or an appropriate deadline for the customer to demand supplementary performance has expired or is not required by law, the customer may withdraw from the contract or reduce the purchase price. The right of withdrawal does not, however, apply for a
- minor defect.
- 8.7. **Compensation for Damages and Reimbursement of Costs Incurred as a Result of Defective Performance:** Customers' claims to damages or reimbursement of expenses incurred in vain are accepted even in the case of defects only in accordance with Section 9 (below) and are otherwise ruled out.
- 8.8. **Warranty Period:** The warranty period is one year from the transfer of risk.
- 9. Other Liability**
- Inssofar as these GTCs and the following provisions contain nothing to the contrary, we will be liable in the event of a breach of contractual or extra-contractual duties in accordance with statutory regulations.
- 9.1. We are liable for damages, on whatever legal basis, in the event of deliberate intent and gross negligence.
- 9.2. In cases of ordinary negligence we are liable subject to statutory provisions but to less strict liability criteria, such as the requirement to exercise care and caution in one's affairs, for only (a) damage to life, limb and health and (b) damage resulting from a not inconsiderable breach of a material contractual obligation (an obligation the fulfillment of which makes proper performance possible in the first place and on which the contractual partner can regularly rely).
- 9.3. Inssofar as we are liable for damages, this liability is limited to compensation for damage that is typical and foreseeable. Indirect damage and follow-on damage that is a result of defects can, moreover, only be reimbursed if damage of this kind is typically to be expected if the item supplied is used as intended.
- 9.4. The above liability limitations also apply to dereliction of duty by or in favor of persons whose fault we are responsible for according to legal regulations.
- 9.5. The above liability limitations do not apply if we have maliciously concealed a defect or assumed a warranty for the quality of the goods or to claims by the customer on the basis of the Product Liability Act.
- 9.6. **Defects of Title:** Should a third party take action against the customer for a breach by goods supplied by us of patents or other property rights that are valid in Germany, we will assist the customer to the best of our ability in defending itself against such claims. If and inssofar as we are required to do so by the contract and by these GTCs, we will bear the costs of defense and indemnify the customer against claims of this kind provided that the customer on being asked to do so leaves the defense entirely in our hands and provides us with all of the powers of attorney required. We do not accept liability for any breach of patents or other property rights that are valid in other countries unless agreed otherwise in the individual instance.
- 9.7. **Limitation:** Contractual and extra-contractual damages claims against us that are based on a product defect become time-barred within a year of delivery. The statutory limitation period for defect claims shall alone apply to damage claims by the customer in accordance with 9.2 or 9.5 above.
- 9.8. **Industrial Property Rights and Copyright; Defects of Title:** TRINAMIC Motion Control GmbH & Co. KG assumes no responsibility for third-party industrial property rights that are affected by the use of TRINAMIC Motion Control GmbH & Co. KG products in combination with products of the customer or of third parties. Checking the freedom of such applications from property rights does not constitute a part of the scope of the contract and is – with the exception of positive knowledge on the part of TRINAMIC Motion Control GmbH & Co. KG that an industrial property right exists for an application created – the customer's responsibility.
- 10. Final Provisions**
- 10.1. **Declarations:** Declarations or notifications made in connection with this contract or these terms are only effective if made in writing.
- 10.2. **Partial Invalidity:** Should one or more provisions of this contract or these terms be or become invalid or unworkable, the efficacy of the remaining provisions shall not be affected thereby.
- 10.3. **Choice of Law:** The law of the Federal Republic of Germany applies to all legal relations between the parties to the exclusion of the provisions of the UN Convention on the International Sale of Goods (CISG).
- 10.4. **Place of Jurisdiction:** For all disputes arising from or in connection with this contract or these terms the place of jurisdiction shall be Hamburg inssofar as the customer is a registered trader, a legal entity under public law or a special fund under public law or if the customer does not have a general place of jurisdiction in the Federal Republic of Germany. Mandatory statutory provisions on exclusive jurisdiction are not affected by this arrangement.