

General Terms and Conditions of Business, Delivery and Payment of Human Med AG

I. General Information

1. The following Terms and Conditions of Delivery and Payment apply exclusively to our deliveries and conclusions of contract. Upon receipt of our confirmation of order, the Client acknowledges our Terms and Conditions of Delivery and Payment. Any deviating agreements and subsidiary agreements must be made in writing to be valid. General Terms and Conditions of Business of the Client / Customer do not form part of the contents of the contract. Such T&Cs are hereby expressly contradicted. The acceptance of payment conditions / the delivery of goods does not equal agreement of the Purchasing Conditions of the contractual partner. Our terms and conditions are considered accepted upon acceptance of the services at the latest. They also apply to all future business relationships, even if they are not expressly agreed separately.

The General Terms and Conditions for products and services pertaining to the electrical industry also apply.

2. We reserve the right to the right of ownership and copyright to all drawings, drafts, estimates, etc. They may not be made available to third parties. Rights of reproduction and distribution rights are also reserved. Should an order not be placed, all documents must be returned immediately.

3. Offers, Confirmation of Order

- 3.1. Our offers are subject to change. The accompanying documents only serve the purpose of the orientation of the client.
- 3.2. A contract is only concluded upon the written confirmation of order by us or by us performing the order. Goods are subject to prior sale until this point in time.
- 3.3. All offers are valid for four weeks following receipt unless specified otherwise.

Metal quotations / metal surcharges are subject to special conditions. If trade descriptions standard in commercial practice and standard in manufacturing practice are used, data standard in manufacturing practise are used as the basis for all measurements, weights and technical details. Further technical details and material details are approximate and serve the purpose of providing the Client/Customer with the precise definition of the goods. We reserve the right to make production-related technical changes to the materials and the structure.

- 3.4. Our written confirmation of offer applies exclusively to the scope of the supply commitment. No quality or durability guarantees as defined by the defects law are given, unless they are expressly indicated as such. Information pertaining to weights and measurements in brochures and offers is provided to the best of our knowledge is always subject to change. Subject to technical changes, reasonable deviations to the designs and changes to the construction which do not impair the function of the objects of the delivery during the lead time. The functions of offered software programs and modules are limited to the description in the Statement of Work. Also subject to the use of parts as new or parts refurbished as new. Independent of the scope

of the order, subject to the right to make partial deliveries. No firm deals are made. Prices always refer to the scope of the delivery described in the offer.

4. Human med AG is particularly interested in its business partners taking safety-relevant measures for guaranteeing the regulations for ensuring the international delivery chain.

II. Terms and Conditions of Delivery, Passage of Risk

1. The deliveries are made ex works, and the dispatch of the goods is at the expense of the Customer provided no other agreement has been made in writing. The risk is passed to the Customer upon dispatch of the goods, even if carriage pre-paid delivery has been agreed. At the request of the Customer and at his expense, the delivery is insured against damage in transit. In the absence of any shipping instructions from the Customer, the choice of the shipping route and of the means of transport is made at our discretion for the most economical carriage of goods without any guarantee. If the dispatch or the delivery of the goods is delayed at the request of the Customer or due to reasons for which he is responsible, risk is passed to the Customer for the duration of the delay.

2. If, as part of a supply contract, we assume the assembly and/or commissioning of the objects of the delivery, the risk is passed to the Customer upon commissioning. If the commissioning is not possible within twelve (12) days of the written confirmation of the completion of the assembly due to reasons for which we are not responsible, the risk is passed to the Customer after this deadline.

If the assembly and/or commissioning is delayed for reasons for which the Customer is responsible, the risk is passed to the Customer.

In the event of the handing-over of software by means of electronic communication media (e.g. via the Internet), the risk is passed over as soon as the software leaves our sphere of influence.

3. Any impossibility / powerlessness for which we are not responsible releases us from our supply commitment. The same applies to force majeure during its term.
4. In the event of an unfounded refusal of acceptance on behalf of the Customer we are entitled to choose, at our discretion, to insist upon the fulfilment of the contract or to charge a flat-rate compensation for damages amounting to 25% of the gross value of the order. The Customer is entitled to furnish evidence of less damage, we are entitled to furnish evidence of higher damage.

5. A basic agreement applies that, for the delivery of cables, excess / short lengths (individual lengths and total lengths) of up to 10% of the ordered quantity, are acknowledged by the Client.

6. Generally, following full clarification of the placed order, lead times are approximate and non-binding provided they have not been expressly agreed in writing. If ordered goods are not accepted within four months, we are entitled to charge for material costs and price increases which have occurred in the meantime.

The risk of accidental loss or accidental deterioration passes to the Customer with the dispatch of the parts to be delivered by the latest, including in the case of carriage pre-paid deliveries, and even if partial

deliveries are being made, or if we have assumed other services, e.g. delivery and installation.

III. Prices, Taxes, Invoices

1. The prices offered and used for the calculations apply to the specified quantities, referring to the respective units of quantity. If quantities other than those offered are ordered or the details of the order are changed, the price must be re-negotiated (possible mark-ups for small volumes, cutting surcharges, etc.). Unless otherwise indicated, our prices are net prices and apply to deliveries within Germany. For domestic orders, VAT at the valid rate is added. Unless otherwise expressly agreed in writing, our prices are ex works and subject to packaging costs. Packaging is charged for separately. The goods will not be taken back.
In the event of a net order value under €100, we charge a processing charge of €30 plus VAT (mark-up for small volume).

IV. Terms of Payment

1. Unless otherwise agreed in writing, our invoices are payable within 14 days of the date of the invoice, net, with a 2% discount, or net without discount after 30 days. The payments are to be made such that no costs arise for the payee. The date of the invoice is the date of dispatch or the day of the readiness for dispatch. A discount is only granted if we provide written notice of such.
2. We are not obliged to accept bills of exchange or checks as payment. Discount charges, bill taxes and collection charges are to be borne by the Client/Customer. No deferment of payment applies to part exchange. Subject to the right of enforceability in all cases. In the event of payment by means of bills of exchange or cheques, the fulfilment of our claim only occurs once the payments have been irrevocably credited to our account.
3. Interest, costs for tools, plans, freight costs, etc., are immediately payable without discount.
4. In the event of arrears in payment, interest on arrears amounting to 8% above the pertinent valid rate of interest at the European Central Bank, is charged. If the Client is in arrears with the payment of an invoice, all other unpaid debts are immediately payable without discount.
5. If the Client/Customer doesn't pay in accordance with the agreement or if the Client/Customer files for the opening of insolvency proceedings, or if we become aware of circumstances which lead us to have serious doubts about the ability to pay or the credit-worthiness of the Client/Customer or the fulfilment of the contract by the Client/Customer, subject to other legal or contractual laws or claims, we may withdraw from all existing contracts with the Client/Customer, irrespective of their nature, either partially or fully: instead, at our discretion, we can postpone the fulfilment of such contracts, make our willingness to provide the services dependent on an advance payment or the provision of suitable securities by the Client/Customer or announce that all our existing claims from the existing business relationship immediately payable.

6. The Client/Customer is only entitled to an off-set or to exercise the right of retention if the counterclaims have been legally determined or are undisputed.

V. Dispatch, Packaging

We decide on the most economical means dispatch at our discretion. If transportation means are specified, additional charges may be charged. The delivery is made at the expense and the risk of the Client/Customer, even if carriage pre-paid delivery has been agreed. We can gladly take out insurance at the request of the Client and at his expense.

Postage, packaging and freight are charged at cost price in accordance with the aforementioned conditions.

VI. Retention of Ownership

The goods remain our property through to the fulfilment of all claims payable to us by the Client/Customer, including future claims from the business relationship, irrespective of the legal basis. This also applies if payments are made to separately indicated claims. The extended forms of the retention of ownership (processing, account current/balance and anticipatory assignment clauses) are agreed.

The Client is only entitled to resell the goods before payment in the ordinary course of business only if he imposes the same reservation of ownership on this customer. He already transfers to us the claims including the reservation of ownership arising from the resale. The transfer is already considered tacitly completed as soon as obligations towards us exist. In the event of a settlement, insolvency or bankruptcy of the Client/Customer, our goods are entitled to be separated.

If the Client is in arrears according to these Conditions, we are entitled to the immediate handing-over of the goods and the replacement of the positive interest and of the damage caused by default.

As part of the ordinary regular course of business, the Client/Customer may bind or mix the goods subject to the title of retention with other objects or remodel for the purpose of work the goods subject to the title of retention. The processing or remodelling of the goods subject to the title of retention is done for us as a manufacturer in accordance with § 950 BGB (German Civil Code) without any claims against us arising. If the merchandise is processed with other objects which do not belong to us, we acquire co-ownership of the new objects to the ratio of the value of the merchandise to the other processed objects at the time of the processing. If the expectant right of the Client/Customer to the goods subject to the title of retention expires due to the binding, mixing, processing or remodelling, we already transfer to the Client/Customer the ownership to the new object, albeit deferred. If we lose the ownership to the goods subject to the title of retention due to binding, mixing, processing or remodelling, the Client/Customer already transfers the ownership to the new object, albeit resolute.

If we are entitled to security interests to the value which does not exceed the value of the secured claims by more than 10% not only temporarily, at the request of the Client/Customer we will release a corresponding part of the security interests.

The Client/Customer is obliged to store the goods subject to the title of retention with or without binding, mixing,

processing or remodelling with other objects with the standard amount of care and to insure them against the standard risks. The Client/Customer is obliged to immediately notify us in the event of the garnishment of our securities or other claims asserted by third parties with regard to our securities. In the event of garnishments, a copy of the garnishment record and a solemn affirmation are always to be submitted which indicates that our reservation of ownership still exists and that the seized goods subject to the title of retention are still subject to our reservation of ownership: if debts are seized, by means of a solemn affirmation a guarantee is to be made that they are debts which have arisen from the resale of the goods subject to the title of retention and that these debts are transferred to us. The Customer is obliged, at our request, to provide us at any time with information regarding the whereabouts of the goods subject to the title of retention and regarding the claims resulting from the resale of the goods subject to the title of retention. The costs arising from the assertion of our rights are to be borne by the Client/Customer.

VII. Use of Software

If software is included in the scope of the delivery, irrespective of the obligation to hand over the software to the customer, all rights to know-how and results which are eligible for protective rights (e.g. inventions, copyrights) remain with us unless otherwise agreed. We are entitled to the unlimited use of the know-how acquired in association with the performance of the contract for our business activities.

If software is delivered as a component of a device or for a specific device, the customer may only use the software with the named / the hardware delivered along with the software. The Customer is not entitled to change the software, to reverse assemble, translate, remove parts of or combine it with other programs.

VIII. Liability, Notices of Defects, Complaints, Returns

It is the duty of the Customer to immediately, or within a period of four days at the latest, to inspect the products delivered by us for errors, defects and the number of pieces and, in the event of errors, defects or deviating number of pieces, to also notify us of this immediately, or within a period of 14 days at the latest such that we can identify errors, defects or deviations to the number of pieces and from the contents of the order that we can fulfil our obligation to remedy the defects.

If the Customer learns about breaches of obligations and/or material deficiencies, we are entitled to choose between making a substitute delivery or remedying the defect in any other way in order to fulfil our liability towards the customer to remedy the defect within an appropriate time period. If the defective performance, duty to improve and/or the material deficiency occurs at the place of delivery of the Customer or of his customer from a supply chain, the Customer must give us or a third party the chance to perform our liability to remedy the defect at the place of delivery of our product.

The Customer is obliged to not acknowledge any guarantee rights towards his customer or third parties from the supply chain without our consent.

In the event of negligent breach of duty caused by us, defective performance or caused material deficiencies, our liability is restricted to improvement or substitute delivery.

In the event of considerable breaches of duties and defective performances of "cardinal" duties and duties to perform and/or material deficiencies, we bear unrestricted liability for

- Intentional negligence
- Gross negligence of the Managing Director and/or managers regarding injury to life, body or health of persons
- Material deficiencies which have been fraudulently concealed
- Guarantees expressly issued in writing
- Errors to the products as far as liability is borne according to the product liability law for personal damage and property damage.

In the event of the breach of non-essential obligations, defective performance and other accessory obligations, including in the case of non-essential deviation of performance and quality specifications of our products, we exclude any liability towards our customers.

We are liable as follows for defects which include the lack of guaranteed properties:

At our discretion, all those parts or services are to be improved for free, delivered anew or to be performed anew which, calculated within 12 months from the day of the passage of risk, as a consequence of one of the circumstances existing before the passage of risk, in particular if they are unusable or if their usability is considerably impaired due to defective construction, defective material or defective performance. Determination of such defects must be reported to us immediately in writing. All expenses, in particular the costs for the installation, removal, transportation, journey time and travel time, are borne by the Client.

In the event of the export of our products by our Customer, including the processing or use of components, we are not liable for the products' exportability and the lack of requirement for state approval and the importability in the export countries of our Customer.

We will only accept returns after making a prior written agreement. They must be clearly labelled with the returns number issued by us. A returns charge is to be clarified in each individual case.

The Client/Customer is to comply with the contractual obligations, in particular the agreed payment terms. If a notice of a defect is asserted, payments by the Client/Customer can only be withheld to the same extent as the corresponding extent of the defects.

At their discretion, the Customer/Client must grant us the necessary time and opportunity to remedy defects. If he refuses to do so, we are released from our liability for defects.

All rights of the Client/Customer to assert claims from defects come under the statute of limitations in 12 months. The period commences on the date of the delivery note pertaining to the delivery of the product.

The liability for defects does not apply to damage occurring after the passage of risk caused by incorrect or negligent handling, excess strain, inappropriate operating supplies and other circumstances which are not specified according to the contract.

Any improper changes made by the Client/Customer or third parties, for instance, cancels the liability for resulting consequences.

The guarantee period for improvements to defects and substitute deliveries is three months.

Further claims by the Client/Customer against us or our vicarious agents are excluded, in particular a claim for compensation for damages not occurring to the delivery object. This does not apply if, according to the product liability law or in the event of intention or gross negligence compelling liability applies.

If absolute protective rights of third parties are breached by our contractual services, we can forbid with immediate effect the Customer from using of the service in question as part of the subsequent performance and

- Either change or replace the contractual service in such a way that it no longer breaches the protective rights whilst, at the same time, complying with the contractual provisions,
- Or obtain the right for the customer to the unlimited use in accordance with the contract and without additional costs for the Customer.

If the subsequent performance fails, the Client/Customer is justified to, at his discretion, request a reduction in payment or to withdraw from the contract. Failure generally assumes two futile attempts at subsequent performance.

IX. Product Liability

If damage occurs due to our gross negligence resulting from the failure or defective performance or construction of our products or due to defective advice, information or operating instructions following the hand-over of our products, including due to the basis of a claim of the legal product liability, we come to an agreement with the Customer that the liability is restricted to the amount of the pertinent insurance amount for material and personal damage taken out by us. At the request of the Customer, we can inform him of the insurance company and the pertinent sum insured.

The Customer waives any additional claims towards us for any property damage not covered by our insurance company in the event of a case of product liability.

We and our Customer exclude the assertion of product liability claims which have occurred for third parties by signing over of the third party to the Customer. The Customer cannot assert against us any claims from the supply chain.

X. Impossibility

If it is impossible for us to make a delivery, the general principles of law apply to the following extent:

If the impossibility to deliver is our fault, the Client/Customer is entitled to demand compensation for damages, however this is restricted to 10% of the value of that part of the delivery which cannot be delivered due to the impossibility.

Claims for compensation for damages by the Client/Customer in excess of the limit of 10% are excluded. This does not apply in cases of liability due to intent or gross negligence.

XI. Other claims for compensation for damages

Any claims for compensation for damages by the Client/Customer which are not regulated above are

excluded. This does not apply in the case of compelling liability in accordance with the general legal regulations.

XII. Installation, acceptance, exclusion for patent defects

1. If the delivered goods are installed by us, acceptance must be performed by the Customer immediately following completion of the installation on site. Any recognisable installation defects are to be complained about immediately.
2. The provisions of No. 1 do not apply if the usability of the goods can only be judged following a trial period. In this case, the acceptance is only considered completed once the Customer has used the goods for longer than three weeks without complaining about considerable defects.
3. Otherwise, unconditional acceptance claims due to defects are excluded provided they are not due to concealed defects.

When carrying out installations, we are not obliged to inspect advance services performed by third parties and to point out their improper, unprofessional advance services.

XIII. Transferability of claims

The Customer is not entitled to transfer to third parties claims from contracts concluded with us without our written agreement either partially or fully. This also applies to guarantee claims.

XIV. Non-disclosure

We and the Client/Customer are obliged to maintain secrecy about company and business secrets as well as other confidential and protected information and matters of the other party entrusted or shared as part of or in connection with the performance of the order and to not use such for our/their own purposes or for the purposes of third parties but instead only to use them for the rightful performance of the order.

This non-disclosure agreement continues to apply even following completion of the pertinent agreement.

XV. Export limitations

The delivered goods are to remain in the Federal Republic of Germany and are subject to the export limitations of the Federal Ministry of Commerce and the Department of Commerce (USA). Hence, they may not be exported without approval. It is the responsibility of the Customer to obtain such approval.

XVI. Special provisions for service and maintenance contracts

The following provisions also apply to service and maintenance contracts:

1. Modalities of the provision of services:

We are entitled to have services provided by third parties. We are entitled to provide partial services. Unless otherwise agreed, the services are performed at our headquarters.

Our "man day" comprises eight working hours by an employee, services are provided only on work days between 8 a.m. and 6 p.m. Work at any other times is only performed with a corresponding agreement and the payment of the usual overtime, Saturday, Sunday and bank holiday bonuses.

Unless otherwise stipulated in an individual contract, the Client/Customer is obliged to pay any expenses, travel expenses, accommodation, etc.) for any of our employees working at the premises of the Customer. Calculation of such is based on the generally applicable or specifically agreed travel expense rates.

2. Obligation of the Client/Customer to cooperate:

The Client/Customer supports us in the performance of the agreed services provided this is reasonable to expect, necessary and appropriate. In particular, the Customer is obliged to provide necessary hardware, software, computer times and means of communication.

If a service in the area of responsibility of the Client/Customer cannot be performed, especially since

- The aforementioned cooperation services are not performed or not performed on time, or
- A reported error hasn't actually occurred during our on-site inspection, or
- The Client/Customer has missed an agreed deadline,

the Client/Customer will be charged the additional costs caused by this which will be charged for separately. Any agreed deadlines are extended by the time lost due to the failure to cooperate.

3. Granting of rights

With the creation or the processing of the work results (if applicable), the Client/Customer obtains the non-exclusive, non-transferrable right to the unlimited use of the work results internally. In particular, he has the right to the unlimited reproduction on all known data carriers and in the network, to the editing, redesigning and translation, yet not to the distribution of the work results in the changed form or in the original form or to grant sub-licences.

In particular, we are entitled to use process engineering, development tools, software modules and the work results developed as part of this contract on all types of use.

4. Termination and compensation for damages

We are entitled to the extraordinary termination of the contract if

- The Client/Customer is in arrears with the payment of two invoices in the event of regularly due payments, or
- Has repeatedly been in arrears with payments, or

- Insolvency proceedings have been filed for the assets of the Client/Customer, or
- There is the risk of the financial collapse of the Client/Customer.

The provisions of § 321 BGB remain unaffected by this.

Furthermore, both parties are entitled to terminate the contract for another important reason.

In the event of the termination of the contract due to arrears in payment, we can request compensation for damages instead of the service. We are entitled to request at least 25% of the gross value of the order as compensation for damages if the Customer does not furnish evidence of less damage or we furnish evidence of more damage.

XVII. Consultancy and information

If we make suggestions for the use of the products, irrespective of whether during training or otherwise, these suggestions are made based on the state of the art, our experiences and the information provided by the Client/Customer. However, we do not provide any guarantee for the results to be achieved or that the rights of third parties are not violated.

XVIII. Applicable law

All contracts concluded between us and the Client/Customer (including the questions pertaining to the conclusion and the effectiveness of the contracts, taking into consideration the General Terms and Conditions of Business) are subject to German material law as between local parties. Applicability of the CISD (UN Convention on Contracts for the International sale of Goods) is excluded.

XIX. Data protection

We are obliged to strictly comply with the valid provisions of the Data Protection Act. This applies particularly to the Tele Services Data Protection Act (TDDSG) and the Media Services International Treaty and Federal Data Protection Act (BDSG). We only save and process customer data as part of the customer relationship between us and the Client/Customer. We do not forward this data to third parties.

Use profiles are only collected with the agreement of the Customer and are not forwarded to third parties.

The deletion of address data must be made in writing. The request to delete data must be sent to us by the person in question.

We never sell or rent out the data of the Client/Customer to third parties. The Customer is assured that his data is only used for the purposes of the business relationship between us and the Client/Customer. We guarantee this by accepting the order.

XX. Miscellaneous

If one or several of the provisions of this condition or of the contracts is invalid or impossible to implement, the validity of the other provisions of these conditions and of the contract are not affected. The parties will replace provisions which are invalid or which are impossible to implement with valid provisions which correspond as closely as possible with the intended purpose of the provision which is invalid or impossible to implement.

Any changes and additions to the contract must be made in writing and signed by both parties to be effective. This also applies to the statutory written form.

Neither of the parties is entitled to transfer rights and/or obligations from the contract either fully or partially to third parties without the prior written consent of the other party.

Transfers of the nature described above are permissible for us by means of written notification to the purchaser if the recipient of the transfer is a company which has a share in our company or a company in which we have a share of at least 50%.

If we do not exercise a right or a permission or do not exercise this punctually, this is not considered the waiving of such a right or a permission: the one-off or partial exercise of a right or a permission is not considered a waiver of such.

The headlines in these Conditions only serve the purpose of clarity and have no effect on the interpretation of these Conditions.

The Client/Customer hereby subjects himself irrevocably to the jurisdiction of the competent court at our headquarters and hereby irrevocably waives – if legally permissible – all complaints, objections and pleas of this court. However, we are entitled to initiate legal action and other proceedings against the Client/Customer or his assets at any other competent court.

Schwerin, Germany, July, 29th, 2016