

General Terms and Conditions of Sale and Delivery of Frauscher Sensor Technology USA, Inc.

The following General Terms and Conditions of Sale and Delivery (“GTC”) of Frauscher Sensor Technology USA, Inc. (“Frauscher USA”) may be downloaded from www.frauscher.us and may also be provided in hard copy upon Customer’s request. The purchase of any Frauscher USA products or services is expressly conditioned upon the Customer’s consent to the GTC.

1 Scope

1.1 The GTC is an integral element of all transactions between the Customer and Frauscher USA pertaining to the sales and delivery of products or the provision of other services by Frauscher USA (“Customer Contracts”). Products are defined within Frauscher USA Offer to Supply and Order Confirmation. The GTC shall apply to Customer Contracts from the time the Customer receives Frauscher USA’s order confirmation. The GTC shall cover the initial contract between Frauscher USA and the Customer and all subsequent contracts between Frauscher USA and the Customer (as well as the Customer’s parent companies, Affiliates, subsidiaries, permitted assigns and successor entities), even if such future Customer contracts fail to make express reference to the GTC. No signature by the Customer on the GTC is required for the same to be enforceable, but the Customer shall have an authorized representative sign the GTC at Frauscher USA’s request.

1.2 General terms and conditions and other provisions submitted with or on any form, the purchase order (“PO”), or confirmation (standard form or otherwise) submitted to Frauscher USA by the Customer shall under no circumstances be deemed to constitute any element of the Customer Contracts between Frauscher USA and the Customer, regardless of whether they contain terms that differ or deviate from the GTC. Frauscher USA’s failure to expressly reject any terms and conditions or other provisions contained on or with the Customer’s documents shall not be deemed an acknowledgment or acceptance by Frauscher USA of the Customer’s terms and conditions set forth on or with the Customer’s business or standard forms (in whatever form). Frauscher USA’s performance or delivery of products or services also shall not be deemed as an acceptance of any such Customer terms, provisions or contractual terms.

1.3 Contract terms or other contractual provisions proposed by the Customer that conflict with or supplement the GTC shall only apply if Frauscher USA expressly approves them in writing regarding a particular transaction. Such consent or approval by Frauscher USA shall only be deemed applicable to the specific transaction for which Frauscher USA has acknowledged and approved such contract terms and not to any future transactions.

1.4 In the event Frauscher USA’s contract or confirmation conflicts with any provision of the Customer’s PO or similar document and a priority interpretation is required, the documents shall be read with the following priority:

- 1st priority: Order confirmation by Frauscher USA/Offer by Frauscher USA, including the GTC;
- 2nd priority: General contracts between Frauscher USA and the Customer (such as frame-work agreements and cooperation agreements);
- 3rd priority: The Customer’s GTC (including provisions set forth on, or delivered with the Customer’s PO, if agreed to in writing in PO confirmation by Frauscher USA.

Notwithstanding the foregoing, unless otherwise expressly agreed by Frauscher USA in writing, the GTC shall supersede any conflicting terms and conditions in the Customer's documents.

2 Offer, formation of contract, written form requirement

Frauscher USA's quotes are invitations to make an offer and shall at all times be deemed subject to change even where Frauscher USA specifies prices, deadlines or furnishes other specifications in such quotes. Frauscher USA shall not be deemed bound by contract until such time as it forwards its written order confirmation to the Customer pursuant to sec. 2.2 hereof

2.1 Where the Customer places an order (in response to notice or similar statement by Frauscher USA or without any such previous communication), the Customer shall be deemed bound by its order until such time as Frauscher USA confirms or rejects the order. Frauscher USA will confirm or reject the order within twenty one (21) days of written receipt of Customer PO.

2.2 Orders received by Frauscher USA pursuant to sec. 2.1 hereof (both initial orders and follow-up orders) shall only be binding on Frauscher USA at such time as Frauscher USA sends the Customer its written order confirmation. Any proposed amendments and addenda to any order accepted/confirmed by Frauscher USA shall not be valid or binding unless Frauscher USA furnishes written approval thereof, which Frauscher USA may withhold or provide at its sole discretion.

2.3 Where Frauscher USA's order confirmation deviates from the Customer's PO or similar document, within eight (8) business days of the Customer's receipt of Frauscher USA's order confirmation, the Customer must notify Frauscher USA in writing of any such terms it finds objectionable. If the Customer fails to object to such terms within eight (8) business days of the Customer's receipt thereof, the Customer shall be deemed to have accepted the terms of Frauscher USA's order confirmation. Business days shall be calculated according to the American calendar.

2.4 Except for the GTC, any information available to the Customer from Frauscher USA's website or other marketing materials or documents, are illustrative in nature and not binding upon Frauscher USA.

3 Delivery

3.1 Where Frauscher USA's written order confirmation or other communications do not contain any provisions regarding the delivery of products, the Parties are deemed to agree to delivery FCA pursuant to INCOTERMS. FCA place of delivery is Frauscher Sensor Technology USA, Inc. c/o 20 Haypress Road, Unit 304, Cranbury, NJ 08512 USA.

3.2 Risk of loss transfers from Frauscher USA to the Customer: (a) if the Customer is collecting the products from Frauscher USA's warehouse, at the time possession of the products is given to the Customer's freight forwarder or other designated representative; For the avoidance of doubt "The risk of accidental destruction and accidental damage is deemed to pass to the Customer at the time of delivery under the FCA INCOTERMS which are applicable pursuant hereto, or in cases of default referenced in the FCA INCOTERMS" and (b) if Frauscher USA is responsible for transportation of the products to the Customer's designated facility, upon delivery of the products. The Customer shall obtain insurance to cover loss and damage to all shipments for the entire time period that risk of loss transfers to the Customer, and the Customer shall furnish Frauscher USA with proof of such insurance coverage upon request. With respect to any forwarding agreement, FCA INCOTERMS shall apply.

3.3 Unless otherwise agreed, Frauscher USA's obligation to make delivery shall include standard packaging suitable for transport. Packaging for shipment by sea vessel does not constitute standard packaging, and Frauscher USA will only undertake such packaging upon special agreement and for an extra charge.

3.4 Frauscher USA is hereby authorized to effect partial delivery and invoice deliveries in installments.

4 Delivery period, default

4.1 Unless an agreement has been made by the Parties with respect to a specific calendar date, the delivery period shall begin on the latest of the following dates:

- a) The end of the day on which the order is confirmed;
- b) The end of the day on which the Customer specifications are fully acknowledged and accepted by Frauscher USA;

If the technical data corresponding to the PO and upon which the PO is based is found to be insufficient or needs changes, the start date of the delivery period will be the end of the day on which the Customer specifications are fully acknowledged and accepted in writing between the two Parties. Any change of technical specification to the pre-accepted version may trigger a change in delivery date.

- c) The end of the day of receipt of payment in Frauscher USA's account, if a down-payment or security deposit or letter of credit is required.

4.2 Where amendments to a Customer Contract are subsequently agreed upon in writing, a new, reasonable delivery period shall be agreed between the Parties, or the delivery period shall be deemed automatically extended by reasonable time in the absence of any agreement to the contrary. In addition, in the event of a force majeure event (within the meaning of sec. 4.4) and in the event of a breach of the Customer's duty of cooperation or other contract breaches by the Customer under the Customer Contract and/or the GTC's, delivery periods shall be deemed interrupted for the duration of the interrupting event in question, such that no default in delivery shall be deemed to have occurred. In the event of interruptions due to force majeure, both Frauscher USA or the Customer are entitled to set a grace period of thirty (30) days after the force majeure event ends and either Party shall have the right to terminate the contract if the delivery of the products is delayed by more than three months as a result of the force majeure event. The Customer shall not be entitled to assert any claims for damages or other legal claims if a force majeure event occurs, and the Customer's sole remedy shall be to cancel the Customer Contract. The foregoing applies even if the force majeure events occur at a time at which Frauscher USA is itself in default.

4.3 Frauscher USA will strive to keep delivery dates. In the event any order (or portion thereof) is not delivered within said extended time period, the Customer may give Frauscher USA a written notice requesting delivery within five (5) business days of the notice date. In the event delivery is still not made within that five (5) business day period, the Customer may cancel the order. If the Customer cancels the order under such circumstances, Customer's sole remedy shall be to cancel the contract and receive the return of any deposit it paid for the products that were not delivered. The Customer shall have no claim for consequential damages, cost of cover or other damages allegedly incurred as the result of the failure to deliver and/or cancellation. Where delivery dates have been confirmed by Frauscher USA, it is permitted to exceed such delivery dates by up to ten (10) business days by furnishing written notification to the Customer, without the Customer being

entitled to make any claim of default.

4.4 “Events of force majeure” shall include, but not be limited to, the following:

- All impacts stemming from forces of nature such as earthquake, lightning strike, frost, windstorm, flood;
- War, terrorism, travel warnings, the entry into force of statutes or statutory amendments, interventions by public authorities, intervention by public authorities for pandemic, epidemic, or endemic, seizures, disruptions or destruction by means of transport (for which no liability is accepted as a matter of principle), prohibitions on export, import and transit, national and international foreign trade law provisions, embargos and other sanctions, international payment restrictions, breakdowns in the supply of raw materials and energy sources, material shortages;
- Business disruptions, such as through explosion, fire, strikes, sabotage and all other events which could not have been avoided or could only have been avoided at unreasonable cost or by means which are not commercially reasonable and therefore acceptable.

5 Duty of acceptance & default of acceptance.

5.1 In the event the Customer chooses to use their own carrier, the Customer must schedule the collection of products within ten (10) days of notification by Frauscher USA that the equipment is ready for collection. In the event the Customer does not schedule a collection within ten (10) days of notification, Frauscher USA shall be entitled to store the same in its sole discretion at the Customer’s sole cost and risk, and immediately invoice the Customer therefor. Customer shall be responsible for any demurrage charges. The same shall apply where the Parties have agreed that the Customer is entitled to issue a call-off order for the products during a defined period and the Customer fails to do so within such period or where the delivery is delayed due to the Customer’s lack of the necessary space or technical prerequisites. Where the Customer is in default of acceptance, upon expiry to no avail of a grace period of at least two (2) weeks, which Frauscher USA shall set in writing, the Customer shall pay to Frauscher USA a compensation for the losses incurred by Frauscher USA due to the financial, administrative, and inventory handling charges. The compensation to be paid to Frauscher USA is one percent (1%) per week of the net order value per week of delay. Frauscher USA’s right to assert a claim for actual damages exceeding the amount of the contractual value to compensate shall remain unaffected thereby. The Customer must accept the products within three (3) days for which Frauscher USA sent a ready for shipment notification. Otherwise Frauscher USA will store same, the Customer will assume cost and risk, and the Customer will be immediately invoiced.

5.3 Every shipment of goods shall be deemed to have been delivered in proper condition to the freight forwarder or such other person as the Customer has designated. Until proof of the contrary is furnished, any damage to the goods shall be deemed to have occurred during shipping. Regardless of the INCOTERMS clause agreed by the Parties in the particular case, Frauscher USA shall not bear any liability for any losses whatsoever arising during shipping or as a result of delays during shipping.

5.4 Frauscher USA will have no liability for any loss or damage to manuscripts, drafts, sketches, samples, models, films and other documentation or products provided to Frauscher USA by the Customer.

6 Prices

6.1 Frauscher USA’s prices are quoted in the currency set out in its offer, and absent any such specific reference to the contrary, they are deemed quoted in U.S. Dollars.

6.2 Frauscher USA shall invoice the Customer based on the prices contained in Frauscher USA's applicable order confirmation, together with all applicable taxes/excises (at the statutory rate as applicable from time to time), provided that any references to taxes payable by the Customer shall not include taxes on Frauscher USA's net income. Frauscher USA's prices as indicated are quoted FCA INCOTERMS seller's warehouse Frauscher Sensor Technology USA, Inc. c/o 20 Haypress Road, Unit 304, Cranbury, NJ 08512 USA. If public charges, taxes or other levies are charged in connection with the delivery of the products, the Customer shall bear the cost of same. The Customer shall likewise bear the cost of any packaging exceeding standard packaging (such as for sea freight). Any cash discounts, rebates, etc. granted to the Customer are calculated based upon Frauscher USA's EX-Works prices.

6.3 To the extent the Customer issues subsequent change orders (provided that Frauscher USA approves the change order request), Frauscher USA may invoice the Customer for the additional costs related thereto including, but not limited to resolving issues of the technical or legal prerequisites to delivery, warehousing costs due to a breach of the Customer's duty of acceptance, or costs of Frauscher USA arising due to overtime, night or weekend work requested by the Customer.

7 Payment, default of payment, set-off

7.1 Absent any written agreement to the contrary in the order confirmation or the Customer Contract, the Customer shall pay all invoices issued by Frauscher USA (including partial deliveries and deliveries made under Addenda/written change order) within thirty (30) calendar days of the date of the invoice in full. The Customers are responsible for any banking charges incurred at their end.

7.2 Frauscher USA reserves the right to require advance payment for delivery of all products or services. Frauscher USA does not accept payments by bill of exchange, and the same shall not be deemed to satisfy the Customer's payment obligation.

7.3 The Customer shall not have the right of set-off.

7.4 Where a complete or partial default of payment of an invoice occurs or where insolvency proceedings are initiated against the Customer or its assets, Frauscher USA shall be entitled to immediately accelerate the due date of all outstanding invoices and other amounts due, including such claims as may arise from other contractual relationships or other orders with the Customer. In addition, Frauscher USA shall be entitled to suspend performance of any obligations to the Customer until such time as all defaults are cured and any insolvency proceedings are dismissed or to terminate the Customer Contract by giving written notice to the Customer.

7.5 In the event of a default of payment or other breach of contract by the Customer, in addition to its damage claims resulting from each such breach of contract, Frauscher USA may recover interest from the Customer after the first forty (40) days from the due date on all overdue sums at the rate of 0.5% per week or the maximum interest rate permitted under applicable law, whichever is lower, measured from the date the sums in question became past due to the date on which Frauscher USA receives full payment. In the event of a default, the Customer shall also reimburse Frauscher USA for its reasonable costs of collection, including reasonable attorney's fees incurred.

7.6 To the extent permitted on export transactions, the Customer shall be obliged to return the originals of all export and customs documents to Frauscher USA. The Customer shall be obliged to pay all customs duties or

other charges which may be levied unless expressly agreed to the contrary in writing by Frauscher USA.

7.7 Neither Party shall assign, transfer, or subcontract this contract, or any part thereof, without the written consent of the other, which consent shall not be unreasonably withheld. Notwithstanding, either Party may, without the consent of the other, assign, transfer, or subcontract this Agreement, in whole or in part, and all rights and obligations hereunder, to its Affiliates. "Affiliate" means a corporation, company, or other entity, now or hereafter, directly or indirectly, owned or controlled by, or owning or controlling, or under common control with by one of the Parties, but such corporation, company or other entity shall be deemed to be an Affiliate only so long as such ownership or control exists. For purposes of this definition "control" of a corporation, company or other entity shall mean to have, directly or indirectly, the power to direct or cause the direction of the management and policies of a corporation, company or other entity, whether (i) through the ownership of voting securities entitling to the right to elect or appoint, directly or indirectly, the majority of the board of directors, or a similar managing authority, (ii) by contract or (iii) otherwise.

8 Reservation of title

8.1 Frauscher USA shall retain ownership on any and all products or services delivered to the Customer until the Customer pays in full the entire amount of the invoice for the subject products or services (including ancillary charges such as interest and costs). The Customer shall arrange for separate safekeeping and proper storage of products subject to Frauscher USA's reservation of title and to ensure that such products retain their value until such time as payment is made in full. Until title to the products delivered by Frauscher USA passes to the Customer, Frauscher may:

- (1) file any liens with governmental agencies against the Customer or otherwise as it deems necessary;
- (2) retake, sell or otherwise deal with and/or dispose of all or any part of the products; and
- (3) enter upon any property upon which the products or any part are stored, or upon which it reasonably believes the products are kept, at any time and without notice.

9 Warranty

9.1 **Product Limited Warranty.** Frauscher USA warrants to the Customer, and only to the Customer, that the product shall be free from defects in material and workmanship for a period of twelve (12) months from date of delivery.

9.2 For a period of twelve (12) months from the delivery date of the product, Frauscher USA shall remediate and rectify all defects that impair the functionality of the products, which were present at the time of delivery and were due to a defect in manufacturing or design. Warranty terms are binding between Frauscher USA and its Customer. All warranty claims, and return merchandise authorization (RMA) requests are to be between the Customer and Frauscher USA. Frauscher USA will not accept warranty or RMA requests directly from an entity other than the Customer. The warranties referenced may not be enhanced, expanded or increased by the Customer if it incorporates Frauscher USA's products into other products that the Customer sells to third Parties. Customer shall provide its third party customer with a copy of Frauscher USA's warranty and incorporate that warranty into the Customer's contract with such third Parties.

9.3 Within five (5) business days of delivery, the Customer shall inspect the products to verify that they are free of defects. If the Customer fails to give Frauscher USA written notice of any defects within seven (7) days of the arrival of the products at their destination indicating the precise defect, the Customer shall be deemed

to have accepted the products. In such cases, the Customer's right to revoke acceptance, assert any claims for compensatory damages and to challenge the transaction for mistake based on defects shall be deemed forfeited. If risk of loss has passed to the Customer prior to delivery of the products, the Customer must first assert its claims against its freight forwarder before attempting to assert claims against Frauscher USA, unless the claim relates to a design or manufacturing defect.

9.4 Subject to sec. 9.4 hereof, repair or replacement shall, as a general rule, be rendered at the place of performance as defined in sec. 16.1 hereof. Thus, in the case of a timely claim pursuant to sec. 9.1 hereof, the Customer shall consult with Frauscher USA and return the products to Frauscher USA for its inspection of the asserted defects.

9.5 If it is possible, where the products or services have been subsequently relocated to another location, then, at Frauscher USA's option, supplemental performance repair or replacement may also be rendered at such other location.

9.6 In the event of an unjustified complaint for defects, the Customer shall reimburse Frauscher USA for all shipping and other charges incurred that relate to such claims.

9.7 **Warranty Exclusions:** The foregoing limited product warranty will only apply if and to the extent that (a) the product is properly and correctly installed, configured, interfaced, maintained, stored, and operated in accordance with Frauscher USA's applicable operator's manual and specifications, and (b) the product is not modified or misused. This limited product warranty shall not apply to, and Frauscher USA shall not be responsible for defects or performance problems resulting from (i) the combination or utilization of the product with hardware or software products, information, data, systems or devices not made, supplied or specified by Frauscher USA; (ii) the operation of the product under any specification other than, or in addition to, Frauscher USA's standard specifications for its product; (iii) the unauthorized, installation, modification, repair or use of the product; (iv) normal wear and tear on products which are subject to natural wear and tear.

9.8 **Warranty Procedure.** If the product fails during the warranty period for reasons covered by this limited product warranty and Customer notifies Frauscher USA of such failure during the warranty period, Frauscher USA will, at its option, repair or replace the nonconforming product at its cost and expense. Any repaired or replaced product will be warranted for a period of thirty (30) days or the remainder of the original warranty period, whichever is longer. Frauscher USA's repair and replacement of a defective product as provided in this section is Customer's only and exclusive remedy for a defective product, and is made subject to the terms of the product limited warranty.

9.9 The warranty provided by Frauscher USA is to the Customer of the product from Frauscher USA. Warranty claims must be processed by the Customer through Frauscher USA. The return of the product can be from the Customer or their downstream customer. The Customer is responsible for the shipping to Frauscher USA. If the product is found to be under warranty and be faulty, Frauscher USA will pay for the return shipping to Customer within North America. The Customer will pay for the return shipping as well as other costs incurred, such as analysis if the product is either out of warranty or not found to be faulty.

9.10 **Warranty Disclaimer.** EXCEPT AS EXPRESSLY SET FORTH IN THE GTC, THE PRODUCT IS PROVIDED "AS IS." NEITHER FRAUSCHER USA NOR ITS SUPPLIERS MAKE ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. THE WARRANTIES PROVIDED IN THIS SECTION 9 ARE EXCLUSIVE AND

IN LIEU OF ALL OTHER WARRANTIES, CONDITIONS AND GUARANTEES WHETHER WRITTEN, ORAL, IMPLIED OR STATUTORY. The Customer may have other statutory rights. However, to the full extent permitted by law, the duration of statutorily required warranties, if any, will be limited to the limited warranty period referenced above.

9.11 The Customer shall not be authorized to rectify the defect itself or to cause a third Party it has engaged to do so. Failure to abide by this provision shall void any warranty. Following the Customer's delivery of a defective product to Frauscher USA, Frauscher USA will inspect products in question and will make a recommendation about the remediation. The Customer may decide to remediate by repair or replacement.

9.12 Where Frauscher USA rectifies defects not subject to warranty or performs other services or customer service work, such work shall be charged in accordance with Frauscher USA's valid price schedule or on the basis of time and expense incurred.

9.13 The Customer shall be deemed to have no claims for warranty or damages in cases of defects caused by over-stress of the products, negligent or improper handling, storage and installation, poor maintenance, repairs performed without Frauscher USA's written consent, failure to comply with Frauscher USA's operating instructions and other instructions as well as use of the product beyond the specifications agreed with Frauscher USA. Frauscher USA shall not be liable for damage to the products resulting from actions by third Parties or from effects of chemical, electrical or mechanical sources that are outside the product specification provided by Frauscher USA.

9.14 Assertion of a defect shall not relieve the Customer of its duty to make payment. In addition, the Customer's assertion of a defect shall not entitle it to cancel/terminate any Customer Contract or reject further deliveries under the Customer Contract with Frauscher USA in question, or under any other Customer Contract with Frauscher USA.

10 Claims for damages

NEITHER PARTY WILL BE LIABLE FOR ANY INTERRUPTION OF BUSINESS, OR ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING LOST PROFITS), REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE, EVEN IF INFORMED OF THE POSSIBILITY OF SUCH DAMAGES IN ADVANCE.

10.1 To the maximum extent permitted by applicable law, Frauscher USA's and its suppliers' entire liability to the customer will not exceed the amount actually paid by the Customer to Frauscher USA under the GTC or Customer Contract. The Parties agree that the limitations specified in this sec. 10 will survive and apply even if any limited remedy specified in the GTC is found to have failed of its essential purpose. Frauscher USA's liability is, as a general rule, limited to the losses for damage to the products delivered.

10.2 Frauscher USA shall bear no liability for any compensatory damages exceeding the foregoing, in particular, it shall bear no liability for consequential damages (such as injuries to persons or losses to plants/facilities (*e.g.*, railway facilities) as a result of interruptions of operations), including but not limited to damages relating to lost profits, pure pecuniary damages or third party damages. Where Frauscher USA's warranty obligation is inapplicable based on sec. 9 hereof, then in such case, Frauscher USA shall likewise have no duty to pay compensatory damages. The foregoing shall apply even where the Customer has downstream liability beyond the foregoing to its customer, other counterparties or third parties.

10.3 The Customer shall indemnify and hold Frauscher USA (and its employees, shareholders, officers, directors, agents, parents, subsidiaries and Affiliates) harmless from any third Party claims including, but not limited to, reasonable attorneys' fees and costs of suit.

11 Customer's obligation to Indemnify Frauscher

11.1 The Parties acknowledge that Frauscher USA is a subsystem supplier. Frauscher USA's subsystem is assembled and manufactured by Frauscher USA or its parents, subsidiaries, Affiliates or appointed partners and installed, and configured into the overall signaling system by others. Frauscher USA is not responsible for the design of the overall signaling system into which its subsystem will become a part of.

11.2 The Customer agrees to indemnify and hold harmless Frauscher USA, its employees, shareholders, officers, directors, agents, parents, subsidiaries, Affiliates and principals for all liabilities from third parties resulting from Customer's and its Affiliates, and their representatives wrongful integration, wrongful installation, negligence, and use of the products not in accordance with manufacturers specifications per Frauscher's system documentation and user manuals, including negligent integration or installation) of the products supplied by Frauscher USA.

11.3 Where the Customer breaches a duty set forth in this GTC or Customer Contract to impose an obligation on a third Party and that breach is the sole and proximate cause of injury or damage to a third Party person or property, it shall indemnify and hold Frauscher USA, its employees, shareholders, officers, directors, agents, parents, subsidiaries, and Affiliates harmless against any such claims of third parties.

11.4 The Customer agrees to indemnify and hold Frauscher USA, its employees, officers, directors, shareholders, parents, subsidiaries, Affiliates and principals harmless from any claims or liabilities for alleged patent or trademark infringement that arise solely and directly as a result of Customer's, its Affiliates, their representatives, causing the same by a violation of a third Party's rights, from misuse of the products or incorporation of the products into additional systems or assemblies.

12 Product liability

12.1 Frauscher USA's liability shall be limited to the cost of the products sold to the Customer, whether or not the Customer (or its customer) incorporates Frauscher USA's products into other products or assemblies.

12.2 Frauscher USA is not responsible for liabilities resulting from the misuse of the products it supplies, or for the defective design of the system into which the component products will be installed, except to the extent that the design is consistent with Frauscher's product specifications. To the extent permitted by the applicable law and subject to the obligations and limitations of this GTC, Frauscher USA shall not be liable for any indirect or consequential damages and/or loss of profits arising out of or in connection with defects of the products or provision of the services.

12.3 Frauscher USA shall bear no liability if the products supplied by it to the Customer are deemed defective solely due to the defective process of production of additional products, systems or assemblies manufactured by the Customer (or its customer).

12.4 When using or reselling the product, the Customer is obliged to comply with Frauscher USA's user instructions, proposed specifications, operator's manual, technical customer documentation (including safety-related terms of use), warnings and other product advice, and to refrain from any and all improper manipulation of the products (e.g., disassembly, modification, heating, improper storage or shipping or any other negative

impairment to product safety). Frauscher USA shall not be expected to anticipate any such improper manipulation or unintended use of Frauscher USA's products by the Customer.

13 Recalls

13.1 In the event that Frauscher USA conducts a recall campaign, arising out of, or on the basis of a recall campaign of products within which Frauscher USA's contract products have been integrated, Frauscher USA shall be responsible for the actual replacement cost of its products at the time of the recall with new materials and workmanship of like kind and quality. Frauscher USA shall not be responsible for any other costs.

14 Termination of Customer Contract

14.1 Termination for Cause. Either Party may terminate the Customer Contract if the other Party: (a) fails to cure any material breach of the Customer Contract within thirty (30) calendar days after written notice of such breach (failure to make a timely payment for the products, regardless of amount, should be deemed a material breach); (b) ceases operation without a successor; or (c) seeks protection under any bankruptcy, receivership, trust deed, creditors arrangement, composition or comparable proceeding, or if any such proceeding is instituted against such Party (and not dismissed within sixty (60) calendar days thereafter). Termination is not an exclusive remedy and the exercise by either Party of any remedy under the Customer Contract will be without prejudice to any other remedies it may have under the Customer Contract, by law, or otherwise.

14.2 Effect of Termination. Neither the expiration nor termination of the Customer Contract will relieve either Party of any obligation previously accrued, including the payment of sums due. Sections 1, 4, 7, 9, 10, 11, 12, 13, 14, 15, 17, 18 and 19 will survive any termination or expiration of the Customer Contract or the GTC.

14.3 Upon termination (or any notice thereof), Frauscher USA agrees, at the Customer's request (i) to continue manufacture and shipment of all products under orders accepted by Frauscher USA prior to the date of termination, or as otherwise mutually agreed, (for which the Customer will remain obligated to accept and pay for at the then-current pricing), and (ii) to continue to make the products or services available for purchase by the Customer, under commercially reasonable terms and conditions of sale, for a period of twelve (12) months following the date of termination.

15 Intellectual property

15.1 Frauscher USA or its respective licensors shall retain ownership of any and all intellectual property (including, in particular, patent rights, know-how, trademarks, service marks and other trademark-related rights, industrial design rights and utility model rights, copyrights and other intellectual property rights) for the products covered by any Customer Contract as well as to improvements and developments thereto. Frauscher USA shall retain these rights regardless of whether such rights have been registered or not.

15.2 The Customer is prohibited from copying or having any third Party copy the products covered by any Customer Contract, or to undertake reverse engineering with respect to the products or services delivered pursuant to any contract between Frauscher USA and the Customer. In this context, it is irrelevant whether the products or services covered by a Customer Contract are subject to intellectual property rights or whether such intellectual property rights do not exist or no longer exist.

15.3 Except for sec. 11.4, Frauscher USA shall, at its own expense, promptly defend, indemnify hold harmless the Customer, its successors, and assigns from and against any and all costs, expenses (including reasonable attorneys' fees), and liability incurred because of actual or alleged, by a third Party, (i) infringement or

misappropriation of any patent, copyright, trade secret, trademark or other intellectual property rights or (ii) personal injury or property damage, arising out of the use, sale or distribution of the products furnished under the Customer Contract, if requested by Customer. If an injunction issued under any infringement or misappropriation claim, Frauscher USA agrees, at its expense, to promptly (i) procure for the Customer and its customers the right to continue using the products, (ii) modify the products so that they become non-infringing while retaining existing functionality, or (iii) replace the products with non-infringing products/services of equivalent functionality. This section 15.3 sets forth Frauscher USA's sole liability and the Customer's sole and exclusive remedy with respect to any claim of intellectual property infringement.

Where a third Party asserts a claim against the Customer for an infringement of intellectual property by products covered by a Customer Contract, the Customer shall notify Frauscher USA thereof without delay in writing, attaching all information and documents it has in this regard. In such case, Frauscher USA shall be entitled, following written notification to the Customer, to render decisions as to the measures needed to defend its rights vis-à-vis the third Party, at Frauscher USA's own cost and expense, irrespective of whether such measures are extrajudicial or litigation-oriented, and to issue the necessary instructions for this purpose to the Customer.

Customer shall fully cooperate with Frauscher USA and its counsel regarding any and all such claims.

16 Technical advice

16.1 Technical advice provided by Frauscher USA is provided in writing and is limited to the scope of the GTC, including but not limited to the operation, maintenance, integration and installation procedure related to Frauscher USA products and/or services only. Frauscher USA is not responsible for claims by the Customer or any other party related to technical advice on any other matter except those concerned directly with Frauscher's products.

17 Place of performance, jurisdiction and venue, applicable law

17.1 The place of performance for all Customer Contracts under this business relationship shall be 21 Roszel Rd, Suite 115, Princeton, New Jersey 08540, USA.

17.2 Any and all disputes between Frauscher USA and the Customer arising from any legal relationship based on the GTC, any disputes regarding the formation, validity or performance of a Customer Contract, any disputes as to the validity of the GTC, shall be governed by the laws of the State of New Jersey and first be settled under The New Jersey Arbitration Act and all applicable New Jersey legal statutes pertaining to civil arbitration. Any arbitration proceedings shall take place in the State of New Jersey and shall be administered by the American Arbitration Association pursuant to its Commercial Arbitration Rules. Judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

17.3 The Customer Contract and GTC shall be governed by laws of the State of New Jersey, excluding the conflicts-of-law provisions thereof. Any disputes arising from this contract shall be litigated in the courts in the State of New Jersey. The Parties agree and acknowledge that the United Nations Convention on Contracts for the International Sale of Goods (1980) is specifically excluded from application to the Customer Contract and GTC.

18 Confidentiality, data protection

18.1 Both during and after the term of this GTC, the Parties will treat as confidential all information in any form (including copies or restatements thereof) relating to, without limitation, the intellectual property, know-

how, Items, businesses, operations, finances, pricing, forecasts, projections, analyses, systems, user identification numbers or passwords of a Party, and/or commercial, marketing, research and development, or other plans and strategies, end user and/or vendor information of a Party hereto marked “Confidential” or other similar markings (“Confidential Information”). The Customer has the right to share confidential information with its Affiliates, Representatives, and customers in connection with transactions involving or related to the products and services provided hereunder, provided those recipients are subject to the same confidentiality obligations set forth herein. (B) Receiving Party shall refrain from disclosing and/or using disclosing Party’s Confidential Information other than to perform its obligations under the PO. Receiving Party shall be responsible for any breach of the confidentiality obligations hereunder by its Affiliates or Representative(s). These confidentiality restrictions shall not apply to information which (i) is or becomes generally known to the public, without the fault of the receiving Party; (ii) is disclosed to the receiving Party, without obligation of confidentiality, by a third party having the right to make such disclosure; (iii) was previously known to the receiving Party, without obligation of confidentiality, which fact can be demonstrated by means of documents which are in the possession of the receiving Party upon the date of this PO; (iv) was independently developed by receiving Party or its Representatives, as evidenced by written records, without the use of disclosing Party’s Confidential Information; or (v) is required to be disclosed by law, except to the extent eligible for special treatment under an appropriate protective order, provided that the Party required to disclose by law will promptly advise the disclosing Party of any requirement to make such disclosure to allow the disclosing Party the opportunity to obtain a protective order and assist the disclosing Party in so doing.

Any information/documentation that the Customer is required to provide to the end customer shall be provided by Frauscher USA to the Customer. The Customer may disclose Frauscher USA information to end customer as may be required by end customer.

18.2 All Parties agree to comply with all the requirements and obligation of the General Data Protection Regulation (“GDPR”), and the Parties shall enter into a Data Processing Agreement as required to comply with the GDPR.

19 Miscellaneous

19.1 In the event of use and/or resale of Frauscher USA’s products, the Customer shall bear responsibility for compliance with all relevant statutory and regulatory requirements.

19.2 The assignment of the Customer’s claims against Frauscher USA shall require Frauscher USA’s express written consent, and in the absence of any such consent, shall be deemed invalid. Frauscher USA is entitled to assign its rights and duties under the Customer Contract to another Affiliate or Affiliated company. The Customer shall not derive any right of termination in connection with any such assignment. The Customer Contract will be binding upon and will inure to the benefit of the Parties and their respective permitted successors and assigns.

19.3 No declarations or notices by Frauscher USA or the Customer based on the GTC or on the basis of the Customer Contract, such as complaints of defects and the like, shall be valid unless given in writing by certified mail. Such declarations and notices shall be deemed validly given if made in each case to the address most recently stated to the other Party with proof of delivery.

Frauscher Sensor Technology USA, Inc.
21 Roszel Rd, Suite 115

Princeton, New Jersey 08540 USA

19.4 In the event that individual terms of the GTC or any Customer Contract should be or become invalid, unenforceable or illegal in whole or in part, this shall not affect the validity of the remaining terms and the validity of the GTC and of the Customer Contract. The Parties shall be deemed to have agreed to replace the invalid, unenforceable or illegal terms by such valid, enforceable and legal terms as come as close as possible to the commercial objectives envisaged by the invalid, unenforceable or illegal terms.

19.5 During the term of the Customer Contract and the warranty period, Customer shall maintain for its protection the following insurance coverage: (1) worker's compensation and other statutory insurance required by law with respect to work related injuries or disease of employees of the Customer in such form(s) and amount(s) as required by applicable laws; (2) Commercial General Liability insurance for bodily injury and property damage with a combined single limit of \$5,000,000. If required in the Customer Contract, the Customer shall provide a certificate of insurance reflecting such coverage.

19.6 Frauscher USA may change, modify, amend, or supplement the GTC unilaterally at any time and shall notify the Customer in writing. Such changed, modified, amended or supplemented GTC shall be applicable to all POs for which acceptance of products has not occurred at the time of notification.

19.7 No delay or omission by Frauscher USA in exercising any right or remedy provided for herein, nor any failure of Frauscher USA to require performance by the Customer of any provision hereof, shall constitute a waiver of such right or remedy or affect the full right of Frauscher USA to require such performance at any time thereafter and shall not be construed as a bar to or a waiver of any such right or remedy on any future occasion. Any waiver by Frauscher USA of a breach of any term or provision contained in the GTC or Customer Contract shall only be effective if in writing. No consent by Frauscher USA to, or waiver of, a breach of the Customer, whether express or implied, shall be construed, operate as, or constitute a consent to, waiver of, or excuse of any other or subsequent or succeeding breach by the Customer. Any waiver given by Frauscher USA shall be null and void if the Customer has not provided a full and complete disclosure of all material facts relevant to the waiver requested.

19.8 If any part, term, or provision the GTC or any Customer Contract between Frauscher USA and the Customer is determined by the arbitrator(s) to be invalid, illegal, or unenforceable, such determination shall not effect or impair the validity, legality, or enforceability of any other part, term, or provision of the GTC and Customer Contract, and shall not render the GTC or such Customer Contract unenforceable or invalid as a whole. Rather, the part of the GTC or such Customer Contract that is found invalid or unenforceable will be amended, changed, or interpreted to achieve as nearly as possible the same objectives and economic effect as the original provision, or replaced to the extent possible, with a legal, enforceable, and valid provision.

19.9 The Customer shall comply with the federal, state, and local laws applicable to the handling, transportation, storage, use, processing, disposal, distribution, sale and resale of Frauscher USA's products and to any of the Customer's products that contain or are made by using Frauscher USA's products. Under no circumstances will either Party offer or make any payment or give anything of value to another person or entity where such payment or action would violate an applicable law or regulation, including but not limited to any applicable anti-bribery, anti-corruption, or anti-kickback law.

19.10 Products are sold for use or consumption within the U.S., Canada and Mexico only. If Frauscher USA authorizes the Customer in writing to export the products outside of the U.S., Canada or Mexico, the Customer

(1) assumes all responsibility for such products; (2) will comply with all laws and regulations relating to the export and sale of the products outside of the U.S., Canada or Mexico, and (3) will adhere to all applicable Frauscher USA's policies and procedures relating to the export of the products as a condition to purchase and export the products. The Customer is responsible for applying for export licenses, if required, based on end user or country of ultimate destination. The Customer shall not trans-ship, re-export, divert or direct products other than in and to the ultimate country of destination declared by the Customer and specified as the country of ultimate destination on Frauscher USA's invoice. The Customer agrees to indemnify and hold Frauscher USA, its employees, officers, directors, agents, shareholders, parents, subsidiaries, and Affiliates harmless from any and all costs, liabilities, penalties, sanctions and fines related to non-compliance with applicable export laws and regulations. The Customer represents and warrants that is not subject to any trade sanctions imposed by the U.S., EU and/or UN and that it is in compliance and shall comply with all applicable laws and regulations relating to trade restrictions and/or export controls (including trade sanctions imposed by the U.S., EU and/or UN) with respect to products sold hereunder, and shall provide evidence of compliance with the foregoing as Frauscher USA may reasonably request from time to time.

19.11 The relationship between the Parties is that of independent contractors. Nothing contained in the GTC or the Customer Contract shall be construed as creating any agency, partnership, joint venture or other form of joint enterprise, employment or fiduciary relationship between the Parties, and neither Party shall have authority to contract for or bind the other Party in any manner whatsoever.