

**Afag Automation Americas**  
**GENERAL TERMS AND CONDITIONS – SALE**

1. Offer and Acceptance.

(a) These Terms and Conditions of Sale (these “Terms and Conditions”), together with the terms of any other document in which these Terms and Conditions are attached or are incorporated (collectively, this “Agreement”) apply to and include (subject to the provisions herein with respect to inclusion) (i) any quotation, proposal, or offer to sell (“Offer”) made by Schaeff Machinery & Services LLC or one of its affiliates or subsidiaries (collectively, “Seller”) for the sale of Seller’s goods and/or services (collectively, the “Goods”) and (ii) any purchase order or related attachments, schedules, exhibits, designs and drawings (collectively, an “Order”), issued by the buyer-party purchasing the Goods or that party’s subsidiaries and affiliates (collectively, “Purchaser”). Purchaser accepts, and will be deemed to be bound by, the terms of this Agreement upon the first to occur of the following: (a) Purchaser’s written acknowledgment of this Agreement in writing; (b) Purchaser placing an Order with Seller; (c) delivery of the Goods by Seller pursuant to any Order or similar type of request by Purchaser; (d) acceptance of the Goods by Purchaser; or (e) payment for the Goods by Purchaser.

(b) Purchaser’s acceptance is expressly limited to the terms of this Agreement and this Agreement exclusively governs the sale of Goods by Seller. This Agreement expressly supersedes and excludes any terms and conditions set forth in any Order placed by Purchaser or any other document issued or deemed to be issued by Purchaser to Seller (including, without limitation, Purchaser’s general terms and conditions of purchase), each of which are expressly rejected. Any reference in this Agreement to any request for quotation, request for proposal, or any other similar bid document made by Purchaser is solely for the purpose of incorporating the description and specifications of the Goods contained in such document, but only to the extent that such description and specifications do not conflict with the description and specifications contained in this Agreement. Any additional or different terms proposed by Purchaser, whether in Purchaser’s Order or otherwise, or any attempt by Purchaser to vary the terms of this Agreement in any way, are expressly rejected by Seller, are not part of this Agreement and do not apply to the sale of Goods, and are not binding on Seller without the express prior written acceptance of such terms by Seller’s authorized representative.

(c) None of the terms, provisions or conditions of this Agreement may be modified, altered or added to except by written instrument signed by a duly authorized representative of Seller. Any agreed upon change will be subject to an equitable adjustment in the purchase price and/or time for performance.

2. Duration. Unless otherwise agreed by Seller in writing, the initial term of this Agreement shall take effect immediately and will expire [one year] thereafter (the “Initial Term”). Unless either party provides the other party with written notice of non-renewal at least [60 days] prior to the expiration of the Initial Term or any Renewal Term, this Agreement will automatically renew for the successive [12-month period] thereafter (each a “Renewal Term” and together with the Initial Term, the “Term”). All other terms of this Agreement will continue without modification during each such Renewal Term. Notwithstanding the expiration of the Term, Purchaser will be responsible for the payment of any finished Goods, work-in-progress, and all cost incurred or other materials made or committed for this Agreement.

3. Quantity. Even if this Agreement does not require Seller to supply a specified quantity of Goods or an Order is designated as “blanket” or does not contain a specific quantity, this Agreement is not a requirements contract and Seller is only obligated to supply Purchaser Goods in an amount not less than one (1) unit.

4. Price and Payment.

(a) Price. Prices for the Goods will be as agreed by Seller in a signed writing or, if not agreed, the price specified in the Offer or Seller's price list, as the case may be. Notwithstanding the foregoing, Seller's prices do not include transportation, freight, handling, special handling, delivery and insurance costs or any all federal, state, provincial and local taxes (including sales, use, value-added and excise taxes), assessments, tariffs, duties, and any similar fiscal contribution related to the Goods, all of which shall be the sole responsibility of Purchaser and payable by Purchaser in addition to Seller's price. Prices are based on costs and conditions existing on the date of Seller's Offer and are subject to change at any time in the event of a change in Seller's costs (including raw material), part availability from Seller's vendors, or other circumstances beyond Seller's reasonable control. Seller may also adjust prices for Goods at any time to reflect Seller's prices in effect at the time of shipment to Purchaser. Purchaser shall have no right to access Seller's cost or pricing data or other books and records.

(b) Payment. Purchaser will pay for Goods without setoff, recoupment, or deduction of any kind, in U.S. funds. Unless otherwise agreed to in writing by Seller, payment for the Goods will be due and payable [thirty (30)] days following the earlier of (a) Purchaser's receipt of Seller's invoice or (b) Purchaser's receipt of the Goods. Purchaser will not be entitled to any discount for early payment. If payment is not made as provided in this Agreement, or if Purchaser's financial condition becomes impaired or unsatisfactory to Seller (as determined in Seller's sole discretion), Seller may, at its option and without notice: (1) suspend performance of its obligations under this Agreement, including, without limitation, delay or suspend shipments to Purchaser until such breach has been cured or Purchaser's financial condition is improved to Seller's satisfaction; (2) require payment in advance as to future deliveries or require security to ensure payment; (3) demand return from Purchaser of any Goods for which payment has not been made; or (4) cancel this Agreement. If Seller's performance or shipment is delayed or suspended by Purchaser, payment shall become due on the date when the Seller is prepared to make shipment and such payments shall be made based on the purchase price and the percentage of completion. All amounts due to Seller but not paid by Purchaser on the due date will bear interest on the unpaid balance of amounts due at a rate that is equal to [three (3%)] until paid. Purchaser agrees to indemnify and hold harmless Seller from any and all legal fees and costs that may be required to collect any overdue balances. Seller may offset, deduct, or recoup any amounts owed by Seller or any of its affiliates or subsidiaries to Purchaser against any amounts owed by Purchaser to Seller or any of its affiliates or subsidiaries. If deliveries of Goods are to be made in installments, the purchase price of each installment shall, at Seller's option, be recoverable as a separate sale. The remedies contained in this Section 4 are cumulative and shall be in addition to any other remedies available to Seller under applicable law.

5. Delivery; Risk of Loss; Transportation Charges. Delivery dates are estimates only. Unless otherwise agreed in writing by Seller, Seller will deliver the Goods EX WORKS (Incoterms 2010) to Purchaser's carrier at Seller's facility. Title and risk of loss to the Goods will pass to Purchaser when the Goods are placed in the possession of Purchaser's carrier; *provided, however*, Seller shall retain a purchase-money security interest in the Goods as security for Purchaser's performance until payment in full is received. Purchaser shall pay or promptly reimburse Seller for all transportation, freight, handling, special handling, delivery and insurance costs and for all federal, state, provincial and local taxes (including sales, use, value-added and excise taxes), assessments, tariffs, duties, and any other fiscal contribution of similar import related to the sale, use, shipment, transportation, or delivery of the Goods. Seller may, at its option, deliver all Goods in one lot or several lots from time to time, as long as such delivery are within the time frame set forth in the Order or this Agreement, as the case may be. To the extent delivery is in several lots, Purchaser agrees that the prices for the Goods can be apportioned and can be demanded for in each lot.

6. Shipping Weights. Seller shall not be responsible for the accuracy of shipping weights, if any, listed on any document provided by Seller to Purchaser or Purchaser to Seller. Such weights are given

only for the purpose of enabling Purchaser to estimate transportation cost.

7. Excusable Delays. Seller shall not be held liable, or deemed in default, for any failure or delay in fulfilling or performing any of its obligations under this Agreement (including failure to deliver Goods) if such failure or delay is caused by, or results from, acts beyond Seller's reasonable control, including fire, flood, drought, acts of nature, war, hostilities, terrorist threats or acts, riot or other civil unrest, strikes, lockouts, slowdowns or other labor unrest, delay in transportation, shortage of power, unavailability of raw materials, embargo, government action, earthquake, explosion, national or regional emergency, or by acts or omissions of Purchaser, including Purchaser's failure to promptly comply with the terms of payment (collectively, the "Excusable Delays"). At Seller's option, either (i) the date of delivery shall be extended for a period equal to the time lost by reason of any Excusable Delay, or (ii) any quantity of Goods affected by an Excusable Delay shall be deducted from the total quantity sold to Purchaser. Seller, during any period of shortage due to an Excusable Delay, may allocate its available supply of Goods among itself and its customers on whatever basis it deems desirable.

8. Acceptance and Return of Goods. Purchaser will inspect the Goods promptly upon receipt. Unless Purchaser provides Seller with written notice stating with specificity any defects, nonconformities, or shortage relating to the Goods within [ten (10)] days after receipt of the Goods, such Goods will be deemed fully and finally inspected, checked and accepted by Purchaser, and any such claims for defects, nonconformities, or shortages will be waived by Purchaser. Upon acceptance of Goods, Purchaser waives any right to revoke such acceptance for any reason, whether known or unknown to Purchaser at the time of acceptance. Purchaser will be limited to any available remedies specifically provided in this Agreement under Section 12 for any defect or nonconformance in the Goods after such acceptance. Seller has a reasonable period of time to cure any nonconformity. Goods may not be returned without Seller's prior written return authorization and, once authorized, Purchaser may return the Goods Delivery Duty Paid (Incoterms 2010) to destination determined by Seller and in accordance with instructions issued by Seller. Failure to follow Seller's return procedures may result in lost Goods, delays, additional service, restocking charges, warranty denial, or refusal of a shipment. Seller has the right to reject Goods returned without Seller's approval.

9. Cancellation and Changes. Purchaser may not cancel Orders, change the timing of scheduled shipments, or direct temporary suspension of scheduled shipments without Seller's prior written consent and in no case within thirty (30) days of Seller's estimated shipping date for such Goods. Cancellations of Orders or rescheduling of shipments more than thirty (30) days prior to Seller's estimated shipping date may be accepted with Seller's prior written consent and shall be subject to cancellation charges which will include all expenditures (including, without limitation, purchases for raw materials) made and committed for the Order. Purchaser will also be responsible for the payment of any finished Goods, work-in-progress, and all other materials made or committed for the Order. All changes to Orders must be submitted by Purchaser to Seller in writing and will not be effective unless and until Seller consents in writing to the change(s). Seller will advise Purchaser in writing of the price and/or delivery schedule impact, if any, of the change request. Seller will not be required to accept any changes without Purchaser's written acknowledgement of any price and/or delivery schedule adjustments, if any.

10. Allocation. Seller will not be required to sell a greater quantity of Goods than it has available or has allocated for this Agreement. If Seller is unable to supply the total demands for any Goods, Purchaser acknowledges and agrees that Seller may allocate its available supply among its customers in any manner Seller deems fair and equitable. SELLER WILL NOT BE OBLIGATED UNDER ANY CIRCUMSTANCES TO PURCHASE GOODS FROM OTHERS TO MEET PURCHASER'S DEMANDS, NOR WILL IT BE LIABLE FOR ANY DAMAGES OR CLAIMS ARISING THEREFROM.

11. Intellectual Property. Except to the extent provided in a separate written agreement

between Purchaser and Seller, this Agreement will not be deemed to transfer, assign, or license, and Seller will retain all rights, title and interests in and to, any idea, invention, concept, discovery, work of authorship, patent, copyright, trademark, trade secret, know-how, formula, design, engineering drawing, device, compilations of information, manufacturing methods or processes, tooling or other intellectual property embodied, used in or otherwise related to the Goods (collectively “Confidential Information”). Confidential Information shall be kept confidential by Purchaser, and shall not be disclosed to third parties without Seller’s express written consent. Purchaser shall not use any Confidential Information, in whole or in part, or the Goods, to copy, redesign, reverse engineer, replicate or manufacture (or enable manufacture by itself or any third party) all or any portion of the Goods, products similar to the Goods, or products derived from the Goods without Seller’s express written consent.

12. Warranty.

(a) Seller Warranty. Subject to the limitations set forth in this Agreement, Seller warrants to Purchaser (and not to any third party) that the Goods will be free of significant defects in material and workmanship (the “Seller Warranty”). THE SELLER WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EITHER EXPRESS, STATUTORY OR IMPLIED, WHICH ARE HEREBY DISCLAIMED AND EXCLUDED BY SELLER, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR USE, AND ALL OBLIGATIONS OR LIABILITIES ON THE PART OF SELLER FOR DAMAGES ARISING OUT OF OR IN CONNECTION WITH THE USE, REPAIR, OR PERFORMANCE OF THE PRODUCTS. The Seller Warranty will not apply if the alleged defect was caused or contributed to by (i) failure of, or any defect in, any goods into which the Goods were installed not attributable solely and exclusively to such Good; (ii) any system processing, design or installation, (iii) failure to follow any directions, manuals and precautions provided by Seller, if any; (iv) transportation, storage or handling of the Goods; (v) misuse, mishandling, misapplication (including improper maintenance), accident, neglect, improper installation (including use of unauthorized parts or attachments), wear and tear, abnormal use (including any application not originally specified by Seller for the Goods); or (vi) adjustments or repairs performed by anyone other than Seller or one of Seller’s expressly authorized agents.

(b) Warranty Period. Unless otherwise agreed to by Seller in writing, the Seller Warranty will expire and no longer be of any force or effect [twelve (12)] months from Purchaser’s receipt of the Goods.

(c) Warranty Claims. Notwithstanding any other provision of this Agreement, the Seller Warranty is valid only if: (a) Purchaser notifies Seller, in writing, of an alleged claim or defect within [five (5) business days] from the date Purchaser discovered, or upon reasonable inspection should have discovered, such alleged claim or defect; (b) the allegedly defective Goods are returned to Seller for inspection and testing by Seller before expiration of the applicable warranty period described above; and (c) Seller’s inspection and testing reveals, to Seller’s reasonable satisfaction, that the Seller Warranty applies to the alleged defect. If Seller determines that any Goods returned to Seller pursuant to the Seller Warranty are not covered by the Seller Warranty, Purchaser will, within five (5) days after receipt of Seller’s claim, reimburse Seller for Seller’s costs and expenses incurred in inspecting such Good.

(d) Exclusive Remedy. PURCHASER’S EXCLUSIVE REMEDY AGAINST SELLER, AND SELLER’S SOLE OBLIGATION AND LIABILITY FOR ANY AND ALL CLAIMS, WHETHER FOR BREACH OF CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, SHALL BE LIMITED TO SELLER’S REPLACING OR REPAIRING THE APPLICABLE GOODS OR, AT SELLER’S OPTION, REFUNDING THE PURCHASE PRICE PAID BY PURCHASER TO SELLER FOR THE APPLICABLE GOODS.

(e) Withdrawal of Goods. If Seller determines that any Goods sold to Purchaser may be defective, at Seller's request, Purchaser will withdraw all similar Goods from sale and, at Seller's option, either return such Goods to Seller or destroy the Goods and provide Seller with written certification of such destruction.

13. Limitation of Liability.

(a) IN NO EVENT SHALL SELLER BE LIABLE TO PURCHASER OR ANY THIRD PARTY, WHETHER IN CONTRACT OR IN TORT OR UNDER ANY OTHER LEGAL THEORY, FOR ANY SPECIAL, INDIRECT, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL LOSSES OR DAMAGES, INCLUDING, BUT NOT LIMITED TO, ANY DIRECT OR INDIRECT LOST PROFITS OR REVENUE REGARDLESS OF WHETHER SUCH LOSS OR DAMAGE WAS FORESEEABLE OR SELLER WAS ADVISED OF THE POSSIBILITY OF SUCH POTENTIAL LOSS OR DAMAGE.

(b) IN NO EVENT SHALL SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE TOTAL OF THE AMOUNTS PAID TO SUPPLIER HEREUNDER DURING THE TWELVE (12) MONTH PERIOD PRECEDING THE EVENTS GIVING RISE TO SUCH CLAIM.

14. Termination for Cause. Seller may terminate all or any portion of this Agreement or any Order for cause prior to expiration of the Term by providing written notice to Purchaser specifying the applicable date of termination, upon the occurrence of any one or more of the following events (or a comparable event): (i) Purchaser materially breaches this Agreement, and such breach is incapable of cure without risk of future losses or damages to Seller, or with respect to a material breach capable of such cure, Purchaser does not cure such breach within [ten (10) days] after receipt of written notice of such breach; (ii) Purchaser fails to make any payment due to Seller under this Agreement on or before the due date; (iii) Purchaser (a) becomes insolvent or is unable to pay its debts as they become due; (b) becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law; (c) is dissolved or liquidated or takes any corporate action for such purpose; (d) makes a general assignment for the benefit of creditors; or (e) has a receiver, trustee, custodian or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business; or (iv) a direct or indirect change in control of Purchaser occurs without Seller's prior written consent. Any termination under this Section 14 will be effective on the date of Seller's written notice of termination or such later date as set forth in the notice. Any termination by Seller pursuant to this Section 14 will not give rise to any liability of Seller nor constitute a waiver of any of Seller's rights or remedies under this Agreement or otherwise provided by law.

15. Indemnification. To the maximum extent allowed by applicable law, Purchaser will defend, indemnify and hold harmless Seller and its present and future directors, officers, shareholders, members, employees, attorneys, agents, representatives, parents, affiliates, and subsidiaries from and against any and all claims, costs, demands, losses, indirect and direct damages (including lost profits, incidental, consequential, and punitive damages), liabilities, causes of action, judgments, settlements, awards, fines, penalties, assessments, and expenses (including costs of defense, mediation, settlement and reasonable attorneys' and other professionals' fees), however described or denominated, brought by any third party (including, Purchaser's employees, subcontractors, laborers, agents, and assigns) arising out of, incidental to, or resulting from (i) Purchaser's negligence, use, ownership, maintenance, transfer, transportation or disposal of Goods; (ii) any infringement or alleged infringement of the industrial and intellectual property rights of others arising from Purchaser's plans,

specifications (including Purchaser's trademarks and brand names) or production of Goods ordered by Purchaser; (iii) Purchaser's violation or alleged violation of any federal, state, county or local laws or regulations; (iv) any negligent or willful act or omission of Seller or its respective subcontractors, agents, employees or other representatives; or (v) Purchaser's breach of this Agreement.

16. Export. The Goods may be subject to export controls and regulations of the U.S., the country of manufacture, or the country of shipment and such export may require a valid export license. Seller's acceptance of Purchaser's Order and delivery of the Goods is conditioned on Purchaser's compliance with applicable export controls. Seller will have no obligation to sell or deliver any Good until all required U.S. and/or other export licenses have been granted and there are no other impediments arising from any applicable export regulations. No Goods sold to Purchaser may be exported or re-exported unless such export or re-export complies fully with all applicable export regulations.

17. Advertising/Use of Trade Names. Except to the extent Seller has consented in a signed writing, Purchaser will not advertise or publish that Purchaser has purchased Goods from Seller or use any of Seller's trademarks or trade names in Purchaser's advertising or promotional materials.

18. General Terms.

(a) Notices. All notices, claims and other communications to Seller required or permitted under this Agreement will be made in writing and will be effective only upon receipt by Seller. Purchaser's failure to provide any notice, claim, or other communications to Seller in the manner and within the time period specified in this Agreement will constitute a waiver by Purchaser of any and all rights and remedies that otherwise would have been available to Purchaser upon making such notice, claim, or other communication.

(b) Entire Agreement. This Agreement, including any attachments, exhibits or supplements attached hereto, and other matter incorporated herein by specific reference, constitutes the entire agreement between Seller and Purchaser with respect to the subject matter of this Agreement and supersedes all prior or contemporaneous oral or written discussions, understandings, representations and agreements.

(c) Severability. If any clause in this Agreement is determined by a court of competent jurisdiction to be invalid, the invalidity of such clause shall not affect the validity of the remainder of this Agreement.

(d) Remedies. Seller reserves and does not waive any claims, rights and remedies that it may have under any this Agreement, any other agreements between Purchaser and Seller and applicable law, including the right to recover from Purchaser any and all damages (including incidental and consequential damages), costs or expenses (including attorneys' or other professionals' fees and labor, material and apportionable overhead costs and expenses) incurred by Seller on account of Purchaser's breach of this Agreement (including any cancellation by Purchaser of this Agreement or any Order placed by Purchaser pursuant to this Agreement).

(e) Assignment. Purchaser may not assign this Agreement or assign or delegate it rights or obligations under this Agreement without Seller's prior written consent. Any purported assignment in violation of this Section will be null and void and of no force or effect.

(f) Governing Law; Venue. This Agreement, and all related documents and matters arising out of or relating to this Agreement, are governed by, and will be construed in accordance with, the laws of the State of [Tennessee], without regard to any conflict of law provisions. The United Nations Convention on Contracts for

the International Sale of Goods is expressly excluded from applying to this Order. Seller and Purchaser each irrevocably and unconditionally agree that the sole and exclusive forum and venue for any legal or equitable action or proceeding arising out of or in connection with this Agreement will lie in the United States District Court for the [Middle District of Tennessee], the courts in the State of [Tennessee] sitting in [Davidson] County, and any appellate court with jurisdiction over such courts. Each party hereby irrevocably and unconditionally submits to the exclusive jurisdiction of such courts and Purchaser agrees not to bring any action, litigation, or proceeding in any other court.

(g) Relationship of Parties. Seller and Purchaser are independent contracting parties and nothing in this Agreement will make either party the agent or legal representative of the other for any purpose, nor does it grant either party any authority to assume or to create any obligation on behalf of or in the name of the other.

(h) No Third Party Beneficiary. Except as otherwise provided, each party acknowledges and agrees that the rights and interests of the parties under this Agreement are intended to solely benefit Seller and Purchaser.

(i) Interpretation. For purposes of this Agreement (i) whenever the word “including” (or any variation thereof) is used, it is deemed to be followed by the words “without limitation;” (ii) the word “or” is not exclusive; (iii) section headings are for convenience or reference only, and do not affect the meaning of this Agreement; and (iv) any agreement, instrument, statute, law, regulation or rule defined or referred to herein shall be deemed to mean such agreement, instrument, statute, law, regulation or rule as from time to time amended, modified or supplemented, and includes, in the case of agreements and instruments, references to all attachments thereto and instruments incorporated therein. No provision in this Agreement may be construed against Seller as the drafting party.

(j) Survival. To the extent that any provisions of this Agreement are meant to remain valid after this Agreement has terminated, expired or otherwise ended, such provisions have continued validity even after termination.

(k) JURY TRIAL WAIVER. PURCHASER AND SELLER ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH OF PURCHASER AND SELLER, AFTER CONSULTING (OR HAVING THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS CHOICE, KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR OTHER LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER DOCUMENT PERTAINING TO THIS AGREEMENT.