

**General Terms and Conditions of Business
of CE cideon engineering GmbH & Co. KG
as of 13 April, 2016**

§1 Scope of the General Terms and Conditions of Business

- 1.1 The General Terms and Conditions of Business - hereafter referred to as GTC - are valid for current and future business relationships as well as for all contracts which are concluded between CE cideon engineering GmbH & Co. KG - hereafter referred to as CE - and the Principal or Customer - hereafter referred to as Customer
- 1.2 The General Terms and Conditions of Business of the Customer are expressly prohibited.
- 1.3 Deviating, opposing or ancillary General Terms and Conditions of Business are not included as components of a contract, even by prior knowledge of CE, unless the validity of said contractual components are expressly agreed to by CE in writing.
In the case that the Customer does not want to recognize the validity of the following General Terms and Conditions of Business - GTC, the customer must plan to declare this in writing to CE at the latest before the conclusion of the contract.

§2 Conclusion of Contracts

- 2.1 CE renders engineering services - hereinafter referred to as engineering services - in the form of independent and autonomous execution of plans, designs, drawings, calculations, construction and production of prototypes, trial testing and registration support, series preparations, project support, certification measures, development orders, development services as well as additional engineering services from the entire engineering branch.
- 2.2 The offers from CE are always non-binding plus the current legally applicable value added tax (VAT) and are to be made in request to an invitation to order or an acceptance of an offer.

All Customer orders are binding.
- 2.3 Verbal collateral agreements as well as the assurance of properties as well as contract amendments or - supplements are only valid if these are expressly confirmed in writing.
- 2.4 The Customer conveys CE the execution of engineering services in accordance with provision 2.1 in the context of each individual contract.

The important foundations of the contract for the engineering services or orders are:

- The mutual written declaration of CE and the Customer, if applicable with the Product Requirement Document (PRD) of the Customer as well as CAD guidelines in the case that they are available from the Customer.
- Drawings, pictures, designs, plans, dimensions, weights or other performance data produced and/or made available by the Customer
- The order confirmation by CE with which the scope of services is declared.
- Insofar as there is no order confirmation and/or mutual written declaration is available, the written order of the Customer.

The engineering services to be rendered and if applicable the service performance schedule and the deadline are to be stipulated in the above mentioned foundations of the contract.

Incidentally these GTC apply.

- 2.5 In the course of the contract initiation phase, CE retains all property rights and copyright and proprietary rights of all cost estimates, drawings and other documents or tools in an unrestricted manner. The Customer is not allowed to forward any documents to a third party during the contract initiation phase without the express written consent by CE.
- 2.6 If the Customer requests modifications or supplements to the order after placing said order, CE will inspect said modifications or supplements and insofar as it is possible to execute said modifications or supplements, CE will inform the Customer regarding the claim for additional charges above and beyond the valid prices at the time of order. The Customer accepts the resulting postponement of the delivery deadline for a reasonable amount of time though said delay is not caused by CE.

§3 Copyrights/Exploitation Rights, Proprietary Know-how

- 3.1 CE grants the Customer upon complete payment for all of the services developed or executed on behalf of the customer, such as plans, drawings, models, tools or equipment and other deliverables, the exclusive and indefinite rights of usage, which is described in the order or through which the determined extent of the purpose of the order is determined.
- 3.2 In the case that CE also creates an individual software in the scope of its contractual obligations, CE is not bound to make available the source code of said individual software to the Customer.
- 3.3 Insofar as CE renders software as a provision of the contract, CE does not grant the Customer exclusive rights to use said software according to provisions of the contract. Duplication, circulation and usage of the software, which are not determined by the contract, are expressly prohibited. If the Customer desires to do this, an express written agreement between both of the contractual parties must be reached and the Customer must compensate for said services.

A nullification of this stipulation must be made in writing.
- 3.4 If by the execution of single orders by employees of CE or subcontractors any employee inventions or suggestions for improvement or the like are made, CE is obligated upon request by the Customer either partially or entirely to make use of said inventions or suggestions. The resulting rights are to be step by step transferred to the Customer with the exemption of any resulting financial circumstances from the employee invention with respect to the employee of CE or the employee of the subcontractor. The employee invention law applies mutatis mutandis.
- 3.5 In addition to the items listed in provision 3.1, CE claims the right with the performed services of protected, operational and commercial know-how. This is also especially valid insofar as archived data from CE which is transferred to a databank software. This copy service represents protected technical know-how of CE. The Customer does not have the right to transmit such databank software to a third party without the prior written consent of CE. Third parties also include any subsidiaries of the Customer.

§4 Services

- 4.1 CE reserves the right to subcontract the rendering of contractual services
- 4.2 Insofar as employees or representatives of CE work at the Customer, the Customer does not have the authority to give instructions to said employees or representatives. CE retains the exclusive right to give instructions to its employees or representatives.
- 4.3 CE reserves the rights for product modifications because of necessity or technical improvements, insofar as these are reasonable for the Customer and comparable to the provisions of the order.
- 4.4 Prices valid at the time of or from an individual offer are firm prices. Value added tax (VAT) and other legal duties in the country of delivery as well as possible costs for packaging, transport insurance or environmental compliance fees, as well as shipping costs will be separately billed in the invoice.

If CE renders engineering services and/or other pertinent services, 30% of the relevant order sum is to be paid by the Customer to CE immediately upon confirmation of the order or placement of the order. The Customer is

obligated to pay CE an additional 20% of the order sum upon the according indication of the beginning of service by CE.

CE reserves the right to invoice an additional 30% of the order sum upon the execution of half of the services to be rendered. The Customer must pay the remaining 20% of the order sum upon the conclusion of the ordered services.

- 5.3 If no payment is made within 30 days upon due date of the invoice amount, the payment is automatically considered in default. From this point in time, the Customer must pay interest to the amount of 8% over the current base interest rate of the European Central Bank - ECB - in accordance with the legally determined interest rate for businesses according to § 288 Paragraph 2 BGB.
- 5.4 Insofar as these terms of payment and/or payment due dates are not observed by the Customer and doubts exist regarding the solvency of the Customer, CE can at any time demand that services be paid step by step in cash, advance payment or a security collateral payment by means of an irrevocable guarantee or in a similar manner by the customer. In this case all outstanding claims by CE against the Customer are payable immediately either in installment payments or as accepted exchange.
- 5.5 The Customer can set off recognized or legally binding entitled claims against claims from CE.

§6 Delivery and Service Conditions

- 6.1 CE realizes services for the Customer principally at the offices of CE. Delivery is consequently made at the risk and cost of the Customer.
- 6.2 Insofar as CE must execute services, CE determines the place of execution of the services.
- 6.3 The complete or partial execution of services at the offices of the Customer must be especially agreed upon in writing.

The right to instruct its employees especially introductions, instructions and supervision is solely vested in CE.

A confirmation of the progress of the order is made by the Customer on the basis of the project stage report to CE.

- 6.4 The service due dates and/or the service deadline will be agreed upon according to the anticipated service capacity of CE and is non-binding and subject to timely delivery and unforeseen circumstances and obstructions, especially Force Majeure, governmental actions, not obtaining approval of governmental authorities, software mistakes through no fault of CE, as well as strikes and similar occurrences apply, insofar as there is no other written agreement between the contractual parties. The above mentioned occurrences extend the delivery due date accordingly and also when these occur during a delay which has already happened. In this case the grace period is extended by the Customer by the length of the occurrence of the unforeseen circumstance. The Customer may - irrespective of other rights to withdraw in the event that the above-described events lead to a delay in performance of more than two months - withdraw from the contract if the delay in performance is not due to changes required by the Customer.
- 6.5 The compliance of deadlines on the part of CE requires that the Customer make available to CE and its employees, if necessary subcontractors, all required information, documents and data, as well as the support for the execution of the order free of charge and in a timely manner. The Customer bears the responsibility for the accurateness of the documents and information made available and is liable that these documents and information do not infringe on copyrights of third parties.

CE does not compensate for damages which arise due to deficient cooperation obligation from the Customer.

- 6.6 In the case that the suitable extension of the delivery deadline is not reasonable due to the consequences in the above stated provision 6.4 for the above mentioned circumstance for CE, CE has the right, upon prior indication, to either entirely or partially withdraw from the contract. Claims for damages are completely and mutually excluded in this case.

CE is released from its obligation of delivery when it is or will be either unreasonable or entirely impossible to carry out the delivery of goods and services or the execution of services due to reasons listed under provision 6.4 listed circumstances especially in cases of Force Majeure.

- 6.7 CE has the right to deliver orders in partial deliveries.

§7 Installation Services

- 7.1 If installation services are part of the range of services supplied by CE, the Customer must supply at its own expense the required auxiliary personnel, necessary materials, such as tools and computer time, electricity and any similar necessities. Additionally the Customer is responsible for the safe storage of materials and tools of CE at the place of installation.
- 7.2 Before the beginning of the installation work, the Customer must punctually provide or make available unsolicited the necessary information regarding the layout of the installation area and all installed electricity cables, gas and water pipes, or other similar systems as well as the required statistical information.
- 7.3 If the installation or commissioning is delayed by circumstances in which the Customer is responsible, the Customer must bear all costs for downtime and overtime as well as additional required emergent travel expenses of the personnel of CE or the engaged subcontractors.

§8 Acceptance Test, Transfer of Risk

- 8.1 Upon delivery the Customer must immediately inspect the delivered items to ascertain whether the delivery is complete and in conformance with the declared contractual foundations under §2 of these GTC.
- 8.2 With contracts for work and service, CE has the right of an acceptance test as well as a partial acceptance test for its rendered services, insofar as said services are rendered and can require each time a partial acceptance test according to contractual delivery of services of the current project step. The Customer must accept within three weeks upon written indication of the readiness of acceptance of the delivered services or partial services and must sign the acceptance test records created for this purpose. If the Customer does not make acceptance within the above-mentioned deadline, although the customer is obligated to do so, or if circumstances come to bear in which acceptance is not made because of the actions of the Customer, these services or partial services are valid at the latest three weeks after the notice of the readiness of acceptance quasi with the operation by the customer.
- 8.3 With the delivery of items such as drawings, plans inter alia, the Customer assumes the risk upon shipping or collection and/or upon occurrence of receiving delay. With service or work, the same applies to the point in time of the acceptance and/or implied acceptance.

§9 Retention of Title

- 9.1 All services which CE must render in the course of its contractual obligations, inter alia plans, calculations, prototypes, documentation, project plans, multimedia and/or special material remain the property of CE at the latest until the execution of all requirements from the contract. If the contract partner is a legal entity of public law, a special estate under public law or a corporation exercising its trade or self-employed commercial occupation, this is also valid in addition to up to the payment in connection with the contract of CE out of the current business relationship resulting claims.
- 9.2 If the Customer should default on payments also for other future services of CE, or should the Customer be in financial difficulties, CE can withdraw from the contract and has the right in this case to exercise claim damages in place of services; CE also has the right to enter the Customer's premises and to seize any goods supplied. In case of compensation for return, CE and the Customer agree that this is done at the ordinary market value of the contractual item at the time of return.
- 9.3 The enforcement of the retention of title and the revocation of legal rights and the seizure of delivery items by CE do not count as withdrawal from the contract, provided the Customer is a merchant.
- 9.4 When CE delivers materials, multimedia, prototypes, CAD models, plans and other special items for testing purposes and demonstration purposes to the Customer, CE retains these property rights and/or copyrights.

The Customer has the right to use said materials for testing purposes and demonstration purposes. The Customer is prohibited for usage above and beyond these purposes, unless CE gives express written permission for the special usage under said conditions.

§10 Rectification of Defects and Liability

10.1 CE and the Customer are fully aware of and are in agreement that it is not possible to completely eliminate all faults or bugs in software under all circumstances in the current state-of-the-art technology. CE will execute its services and performance according to generally recognized rules of technology at the time of the order placement and with the usual care customary for its field of services.

10.2 If defects should occur, the Customer must immediately make a written claim for the rectification of defects. The claims for the objections of the performed engineering services must be made in writing no later than four weeks after receipt of said services and such claims for the objections must be precisely described.

If the Customer does not make any objections within four weeks upon receipt of services, the engineering services are effectively valid as contractually fulfilled and confirmed. The customer is allowed if applicable by CE the rectification of defects at the reasonable discretion of CE in the required time and opportunity. If the customer refuses these, CE is exempt from the rectification of defects. Furthermore legal defect claims of the Customer apply upon presenting a defect within the restrictions of the regulated stipulations found in these General Terms and Conditions of Business.

10.3 The warranty period is 24 months according to these stipulations. The warranty period begins at the point in time of delivery and/or transfer of risk and/or acceptance of the company.

10.4 The Customer is obligated to inspect the executed services and goods from CE immediately and to check said delivery of executed services and goods for possible deviations in order quantity and to check said executed services and goods for defects. Insofar as deviations or defects are discovered, CE is to be immediately informed of said deviations or defects claims in writing.

10.5 If dimensions are the basis for the execution of services of CE, such given dimensions are the binding contractual basis for multimedia, drawings, designs, CDs etc. CE is not liable for these given dimensions by the Customer.

10.6 If defect claims or deviation claims are asserted on time and in the correct manner by the Customer, CE is obligated to perform a rectification of defects or deviations immediately. The contractual parties are thus in agreement that CE has at least two opportunities for the rectification of defects in respect to the same defect or deviation. Depending on any individual case, additional rectifications of defects can occur. CE has the right, instead of a rectification of defects, to carry out a replacement delivery.

For the performance of all at their reasonable discretion appearing rectifications or replacement deliveries, the Customer must make its place of business or its place of production available to CE within its normal business times with enough time and ample opportunity for the implementation of the necessary measures for rectification or replacement.

Upon repeated failure of the rectification of defect within reasonable deadline, the Customer has the right to request either a reduction of the agreed upon payment or the annulment of the contract.

10.7 The obligation of CE for the warranty postulates that the Customer recognizable defects, which exist at the point of time of the transfer of risk and/or acceptance, in the case of a delivery are to be claimed immediately in writing and/or in the case of acceptance, these recognizable defects are to be entered in the acceptance records and/or in the case of concealed defects, which arise at a later date, must be disclosed to CE immediately upon discovery of said concealed defects.

10.8 CE cannot assume any guarantee that the program functions and the layout of the engineering services meet the continuing requirements of the Customer and/or in which the affected range of cooperation of the Customer is, insofar as said requirements are not individually listed in the written contract.

10.9 Defects and/or damage are excluded from the warranty and/or the liability of CE, which are due to improper usage, operating error and negligence on behalf of the Customer and/or persons attributed to the Customer, through which the resulting said improper usage, operating error and negligence of the product causes fire,

lightning, explosion or network-caused excess voltage, improper or defective programs, software and/or processing data as well as any consumables, unless the Customer can prove that these are not the cause of the claimed defect. The warranty is also cancelled upon intervention in the engineering services or other modifications during the warranty period by anyone other than CE and any authorized third parties by CE.

- 10.10 Warranty claims are not transferrable.
- 10.11 If the investigation of the defect claim yields that a warranty claim case does not exist, CE has the right to claim compensation for all expenses and to invoice said expenses, insofar as it does not deal with marginal expenses.

§11 Liability

- 11.1 CE is only liable for the liability provisions of damage, which are intentionally caused and/or are grossly negligent and result in a breach of due diligence.
- 11.2 Liability for minor and/or slight negligence is excluded. CE is also not liable for unforeseen damage, defect damage and other consequential damage and damages due to loss of profit.
- 11.3 Compensation claims of the Customer are subject to a limit of 24 months.
- 11.4 A liability of CE is only in the case of a breach of essential contractual obligations and is limited to foreseeable typical damages upon conclusion of the contract.
- 11.5 If the damage is covered by a concluded insurance policy of the Customer, CE is only liable for occurring financial detriments with the claim settlement of the Customer, such as increased insurance premiums or interest penalties.

The liability of CE remains unaffected independent of whether CE is at fault in the case of fraudulently concealment of a defect, acceptance of a guarantee or according to product liability law.

Consequences resulting from a delay in delivery are entirely regulated in § 6 of these General Terms and Conditions of Business.

The personal liability of the managing directors of CE is excluded from damage caused by vicarious agents and employees as well as active subcontractors due to minor negligence.

- 11.6 CE assumes no liability for data, loss of profits or other consequential damage or loss, as well as no intent, no gross negligence, no breach of essential contractual obligations and when in no case of the lack of assured attributes on the side of CE exists.
- 11.7 The amount of the compensation for damages is, except in cases especially of intent of gross negligence and also with minor negligence of essential contractual obligations, limited to per case 20 % of the amount of the order value with a maximum of € 50,000.00 or when in connection with continuing cases with a maximum of € 100,000.00.

§12 Confidentiality/Non-disclosure Agreement

Both contract partners are mutually obligated, as a part of the contractual relationship, to obtain the agreement of the other contract partner when making provided documents and information available to any third party, unless these are assigned permissible deliveries and services. This non-disclosure agreement does not apply insofar as the provided documents and information are clearly public knowledge or subsequently proven that the other party had made said documents or information available to a third party and is not in breach of this non-disclosure agreement. In the latter case the contract partner must immediately inform the other contract partner in writing. The Customer is obligated to include its employees and any vicarious agents and subcontractors in this non-disclosure agreement. The non-disclosure agreement remains valid even after the termination of this contractual relationship.

§13 Headhunting

The Customer is obligated to refrain from headhunting employees of CE during the execution of the order and for a period of one year after the order, independent from whether instigation comes from the side of the employee or from the Customer. Headhunting or attempted headhunting represents a major breach of contract. In case of headhunting, the Customer is obligated to pay compensation damages to CE in the amount of a half year's net salary of the newly hired employee. CE is also obligated to refrain from headhunting any employees of the Customer.

§14 Cancellation of Orders

If the Customer terminates the contract, which CE has no responsibility for the termination, the Customer owes the entire contractual fees for the executed service up to the time of termination and furthermore at least an additional payment of 15 % of the agreed contractual fees for the remaining not to be executed services due to the cancellation of the order. In addition CE is free to pursue additional compensation claims as per § 649 sentence 2 BGB.

§15 Modifications

With modifications or other conditions after conclusion of the contract, from which higher demands and/or increased expenses result for CE, the price and possibly the delivery deadline must be determined and agreed upon. In this case the Customer owes CE a reasonable payment for the executed services and expenses of said modifications, which conform to the agreed upon prices up to that point.

§16 Place of Performance and Court of Jurisdiction

The place of performance for mutual services and - insofar as authorized - sole court of jurisdiction for all claims from or in connection with the contractual relationship is Bautzen, Germany.

§17 Applicable Law

German law is exclusively valid.

§18 Privacy Protection

CE is entitled to handle data within the purpose of the Federal Privacy Protection Law, which arises out of the business relationship or in connection with work with the Customer, whether this data comes directly from the Customer or a third party. This reference substitutes the notification according to the Federal Privacy Protection Law, which personal data about the Customer via IT is saved and processed.

§19 Final Provisions

- 19.1 Modifications and supplements to the contractual items and these GTCs must be written to be effective. This is also valid for the effectiveness of the waivers of the written form clause and/or written requirements in individual cases.
- 19.2 The nullification of an individual provision or multiple provisions of the GTCs does not affect the validity of the other provisions. The contract partners will replace or supplement nullified or incomplete provisions with appropriately valid provisions, which conform to the economic purposes of said provisions.