

GENERAL TERMS AND CONDITIONS

of Assistive Innovations

1 Definitions

- 1.1 AI: shall mean Assistive Innovations Corp. and/or any of its affiliated companies.
- 1.2 Customer(s): shall mean any natural person or corporation with whom AI and its employees deal in the course of its business, including representative(s), agent(s), successor(s) and including visitors of its website.
- 1.3 Party and Parties: shall mean AI and Customer, either individually or collectively.
- 1.4 Product(s): shall mean any or all of AI's products and services.
- 1.5 In writing: shall mean by letter, by fax or by e-mail.

2 General

- 2.1 These general terms and conditions of sale and delivery apply to all offers, quotations and contracts made by AI, and exclusively govern the relationship between AI and Customers.
- 2.2 Customer may submit a purchase order to AI for administrative purposes only. AI expressly rejects any general terms and conditions used by Customer. No other terms and conditions shall be binding upon AI unless they are expressly agreed to in writing by AI.
- 2.3 Insofar as these general terms and conditions are also drawn up in a language other than English, in the event of any conflict the English text shall always prevail.

3 Offers and conclusion of agreement

- 3.1 All offers made by AI shall be free of obligation and may be revoked at any time, unless AI stated otherwise in writing.
- 3.2 All information and data contained in product documentation and price lists, whether in electronic or any other form, are binding only to the extent that they are by reference expressly included in the agreement with AI.
- 3.3 Customer must submit an order, which AI may confirm or reject at its sole discretion, and which only becomes binding once AI has confirmed the order in writing.
- 3.4 Any order accepted or undertaken given by a representative of AI shall only be binding against AI insofar as AI confirms it in writing.

4 Prices

- 4.1 Unless otherwise agreed in writing, prices shall be stated in U.S. dollars (USD), exclusive of VAT and all other taxes, duties, levies or fees, or other similar charges imposed on AI or on Customer by any taxing authority (other than taxes imposed on AI's income) related to Customer, unless Customer has provided AI with an appropriate resale or exemption certificate for the delivery location, which is the location where AI transfers title or possession of Products to Customer, and do not include delivery and service costs.
- 4.2 Product configurations and prices are subject to change at any time. Any price cited by AI shall be based upon the existing monetary conditions, labor costs, procurement prices, duties, taxes and other levies, subsidies and the like prevailing at the time the purchase agreement concerned is concluded. In the event that one or more of these cost price components increases after conclusion of the agreement but before the relevant Products have been delivered, AI shall be entitled to pass on any reasonable price increase to the Customer.
- 4.3 Customer shall bear any exchange rate risk, unless otherwise agreed in writing. Where AI and the Customer agree to a price in USD and the USD-EURO exchange rate at the date of order confirmation deviates 10% or more from the USD-EURO exchange rate current at the date of delivery, supplementary payment to AI shall have to be made in order to cover the difference between the two exchange rates.

5 Orders, Shipping, Delivery

- 5.1 All orders are subject to product availability.
- 5.2 Customer is aware that Products may be shipped internationally through third party carriers and that delivery times and dates are merely estimates. AI CANNOT BE HELD LIABLE FOR ANY DAMAGES AS A RESULT OF DELAY IN DELIVERY OF PRODUCTS.

- 5.3 Unless otherwise agreed in writing, delivery shall be made ex warehouse/works, New York, New York, USA (EXW, Incoterms 2010). All terms and conditions of delivery shall apply in accordance with the Incoterms in force at the moment of conclusion of the agreement.
- 5.4 Customer must accept delivery of Products during normal business hours, failing which all costs arising thereof (including storage charges and freight charges) shall be charged in conformity with AI's rates or local rates.
- 5.5 If the time for delivery is exceeded, Customer shall not be entitled to cancel or terminate the agreement unless the time for delivery is exceeded by more than twelve (12) weeks.
- 5.6 The Customer's failure to comply with his duty to effect payment (or to do so on time), shall have the effect of suspending AI's duty to effect a delivery.
- 5.7 AI reserves the right to effect a delivery in parts. Each partial delivery shall be deemed to represent a separate agreement. AI shall be entitled to demand payment for each partial delivery before proceeding with any other.
- 5.8 The risk of loss or damage of Products shall pass to Customer at the moment of delivery ex warehouse/work, even if AI has not yet transferred the ownership thereof.

6 Payment

- 6.1 AI shall at all times have the right to demand full or partial payment in advance. As to all other sales, terms of payment shall be determined per transaction. All payments under this agreement shall be effected in USD.
- 6.2 In the event that payment is not effected on time, the Customer shall be deemed to be in default without the need for any notice of default or judicial intervention, and contractual interest shall be owed at a rate of 1.5% per month, or the highest rate allowed by law, whichever is higher, with effect from the first day following expiration of the payment term referred to in this section; part of a month shall be considered a full month. Furthermore, Customer shall owe all of the expenses involved in collecting Customer's debt, both judicial and extrajudicial.
- 6.3 Furthermore, subject to any other rights AI may have pursuant to the law or the agreement, in the absence of timely payment it shall be entitled either to suspend further delivery or to terminate all or part of the relevant agreement without the need for a notice of default or judicial intervention, at its sole discretion and subject to AI's right to seek compensation for any harm it has suffered.
- 6.4 All amounts will be due immediately, in case Customer fails to effect timely payment, in case Customer terminates or suspends all or substantial portion of its business activities (or if a natural person, is placed in the care of a guardian or dies), becomes insolvent, admits its inability to pay its debts, or in case of the voluntary or involuntary filing of a petition for or adjudication of bankruptcy of Customer under any federal, state or municipal bankruptcy or insolvency act, and in case of the appointment of a receiver, trustee, custodian, or liquidator, or any act or action constituting a general assignment by Customer of its properties and/or interest for the benefit of creditors.
- 6.5 Upon or after entering into the agreement and before its implementation, AI will be entitled to demand a guarantee from the Customer that both the payment obligations and any other of Customer's obligations will be fulfilled. Refusal by the Customer to provide the required guarantee gives AI the right to suspend its obligations and ultimately, without any notice of default or legal intervention, the right to dissolve or terminate the contract wholly or partially, without prejudice to his right to compensation for any damages suffered by it.
- 6.6 Payments made by Customer shall always be used first to meet all the interest and costs owed and subsequently for the settlement of claims under the agreement which have remained outstanding for the longest period of time, even when Customer specifies that the payment relates to another claim.
- 6.7 Customer shall not be entitled to refuse to discharge or to suspend the discharge of its payment obligations on account of alleged defects of Products or on any other account whatsoever.
- 6.8 Provided that Customer is not otherwise in default of the purchase agreement and these terms and conditions, title to a Product will transfer to Customer immediately after the full purchase price has been received by AI, including any collection costs and interest, as well as any amount payable due to the Customer's failure to comply with his obligations pursuant to this agreement or any other.
- 6.9 AI may require a purchase money security interest or letters of credit, or any other form of security, at all times. If requested by AI,

Customer will authorize AI to file a financing statement reflecting a purchase money security interest and Customer will record such purchase money security interest on its books. If Customer does not meet AI's request to provide security, AI shall be entitled to terminate the agreement or to suspend its obligations.

7 Inspection, complaints, acceptance, returns

- 7.1 Claims in connection to shortages or errors in shipping must be reported to AI within two (2) days of receipt of such shipment. If Customer fails to report timely, AI will have no obligation to correct such shipments, unless Customer bears all the expenses thereof.
- 7.2 Customer is obliged to inspect the Products immediately upon delivery for any defects and non-conformance with the written specifications provided by AI and will notify AI in writing within eight (8) days of receipt of a Product, or any defects or non-conformance. After such eight (8) day period, Customer shall be deemed to have irrevocably accepted the Products, if not already previously accepted. After acceptance, Customer shall have no right to reject the Products for any reason or to revoke acceptance. Customer hereby agrees that a eight (8) day period is a reasonable amount of time for inspection and revocation..
- 7.2 The Product can only be returned for the account and risk of the Customer and only after prior written permission has been obtained from AI.
- 7.3 Unless otherwise agreed in writing, a complaint shall not suspend the Customer's payment obligation, not even if AI approves a return.
- 7.4 The complaint must contain a description of the defect and AI must upon first request be given the opportunity to investigate the complaint.
- 7.5 THE SOLE AND EXCLUSIVE REMEDY FOR ALLEDGELY DEFECTIVE PRODUCTS IS THE REPLACEMENT OR REPAIR AT AI'S SOLE DISCRETION, OF SUCH PRODUCTS OR PARTS OF SUCH PRODUCTS, AT NO COSTS FOR CUSTOMER.

8 Warranty

- 8.1 AI warrants the products to be free from any defects in material and workmanship for a period of twelve (12) months from the original date of purchase by the Customer, verified by a sales receipt. This warranty period will never exceed a period of eighteen (18) months after delivery by AI to the Customer. The warranty shall cover only such Products for which AI has received payment in full.
- 8.2 A warranty period of three (3) months is applicable to repairs conducted by or on behalf of AI. For replaced parts, no additional warranty period is applicable, but the period mentioned in Article 8.1 on the original Product, will include those parts .
- 8.3 Defective parts shall become AI property as soon as they have been replaced. No warranties are made in connection to consumables and/or spare parts.
- 8.4 No warranty shall apply in the event that:
 - the Product is not properly maintained or serviced, or is not used in accordance with its operation manuals and instructions;
 - the Product has been subjected to faulty repair or modifications by the Customer or third parties;
 - the defect is caused by a circumstance primarily located or originating outside the Product;
 - the alleged defect is the result of normal wear and tear; or
 - Customer has continued to use the Product after the discovery of the defect, unless prior written permission of AI for continuous use has been obtained.
- 8.5 EXCEPT AS UNAMBIGUOUSLY AND EXPRESSLY SET FORTH IN THESE TERMS AND CONDITIONS, AI MAKES NO REPRESENTATIONS OR WARRANTIES IN CONNECTION TO ITS PRODUCTS, INCLUDING WARRANTIES ABOUT ITS PRODUCTS' MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT (WHETHER EXPRESS, IMPLIED OR STATUTORY), UNLESS EXPLICITLY MADE AND PROVIDED BY AI IN WRITING TO CUSTOMER.

9 Liability

- 9.1 IN NO EVENT WILL AI BE LIABLE TO CUSTOMER FOR ANY PUNITIVE, EXEMPLARY, INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING LOSS OF PROFITS, LOSS OF USE, BUSINESS INTERRUPTION, LOSS OF DATA OR COSTS OF PROCUREMENT OF SUBSTITUTE GOODS, TECHNOLOGIES OR SERVICES OR COST OF COVER) IN CONNECTION WITH OR ARISING OUT OF THE RELATIONSHIP

BETWEEN THE PARTIES, WHETHER ALLEGED AS A BREACH OF CONTRACT OR TORTIOUS CONDUCT, INCLUDING NEGLIGENCE, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. AI'S MAXIMUM AGGREGATE LIABILITY FOR ANY CAUSES WHATSOEVER, AND REGARDLESS OF THE FORM OF ACTION, WILL AT ALL TIMES BE LIMITED TO THE NET INVOICE VALUE OF THE PRODUCT CONCERNED OR TO THAT PART OF THE NET INVOICE VALUE TO WHICH A CLAIM FOR COMPENSATION IS DIRECTLY OR INDIRECTLY RELATED.

- 9.2 Customer agrees to defend and indemnify AI, its present and future officers, directors, shareholders, employees and agents, and to hold each of them harmless from and against any claim, demands, causes of action, damages, liabilities, costs and expenses, including reasonable attorney's fees, arising from (i) Customer's or its customer's specific use of a Product, including product liability claims or actions, unless such action is solely related to the Product itself and has no bearing with the use or combination with other products, (ii) unauthorized maintenance, repairs or modification of Products by or on behalf of Customer or its customers, (iii) Products that are out of the ordinary course of business of AI and that were explicitly requested and/or designed by Customer, or (iv) any claim in connection to maintenance and servicing of the Products at Customer's premises, unless such claim is the result of gross negligence or intentional misconduct of AI.

10 Force majeure

- 10.1 In the event of war, civil unrest, rioting, fire, other disasters and any other circumstances beyond AI's control irrespective of whether or not this occurs on its premises, those of its suppliers or the transport company it engages, or in the event of any change in circumstances of such a nature that AI cannot reasonably be required to fulfil its obligations, AI shall be entitled to withdraw its quotations, suspend deliveries or terminate any relevant agreement, and it shall not be required to provide any compensation.
- 10.2 In the event that AI relies on force majeure, it shall immediately notify the Customer thereof in writing, and also of the cessation thereof.
- 10.3 Where AI has already executed part of an agreement, the Customer shall pay the purchase price for any Products that have been delivered.

11 Suspension and termination

- 11.1 In the event that the Customer fails to comply with his obligations pursuant to an agreement into which it has entered, or fails to do so properly or on time, or if AI reasonably expects that Customer will not fulfil its obligations, AI is entitled to suspend its performance (including future or partial deliveries) without the need to give notice of default or for judicial intervention, and it shall not have a duty to provide any form of compensation.
- 11.2 Any claim on the part of AI pertaining to a part of the agreement which has already been executed, or harm suffered as a result of its suspension or termination, shall fall due with immediate effect.
- 11.3 In case the Customer breaches its obligations, annuls or terminates the agreement with AI, AI is entitled to charge the expenses, damages and lost profit and, to AI's own choice and depending on the already performed supplies, 30% to 100% of the contract price.

12 Intellectual property rights

- 12.1 AI reserves all of its intellectual property rights in connection with the Products, including but not limited to patents, copyrights, data protection, trademarks, designs, models, know-how and all proprietary and/or commercial rights and trade secret rights. No transfer, license or other grant of rights are given to Customer, unless explicitly stated in writing.
- 12.2 The sale of Products is conditional upon the non-exclusive, non-transferable limited license to use the Products in Customer's internal business or for personal use. It is expressly understood that Customer is not allowed to provide maintenance or repair services in connection to any Product. There are no implied licenses.
- 12.3 Customer shall not be permitted to modify all or part of any Product, or to affix any other trademark to it, or to remove any copyright, trademark or other proprietary rights notices on Products, including software, or to use the relevant mark in any other way, or to register it in Customer's own name. Customer may

not, nor may enable and/or allow third parties to copy, modify, translate, or reverse engineer any Products, including software.

effectively carry out the purposes of these terms or any other agreement between the Parties.

13 Confidential Information

- 13.1 Confidential Information means (i) the existence and terms of any purchase agreement and (ii) any non-public, confidential or proprietary information relating to a disclosing Party, whether or not technical in nature, including any that is designated by the disclosing Party as Confidential Information at the time of its disclosure, either by a written or visual confidentiality designation, or otherwise if such information would, under the circumstances, appear to a reasonable person to be confidential or proprietary. Notwithstanding the foregoing, Confidential Information does not include information, technical data or know-how which: (i) is in the public domain at the time of disclosure or becomes available thereafter to the public without restriction, and in either case not as a result of the act or omission of the receiving party; (ii) is rightfully obtained by the receiving Party from a third party without restriction as to disclosure; (iii) is lawfully in the possession of the receiving party at the time of disclosure by the disclosing Party and not otherwise subject to restriction on disclosure; (iv) is approved for disclosure by prior written authorization of the disclosing Party; or (v) is developed independently and separately by either Party without use of the disclosing Party's Confidential Information.
- 13.2 Each Party agrees that it will safeguard the confidentiality of the Confidential Information supplied by the other Party and that it will observe the same due care with respect to such information as they would observe with respect to its own Confidential Information. The other Party shall not sell, copy and/or distribute in any way Confidential Information to third parties, without disclosing Party's prior written consent, which consent may be granted or withheld in such Party's sole and absolute discretion.
- 13.3 Each Party agrees that it will restrict the circle of employees or third parties it retains who have access to the other Party's Confidential Information as much as possible and provide such access only on a need to know basis and after binding such employees and third parties to the same level of confidentiality as set forth in this agreement.
- 13.4 Immediately following the receipt of a written request to this effect by the disclosing Party the receiving Party will return any and all Confidential Information received from the disclosing Party or destroy such Confidential Information, if the disclosing Party so requests.

14 Governing law and jurisdiction

- 14.1 Unless stated otherwise in writing, all agreements shall be governed by and construed in accordance with the laws of the state of New York, without giving effect to the United Nations Convention on the Contracts for the International Sale of Goods.
- 14.2 All disputes and controversies arising out of or relating to this agreement shall be finally and bindingly resolved under the International Arbitration Rules of the American Arbitration Association in front of a sole arbitrator. The place of arbitration shall be New York, New York. The language of the arbitration shall be English. Any award, verdict or settlement issued under such arbitration may be entered by any party for order of enforcement by any court of competent jurisdiction.
- 14.3 ANY CAUSE OF ACTION AGAINST AI, REGARDLESS WHETHER IN CONTRACT, TORT OR OTHERWISE, MUST COMMENCE WITHIN ONE (1) YEAR AFTER THE CAUSE OF ACTION ACCRUES. OTHERWISE, SUCH CAUSE OF ACTION IS PERMANENTLY BARRED.

15 Severability

If any provision of these terms and conditions or any other agreement between the Parties is held to be null, void or otherwise ineffective or invalid by a court of competent jurisdiction, (i) such provision shall be deemed to be restated to reflect as nearly as possible the original meaning of the terms or agreement in accordance with applicable law, and (ii) the remaining terms, provisions, covenants and restrictions shall remain in full force and effect.

16 Further Assurances

Each of the Parties covenants and agrees on behalf of itself, its successors, and its assigns, without further consideration, to prepare, execute, acknowledge, file, record, publish, and deliver such other instruments, documents and statements, and to take such other action as may be required by law or reasonably necessary to

17 No Beneficiaries

Any agreement between the Parties is for the sole benefit of the Parties thereto and, except as otherwise contemplated therein, nothing therein expressed or implied shall give or be construed to give any person, other than the Parties thereto, any legal or equitable rights thereunder.

18 No Partnership

Nothing contained in any agreement between the Parties shall be read or construed so as to constitute the relationship of principal and agent or of partnership between the Parties. Neither of the Parties may pledge or purport to pledge the credit of the other Party or make or purport to make any representations, warranties, or undertakings for the other Party.