General terms and conditions of delivery of Instrument Systems GmbH (dated 2011)

I. General provisions

1. Unless otherwise agreed in writing, the following provisions shall apply to any transaction on the delivery of devices and equipment (in the following: Products) to be entered into or entered into with Instrument Systems GmbH (in the following: IS) (together: Delivery) and to the timely limited and unlimited provision of standard software if it is provided in connection with Products delivered by IS (in the following: Software).
2. Products
   a) Cost estimates, drawings and other documents (in the following: Documents) are protected by copyright. Any reproduction or use, also towards third parties, without IS's express authorisation is not permitted. The Documents shall in particular be returned to IS upon IS's request if the contract is not concluded.
   b) Partial Deliveries are permitted as far as it is reasonable for the customer.
3. Software
   a) Software does not include firmware.
   b) These provisions do not oblige IS to the performance of services.
   c) If the Delivery contains documentation, these provisions also apply to the documentation. If documentation is not provided, the provision of the Software requires a written agreement. Clause I. 2 a) applies accordingly.

II. Conclusion of contracts and orders

1. The offers submitted by IS are subject to change and non-binding.
2. The conclusion of contracts, orders or call orders between IS and the customer require written form.
   They become binding upon a written order confirmation either by letter, fax or email from IS. IS has the right to refuse orders that were not yet confirmed without stating reasons.
   This applies in particular to price agreements, price changes and order modifications.
3. Any errors in printing, typing or calculation or similar errors evident to the customer do not create liability on the part of IS.
4. Any further developments of Products ordered from IS following conclusion of the contract may be delivered by IS. As far as it is reasonable for the customer in consideration of IS's interests, the deviations may concern models, samples, plans, pictures, drawings, specifications, colours as well as indications of weight, measurements, quality, etc.

III. Prices and insurances

1. Unless otherwise agreed in the individual contract, IS's price lists applicable at the point in time of the conclusion of the contract apply to the contracts. The prices are quoted ex works and excluding packaging, shipping, assembly, other prime costs and plus applicable VAT.
2. Packaging is charged at cost and will not be taken back.
3. Unless otherwise agreed, the Deliveries from IS shall be subject to the Incoterms 2010.
4. The price does not include transport insurance unless otherwise agreed in writing. If the customer requires transport insurance he shall inform IS thereof in due time. Products that are lost or damaged in transport do not release the customer from the duty to settle the invoice and are at the expense of the customer.
5. In case of a change to the cost basis, IS reserves the right to charge the price applicable at the Delivery date.
6. If the installation or assembly of the Product ordered was agreed, the customer bears all necessary ancillary costs such as travel, transport or other baggage costs in addition to the agreed remuneration.

IV. Terms of payment

1. Invoices are due for payment within 30 days after receipt without deduction to an account specified by IS; this also applies to partial Deliveries. The deduction of a cash discount requires a separate written agreement.
2. In case of contracts for Delivery of over € 100,000.-- 1/3 of the total price, consisting of the price for the goods and the price for the software, is payable upon receipt of the order confirmation.
3. As soon as the customer is in default of his payment obligation in whole or in part, he has to pay default interest in the annual amount of 5 % above the applicable base rate (section 352 German Commercial Code - HGB) unless IS proves that it incurred a higher damage. The right to claim further damage due to default is reserved.
4. If the fulfilment of the payment claim is at risk due to a deterioration of the customer's financial situation that occurred or became known after the conclusion of the contract, IS may postpone further processing of the order until payment or demand, irrespective of any previous agreements to the contrary, an advance payment or other securities for further orders or rescind from the contract after an appropriate notice period.
5. In case of non-fulfilment of the payment claim or in case circumstances arise that negatively affect the customer's creditworthiness, any claims become due for payment immediately. Such events entitle IS to demand damages for non-fulfilment, to prohibit resale of the Products and to repossess the Products.
6. The customer may only set off claims on his part against, or retain payment for claims that are uncontested or established by final judgment.

V. Terms of use for Software

1. The customer may use the Software within the scope of the temporary provision of Software.
2. If the right of use is limited in time the customer has the following rights in case he is granted a single licence:
   a) The Software provided may only be used together with the Product set out in the documentation or delivered together with the Software.
   b) The use of the Software in a product other than the Product set out in a) is subject to the prior written approval of IS.
   c) Together with the delivered Software the customer receives - as far as nothing else is set forth in writing - a single licence relating to the Product set out in a); this single licence permits the use of the Software at one or more workplaces as required for the use of the Product set out in a).
   d) The Software is only provided in machine-readable form (object code).
   e) In case of a single licence the customer is allowed to create just one copy for backup. In case of a multi-user licence, further reproductions in accordance with clause 3 are permitted.
   f) The customer may not alter the Software and in particular not remove any identification labels (e.g. alphanumeric). The customer shall in particular transfer such identification labels to the backup copy. Section 69 e of the German Copyright Act (UrhG) remains unaffected.
   g) If IS provides the customer with Software in which IS itself only has a derived right (third-party software), the agreements between IS and the licensor shall prevail over this clause as far as the terms of use for the customer are concerned.
   h) If IS provides Open Source Software to the customer, the terms of use for the Open Source Software shall prevail over this clause for the customer. If the use of the Open Source Software requires the source code, IS shall provide the source code to the customer upon demand.
   i) If Software pursuant to g) and h) is provided, IS will point this out separately.
   If the customer violates the terms of use of the third-party software or the Open Source Software, IS is, in addition to the licensor, entitled to assert potential claims in its own name.
   j) Where good cause exists to do so, the customer is entitled to transfer the right of use to third parties but only together with the Product delivered by IS. In such a case, the customer shall ensure that with the transfer the third party does not receive any further rights of use than those granted to the customer under this agreement. The third-party is to be subjected to at least the same obligations with regard to the Software as the customer is subjected to under this agreement. The customer may not grant sub-licences.
   In the case of sentence 1 the customer shall return all backup copies.
3. If no case as described in clause 2 (single licence) exists, which is in particular the case if the Software is not only used

for an individual Product or if the Software is to be used in a network, a multi-user licence is required.

The following conditions apply to a multi-user licence:
a) It is a precondition that IS issues a written confirmation on the number of permitted copies the customer is allowed to make of the Software as well as the number of Products with regard to which the Software may be used.
b) Where good cause exists to do so, the customer is allowed to transfer the multi-user licences to third-parties but only together with all Products delivered by IS on which the Software may be used in accordance with the scope of Delivery.
c) The customer has to document all reproductions and present the documentation to IS upon request.

VI. Retention of title

1. Until full settlement of all existing or future payment claims from the business relationship, the Products remain in the ownership of IS (in the following: Products Subject to Retention of Title). For open invoices the retained title shall be deemed a security for the outstanding payment claim of IS.
2. Any processing of Products Subject to Retention of Title through the customer is made for IS. In deviation of section 950 German Civil Code (BGB) the customer does not acquire ownership. No liabilities arise for IS from the processing of the Products. In the cases of sections 947 and 948 BGB (combination and intermixture) the customer herewith transfers the ownership and/or co-ownership of the new goods to IS and stores the new goods for IS. If the transfer of ownership to IS is not effected for any reason, the customer herewith assigns any claims from section 951 BGB to IS.
3. In the context of the ordinary course of business the customer is entitled to sell the Products Subject to Retention of Title. The customer is not entitled to pledge the Products Subject to Retention of Title or transfer them to third parties as a security. The customer has to inform IS of any imminent or occurring seizures or other infringements of IS's rights through third parties without undue delay.
4. The customer herewith assigns any claims arising from the resale of Products Subject to Retention of Title including ancillary rights to IS as a security. Upon IS's request the customer has to inform its consumers of the assignment and provide IS with the documents necessary to assert the rights. As long as IS does not make use of the right to recover claims, which IS is entitled to at any time, the customer is entitled and obliged to do so and has to pay the recovered amount to IS without undue delay.
5. If the value of the securities exceeds the value of the claim the securities are given for by more than 20 %, IS will release securities in this amount upon the customer's notification.

VII. Place of performance and passing of the risk (*Gefahrübergang*)

1. Products
   a) As far as not agreed otherwise, the customer has to pick up the Product from IS. The place of performance for all Deliveries including return Deliveries and for all payments is the registered office of IS in Munich.
   b) During Delivery, the risk of loss is passed on to the customer upon the handover to the transport person.
   c) The risk of accidental loss or accidental deterioration is passed on to the customer upon the handover to the transport person. This applies irrespective of whether the shipment is made from the place of performance and of who bears the shipping costs. If the customer is in default of acceptance, the risk passes to him as of that day.
2. Software
   a) If the Software is provided in connection with a Product delivered by IS the provisions of clause 1 a) apply accordingly to the place of performance and the passing of the risk.
   b) If the Software is provided via electronic means of communication (Internet, etc.) the risk passes to the customer as soon as the Software leaves the sphere of influence of IS (download, etc.).

VIII. Terms of Delivery

1. Delivery times are stated in such way that they can be met given the production process is normal. The Delivery time starts with the date of the order confirmation but not before the point in time on which the customer has done everything required on his part that is necessary for the processing and fulfilment of the Delivery, such as effecting the down payment, Delivery of parts, documents, information or other requirements.
2. Delivery time is deemed performed with timely notification of the readiness for shipment even if dispatch is delayed or not effected due to reasons outside the responsibility of IS.
3. IS is entitled to perform Delivery before the expiration of the Delivery time or to make partial Deliveries.
4. Default of acceptance
   a) If the ordered Product is not delivered, installed, assembled or accepted within a period of time of two weeks after the notification of readiness for shipment (offer of performance) due to circumstances within the customer's responsibility, the customer is in default of acceptance.
   b) The notification of readiness for shipment (offer of performance) is equivalent to the notification of readiness for preliminary acceptance to the customer.
   c) In case of default of acceptance the customer has to pay the full purchase price plus warehousing charges in the amount of 0.5 % for each commenced month – but not more than 5 % of the value of the total Delivery. The parties are at liberty to prove higher or lower warehousing charges.
5. If an installation or assembly of the ordered Product – in case of contractual obligation on the part of IS – does not take place due to the reasons set out in clause 4, the customer has to pay 20 % of the estimated installation and assembly costs as compensation for contingency costs. The parties are at liberty to prove higher or lower contingency costs.
6. If the customer is in default of his obligations the agreed Delivery time is prolonged by the period of default. The right to assert claims for default remains unaffected.
7. The agreed Delivery time is prolonged appropriately in case of labor disputes such as strikes and lock-outs or in case any other obstacles occur outside the sphere of influence of IS if such circumstances have a major effect on the production or Delivery of the ordered Product. IS is not to be held responsible for such delays even if IS is already in default at the point in time they occur.
8. Force majeure, labor disputes, riots, official measures and other unforeseeable, inevitable and serious events release the contracting parties from their performance obligations for the duration of the disturbance and to the extent of its effect. This also applies if these events occur at a point in time at which the contracting party affected is in default. The contracting parties are obliged within reason to provide the necessary information without undue delay and to adjust their obligations to the changed circumstances in good faith.

IX. Delay of Delivery and damages in case of delay

1. In case IS is obliged to compensate the customer for any damage caused by delay (*Verzugsschaden)*, the customer is not entitled to compensation for any loss of profit or for damage resulting from interruption of business. In case of slight negligence the customer is entitled to compensation of additional shipping costs and/or costs for retrofitting. In case of an unsuccessful setting of an extension period or in case of proof of the discontinuation of the interest in Delivery, damages with regard to covering purchases (*Deckungskäufe*) are limited to a maximum of 10 % of the price agreed with IS.
2. Upon the assertion of a claim for compensation the customer has to provide IS with detailed and substantiated documents supporting the claim.
3. Claims for damages for delay and claims for damages in lieu of performance (*Schadensersatz statt der Leistung*) do not exist beyond the cases set out in clause 1, even if the customer sets a deadline. This does not apply in cases of strict liability for intent, gross negligence or violation of life, body or health. The customer can only rescind from the contract within the scope of the statutory provisions as far as IS is responsible for the delay in Delivery. The foregoing does not entail a change of the burden of proof to the detriment of the customer.

X. Duty to cooperate

1. Products: Installation and assembly
   If not agreed otherwise in writing, the following shall apply to the installation and assembly of delivered Products:
   a) The customer bears the costs incurred in connection with the installation and assembly. IS is to be reimbursed for advancing any such costs.
   b) The customer ensures
      (i) that all necessary preliminary works such as earth-moving, construction works and any other ancillary works are completed at the point in time of Delivery of the Product so that the installation and assembly of the delivered Product can be effected as agreed and without obstacles.
      (ii) that any skilled and unskilled personnel as well as aids and appliances such as energy, light, tools, materials or other objects required for placing the Product into service are available at the point in time of Delivery of the Product.
      (iii) that all necessary safety precautions for people and the Product are observed.
      (iv) that IS is provided with all necessary specifications regarding the location of the place of performance and the course of power lines, gas lines and water pipes.
   c) If the customer fails to take the measures set out in clause 1 b) and therefore causes a delay in the installation and assembly of the delivered Product the customer shall bear the costs incurring at IS as a result.
2. Duty to cooperate with regard to Software
   a) If the Software is provided in connection with a Product delivered by IS, the provisions of clause 1 shall apply accordingly with regard to the customer's duties to cooperate as far as the installation and assembly of the delivered Product was agreed.
   b) Furthermore, the customer takes all required and reasonable measures to avoid damage by and to the Software.
   c) The customer regularly performs backups of the data and programmes.
   d) If the customer culpably violates his duties to cooperate, IS can not be held liable for any resulting consequences. The customer shall in particular indemnify IS against damage incurred by third-parties. In this case IS is not obliged to recover lost or damaged data or programs.
   e) The aforementioned provisions do not affect the allocation of the burden of proof.

XI. Acceptance, inspection duties, disposal

1. The customer is not entitled to deny acceptance of the Delivery for insignificant defects.
2. The customer inspects the Deliveries without undue delay after receipt. If the inspection reveals a defect the customer notifies IS thereof without undue delay.
3. If the customer does not notify IS the Products are deemed accepted. The statutory provisions of section 377 HGB remain unaffected.
4. The customer disposes of packaging and waste devices at his own expense and indemnifies IS against the obligations of section 10 II Electrical and Electronic Equipment Act (ElektroG).

XII. Material defects, warranty and liability

1. Concerning material defects of Products
   a) If the delivered Product is afflicted with a material defect within the warranty period, IS will decide whether it wishes to repair the parts or improve the services or make a new Delivery as far as the cause of the defect already existed at the point in time of the passing of the risk.
   b) Claims for material defects are subject to a limitation period of 12 months. This does not apply as far as the law pursuant to sections 438 (1) no. 2 (buildings and things used for buildings), 479 (1) (recourse claim) and 634a (1) no. 2 (building defects) BGB prescribes longer limitation periods and in cases of violation of life, body or health, in case of an intentional or grossly negligent breach of duty by IS and in case of fraudulently concealing a defect. The statutory provisions on suspended expiry, suspension and recommencement of the statute of limitations remain unaffected.

c) The customer shall inform IS of any material defects in writing without undue delay.
d) In case of a justified notification of defects, the customer is entitled to retain payments in reasonable proportion to the material defects incurred. If the notification of defects is not justified IS may demand compensation for the expenses incurred from the customer.
e) Initially IS has to be granted an appropriate period of time to cure the defect.
f) In case the attempts to cure the defect are unsuccessful, the customer may – notwithstanding any claims for damages pursuant to clause XVI. – rescind from the contract or reduce remuneration.
g) Claims for defects are excluded in cases of
   - minor deviation from the agreed quality,
   - minor impairment of usability,
   - natural wear and tear,
   - use that was not agreed in the contract,
   - use of unsuitable equipment,
   - impairment resulting from special external influences which were not contemplated in the contract.
   Claims for defects are furthermore excluded if the customer or third parties perform improper alterations or repairs of the Products or the Software.
h) Expense incurred by the customer for the purpose of curing the defect, in particular costs for transport, travelling, work and material are excluded if they were incurred because the Product was subsequently brought to another place than originally agreed upon.
i) Claims for recourse of the customer against IS pursuant to section 478 BGB (recourse of the businessman) only exist as far as the customer himself has not entered into any agreements exceeding the statutory claims for defects with his consumer. As regards the extent of the claim for recourse of the customer against IS pursuant to section 478 (2) BGB, clause 1 h) applies accordingly.
j) Clause XVI. (Other claims for damages) applies to claims for damages. More extensive claims or claims of the customer other than those set out in this clause against IS or their vicarious agents (*Erfüllungsgehilfen*) for material defects are excluded.
2. Concerning material defects of Software
   This clause applies to material defects during the timely limited and unlimited provision of standard Software if it is provided in connection with a Product delivered by IS as well as for the entire Delivery as far as the cause of a breach of duty lies in the Software itself.
   a) Claims for material defects are subject to a limitation period of 12 months. This does not apply as far as the law pursuant to sections 438 (1) no. 2 (buildings and things used for buildings), 479 (1) (recourse claim) and 634a (1) no. 2 (building defects) BGB prescribes longer limitation periods and in cases of violation of life, body or health, in case of an intentional or grossly negligent breach of duty by IS and in case of fraudulently concealing a defect. The statutory provisions on suspended expiry, suspension and recommencement of the statute of limitations remain unaffected.
   If the Software was provided for a limited period of time the statutory period of limitation applies.
   b) A material defect of the Software is a proven and reproducible deviation from the specification (in the following: Software Material Defect). If the deviation does not occur in the version provided to the customer and if the use of the Software can be reasonably expected of the customer a Software Material Defect is not deemed to exist.
   c) A claim for Software Material Defects does not exist if the deviation is caused by culpably improper behaviour of the customer, by alteration not approved by IS, by alterations due to influences not contemplated in the contract or by the fact that the Software has difficulties with the data processing environment used by the customer – as far as not otherwise agreed in writing with IS.
   d) The customer shall inform IS of any Software Material Defects in writing without undue delay. In this notification the deviation is to be specified in a substantiated and detailed manner.
   e) Initially IS has to be granted an appropriate period of time to cure the defect. IS is entitled to choose the manner and place of cure of the defect as far as this can be reasonably expected from the customer. If the material defect lies with any data carrier delivered or with the documentation the customer may only demand

replacement of that. If the cure for the defect is carried out at the customer's site, clause X. applies accordingly.

f) In case the attempt to cure the defect is unsuccessful, the customer may – notwithstanding any claims for damages pursuant to clause XVI – rescind from the contract or reduce remuneration. If the Software was provided for a limited period of time, the right to termination without notice applies instead of the right to rescission.

g) In case of a justified notification of defects, the customer is entitled to retain payments in reasonable proportion to the material defects incurred. If the notification of defects is not justified IS may demand compensation for the expenses incurred from the customer.

h) Clause XVI. 2 applies with regard to claims for damages. More extensive claims or claims of the customer other than those set out in this clause against IS or their vicarious agents (*Erfüllungsgehilfen*) for material defects are excluded.

XIII. Vicarious agents (*Erfüllungsgehilfen*)

IS is entitled to instruct third parties for performance in cases where this is necessary in order to perform production or orders as purchased. IS is not liable for any damage caused by such third parties.

XIV. Industrial property rights and copy rights; defect of title

1. Products
   a) IS ensures that the Delivery is free of industrial property rights and copyrights of third parties in the country of the place of Delivery. If a third party asserts claims against the customer for violation of such property rights, IS is liable towards the customer within the period of time defined in clause XII 1 b) as follows:
      (i) In case of a violation of property rights IS may choose to either acquire a right of use at its own expense or to alter the delivered Product in a way that excludes a further violation. As far as the abovementioned choices cannot be reasonably expected of IS, the customer is entitled to the statutory rescission or reduction rights.
      (ii) This does not affect the customer's right to assert claims for damages under clause XVI. 1.
      (iii) The abovementioned duties of IS only exist if the customer notifies IS in writing of a third party claim without undue delay after its disclosure, if the customer does not declare acknowledgement and leaves all defense and settlement procedures to IS. If the customer refrains from using the delivered Products to mitigate damage or for other important reasons, he has to inform the third party without undue delay that this is not to be deemed an acknowledgement of the claim.
   b) Claims of the customer are excluded as far as the customer is responsible for the violation of the copyright, in particular by using it in a way not foreseeable by IS, by altering the Product or by combining the Products with other products not produced and delivered by IS.
   c) Clause XII. 1 d), e) and i) applies accordingly to the claims regulated in clause 1 a).
   d) In case of other defects in title the provision of clause XVI. 1 applies accordingly.
   e) More extensive claims or claims of the customer other than those set out in this clause against IS or its vicarious agents (*Erfüllungsgehilfen*) for defects in title are excluded.

2. Software
   a) Clause 1 a) applies accordingly with the exception that the limitation period with regard to Software provided for a limited period of time shall comply with the statutory limitation periods.
   b) Clause 1 b) applies accordingly.
   c) Clause 1 c) applies accordingly.
   d) In case of violations of rights within the meaning of clause 1 a) (i), clause XII. 2 e) sentence 1 and g) applies accordingly with regard to the claims regulated therein.
   e) In case of defects in title, the clause XII. 2 applies.

XV. Impossibility, amendments to the contract

1. As far as Delivery is impossible the customer is entitled to claim damages unless IS is not liable for the impossibility. This limitation does not apply as far as strict liability applies in cases of intent, gross negligence or due to violation of life, body or health; this does not entail a change of the burden of proof to the detriment of the customer. The customer's right to rescind from the contract remains unaffected.

2. As far as unforeseeable events within the meaning of clause VIII. 7 materially change the economic importance or the content of the Delivery or have a material influence on the operations of IS, the contract will be amended appropriately in consideration of the principle of good faith. As far as this is economically not reasonable, IS is entitled to rescind from the contract. If IS exercises this rescission right, IS notifies the customer thereof without undue delay even if initially an extension of the Delivery time was agreed with the customer.

XVI. Other claims for damages

1. Products
   a) Claims for damages and compensation of expenses (in the following: Claims for Damages) on the part of the customer are excluded. This does not apply if IS is subject to statutory liability, in particular to product liability, in case of intent, gross negligence, for violation of life, body or health or for breach of material contractual obligations.
   b) The Claim for Damages for breach of material contractual obligations is, however, limited to damage that might typically occur under the agreement and is foreseeable, except in cases of intent or gross negligence or violation to life, body or health. The foregoing does not entail a change of the burden of proof to the detriment of the customer.
   c) The claims under clauses 1 a) and b) are subject to the limitation period under clause XII 1 b).
   d) In case of Claims for Damages under the German Product Liability Act (ProdHaftG) the statutory limitation provisions apply.

2. Software
   a) Clause 1 a) applies accordingly.
   b) Clause 1 b) applies accordingly.
   c) Clause 1 c) applies accordingly provided that the limitation period for Software provided for a limited period of time complies with the statutory provisions.
      The limitation provisions under the ProdHaftG remain unaffected with regard to provided Software.

XVII. Place of jurisdiction, applicable law, other provisions

1. If the customer is a trader, the sole place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship is Munich, the place of IS's registered office.
   IS is, however, also entitled to file legal action at the place of the customer's registered office.

2. The legal relationship in connection with this contract is governed by German law with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).
   Where a German term has been added in parenthesis after an English term in this contract, only such German term shall be decisive for the interpretation of the relevant English term.

3. If individual provisions of this contract are legally ineffective, the remainder of the contract is not affected. This does not apply if a continuation of the contract would impose unreasonable hardship on one party.

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