

1. Scope and Validity

- 1.1 These General Terms and Conditions ("GTC") govern the conclusion, content, performance and termination of contracts for the sale of products ("Products") and provision of services ("Services") by ARMANO Instruments, Inc. ("ARMANO").
- 1.2 These GTC are deemed to be accepted if the purchaser ("Purchaser") of the Products and Services orders from ARMANO and reference is made to them in an Offer, as defined herein, order confirmation ("Order Confirmation"), upon acceptance of the Products, or any other separate contractual agreement, whichever occurs first. All future Orders, as defined herein, related to any of the foregoing shall be subject to these GTC unless otherwise provided by ARMANO. Any terms and conditions or similar instruments of the Purchaser are explicitly excluded.
- 1.3 These GTC, together with all relevant documentation such as proposals, offers, estimates or quotations (including referenced documents) (collectively an "Offer") from ARMANO, and all accepted orders placed by the Purchaser for the Products and Services (an "Order") along with any other order specific ARMANO terms and conditions and other relevant documents, constitute the contract ("Contract") between ARMANO and the Purchaser (collectively, the "Parties" and each individually a "Party"). The application of these GTC may only be varied by agreement in writing between the Parties.

2. Offer and Order

- 2.1 Offers made by ARMANO are, unless stated otherwise in such documents, subject to these GTC.
- 2.2 An Offer submitted by ARMANO, which is not binding but rather an invitation for the Purchaser to place an Order, is valid during the period specified therein. Unless otherwise set forth or determined by ARMANO, an Offer remains open for three (3) months from the date of the Offer. The Offer may be subject to amendment or alteration at any time by ARMANO prior to ARMANO's acceptance of an Order.
- 2.3 Any drawings, plans, measurements, proposals or any samples or other property provided by ARMANO as part of or related to an Offer shall be solely for illustration purposes, and in no way constitute binding terms.
- 2.4 If an Order alters or deviates from the corresponding Offer or the Order Confirmation provided by ARMANO, the Order Confirmation, applies, unless the Purchaser objects, in writing, to ARMANO within two (2) business days of the Purchaser's receipt thereof. Any alteration or deviation by Purchaser shall not be binding until and unless ARMANO confirms the new terms in writing. ARMANO's silence shall not be deemed to be acceptance of any altered terms.
- 2.5 An Order placed by the Purchaser becomes a Contract only upon its acceptance by ARMANO. ARMANO's acceptance of any Order lodged by the Purchaser may be in writing or by ARMANO delivering the Products and/or providing the Services which are the subject of an Order. However, any terms and conditions contained in any Order or other document issued by the Purchaser will not form part of the Contract unless they are expressly signed and accepted by ARMANO.
- 2.6 Once accepted by ARMANO, Orders may not be cancelled or varied by the Purchaser without the prior written consent of ARMANO.
- 2.7 ARMANO reserves the right to correct any errors or omissions in its Offers, Order Confirmations or invoices.
- 2.8 Purchaser shall bear all costs associated with the cancellation or modification of an Order.

3. Sale of Products

- 3.1 Any dates or other specifications, unless explicitly agreed to by ARMANO are only estimates, and subject to change at any time.
- 3.2 ARMANO may without prior notice to Purchaser determine and change its vendors, suppliers and other involved third parties.
- 3.3 Unless otherwise set forth in an Offer, ARMANO will sell the Products in accordance with its then current policies and prices.
- 3.4 Subject to the terms of a then current accepted Order, ARMANO or a commissioned third party on its behalf may provide tools and/or equipment for the Products to the Purchaser (collectively, the "Tools").
- 3.5 Unless otherwise agreed to in writing, ARMANO shall remain the sole owner of the Tools. If the Parties agree that Purchaser is to pay for the Tools, upon the completion of all Orders, ARMANO may either transfer the Tools to the Purchaser or pay a reasonable amount, as determined by ARMANO.
- 3.6 ARMANO may from time to time and at its sole discretion implement reasonable changes to the Products and/or Tools, including but not limited to material, design, manufacturing processes, and specifications; provided that if these changes materially affect the requirements and/or specifications agreed upon by the Parties, ARMANO shall provide written notice to Purchaser.

4. Provision of Services

- 4.1 Upon Purchaser's request, and if separately agreed to in writing by the Parties, ARMANO may perform Services. The performance of Services is subject to compliance with all obligations set forth under Section 5.
- 4.2 ARMANO reserves the right to sub-contract all or any portion of the performance of the Services thereof to any other person in its sole discretion. In such case, ARMANO remains responsible to the Purchaser for the performance of Services by such third party.
- 4.3 Upon request, Purchaser shall confirm in writing in the form determined by ARMANO, the work performed during a particular time period.
- 4.4 In addition to any fees for the Services, Purchaser shall also pay for any and all expenses incurred by ARMANO and/or its employees in connection with or arising out of Purchaser's wrongful acts or omissions.
- 4.5 If ARMANO determines, at its sole discretion, that the sale of Products and provision of Services will have detrimental effects, ARMANO may suspend any Order. Should Purchaser fail to cure any of its concerns, ARMANO may, in addition to any other remedies available, including but not limited to Section 13, terminate any and all Order(s).

5. Purchaser Obligations

- 5.1 Shipment of Products and performance of Services is contingent upon ARMANO's satisfaction of Purchaser's full compliance of all applicable obligations.
- 5.2 Purchaser shall respond promptly to any ARMANO request to provide direction, information, including but not limited to data and specifications, approvals, authorizations or decisions that are reasonably necessary for ARMANO to perform Services in accordance with the requirements of the Contract.
- 5.3 Purchaser shall provide such materials, equipment or information as ARMANO may request to create the Products and/or perform the Services in a timely manner and ensure that materials or information are complete and accurate in all material respects.
- 5.4 In case Purchaser resells the Products other than in its normal course of business and without prior written consent, it assumes all liabilities and any warranties hereunder are null and void.

6. Purchaser's Acts or Omissions

If ARMANO's performance under the Contract is prevented or delayed by any act or omission of Purchaser or its agents, subcontractors, consultants or employees, ARMANO shall not be in breach of its obligations or otherwise liable for any costs, charges or losses sustained or incurred by Purchaser, in each case, to the extent arising directly or indirectly from such prevention or delay.

7. Shipments; Delivery; Acceptance, Risk of Loss

- 7.1 Unless otherwise agreed to in writing and subject to Purchaser's compliance with all obligations under the Contract, including but not limited to required releases and pre-payments, where applicable, ARMANO will deliver or cause delivery of the Products at the sole cost and risk to the Purchaser, or at its then current standard shipping rates, which are subject to change at any time for each accepted Order. The current standard shipping terms of ARMANO are FCA Houston, Texas (Incoterms 2020).
- 7.2 In addition to any shipping costs under Section 7.1 and unless otherwise agreed to by ARMANO, Purchaser shall be solely responsible for all other costs arising out of the delivery of the Products, including but not limited to packaging, governmental fees and insurance.
- 7.3 Unless otherwise set forth in writing, ARMANO, at the sole cost of the Purchaser, will prepare and mark relevant Products in a manner determined by ARMANO and include customary shipment documentation.
- 7.4 ARMANO will use reasonable endeavors to meet any shipping and/or delivery dates, but such date or time is a bona fide estimate only and is not to be construed as a fixed date or time unless specifically agreed to by ARMANO in writing. If numerous delays occur due to its direct fault, ARMANO may provide a reasonable discount on the original Product prices to the Purchaser.
- 7.5 Upon receipt and unless coordinated directly by the Parties, Purchaser shall immediately inspect the Products, but in any event no later than eight (8) days after delivery, and notify ARMANO of any defects or errors, including substantial deviations in writing. If no defects are reported as set forth herein, the Products are deemed to be accepted. If Purchaser provides notice of any defects or errors within the aforesaid time period or after acceptance of the Products, Purchaser discovers latent defects and provides written notice thereof within seven (7) days, ARMANO may remedy such defects subject to the terms and conditions of the Contract.
- 7.6 Any minor deviations, including but not limited to quality, material, design and color, shall not constitute a defect or error.
- 7.7 Unless timely requested and separately agreed upon, ARMANO will not provide insurance coverage or any other protection for the shipment of the Products.

- 7.8 Risk of loss or damage for all Products will pass to Purchaser upon ARMANO making such Products available to a carrier regardless of the shipping method or upon Purchaser's refusal to request release of Products as set forth under Section 7.9. In case of a delay at no fault of ARMANO, risk of loss or damage for all Products will pass to Purchaser upon ARMANO's readiness to ship. Any damages to stored Products after ARMANO's readiness to ship, shall be the sole responsibility of the Purchaser.
- 7.9 In the event the Parties separately agree in writing, ARMANO may store certain Products for a Purchaser subject to these GTC as well as project specific terms.
- 7.10 Without limiting any of the responsibilities set forth under Section 7.8, ARMANO may charge Purchaser for storage of any Products at a rate of no less than zero-point five percent (0.5%) of the invoiced amounts for the stored Products per month.
- 7.11 From time to time and at its sole discretion, ARMANO may make partial shipments of Products to the Purchaser. Any defects or errors in partial shipments shall be limited to those affected Products and not the entire underlying Order.
- 7.12 Without waiving any of the restrictions to terminate an Order set forth herein, in the event Purchaser notifies of intent not to accept Products or Services or otherwise cause a delay, Purchaser shall be solely responsible for any and all damages, including reasonable attorneys' fees, arising therefrom.
- 8. Remuneration**
- 8.1 Unless otherwise agreed to in writing or set forth in an Order Confirmation, the prices for the Products and Services are in US Dollars and based on the then current ARMANO standards, excluding packaging, assembly, sales tax or any other tax, duty, levy or the like which may be added to the remuneration owed by the Purchaser.
- 8.2 In the event ARMANO expressly grants Purchaser the right to pay amounts under the Contract by check or another method, Purchaser shall be solely responsible for any fees arising therefrom.
- 8.3 In the event the Products are to be shipped and Services to be performed at a later time, as determined by ARMANO, ARMANO reserves the right to adjust prices based on its then current standards or other internal policies.
- 8.4 If Purchaser requests quantities of Products in excess of those set forth in an Offer or Order Confirmation, ARMANO may cancel such requests or charge the additional Products at its then current prices.
- 8.5 In accordance with the provision in Section 2.2 of these GTC, ARMANO explicitly reserves the right at any time prior to accepting an Order to alter, with notice in writing to the Purchaser, the price of the Products and/or Services.
- 8.6 Unless otherwise agreed to in writing, Purchaser shall be solely responsible for all of ARMANO's and/or its employee's cost arising out of or relating to the performance of Services, including but not limited to travel, meals and lodging.
- 9. Taxes**
- The Purchaser shall be responsible for payment of all taxes, including sales and use tax, inventory tax, duties, fees or other taxes of any nature assessed by governmental authorities applicable to the sale of Products and performance of Services hereunder.
- 10. Terms of Payment**
- 10.1 Unless otherwise agreed between the Parties, all payments are due in full, payable to ARMANO immediately upon receipt of an invoice, but in no event later than thirty (30) days from the invoice date or the date when the Purchaser receives the invoices, whichever is earlier ("Due Date"). Notwithstanding the foregoing, ARMANO reserves the right to implement other payment methods, including but not limited to upfront or partial pre-payments.
- 10.2 All payments must be received by the Due Date or at a specific date for alternative payment methods as set forth in Section 10.1, in each instance a form acceptable to ARMANO, even if the delivery of Products and performance of Services is delayed for reasons for which ARMANO is not responsible or slight corrections are necessary. Payment shall only be deemed received if the outstanding funds are disposable by ARMANO.
- 10.3 Should the Purchaser fail to pay within the time frame specified in Section 10.1 of these GTC, ARMANO may:
- impose a service charge on the unpaid balance at one point five percent (1.5 %) per month (i.e. eighteen percent (18 %) per annum), or the maximum rate permitted by law, from the Due Date until the invoice and all service charges thereon have been paid in full. If allowed by applicable law, Purchaser shall also pay on demand any costs incurred by ARMANO (including reasonable attorneys' fees and legal expenses) in connection with the collection of any amounts due from Purchaser to ARMANO which are not paid as agreed herein;
 - request prepayment of the entire amount due for all future Orders;
 - demand any assurances or securities concerning Purchaser's ability to make all payments for the Contract;
- refuse to make any further deliveries under the Contract until the amount due has been fully paid; and/or
 - treat the failure of the Purchaser to make payments as a repudiation of the Contract by the Purchaser if the amount due remains unpaid after providing seven (7) days' notice to the Purchaser of such breach and an opportunity to rectify the breach. Such repudiation shall entitle ARMANO to elect, without prejudice to any other rights of ARMANO, to terminate the Contract in whole or in part (including any Order or part thereof) and, in either case, to recover damages for the breach of the Contract.
- 10.4 Without limiting any other rights, ARMANO may utilize the remedies set forth under Section 10.3, in case the Purchaser's financial viability or credit worthiness is: (a) less stable than expected at the time of an Order Confirmation, (b) has substantially deteriorated, or (c) will likely deteriorate substantially in the near future.
- 10.5 The Purchaser is not entitled to withhold any payment as set off, counterclaim or retention unless the terms and conditions of such set off or retention are agreed to in writing by ARMANO prior to the performance of the Services or delivery of the Products.
- 10.6 In case Purchaser has incurred any services charges, ARMANO, in its sole discretion, may credit any future payments first towards such charges as well as any other outstanding amount(s).
- 11. Force Majeure**
- 11.1 ARMANO shall not be held responsible for failure to perform or delay in performing any of its contractual obligations if such failure or delay is due to unforeseeable events beyond ARMANO's reasonable control ("Force Majeure"), including but not limited to acts of God, war, insurrection, pandemics, epidemics, sabotage, labor disputes, strikes, lock-outs, shortages of labor, interruption or delays in transportation, fire, explosion, equipment or machinery breakdown, failure or delays of ARMANO's source of supply, shortage in material or energy, acts, orders or priorities of any government, embargo and any other cause whether arising from natural causes, human agency or anything beyond the reasonable control of ARMANO.
- 11.2 ARMANO shall notify the Purchaser in writing within one (1) week following the occurrence of any event of Force Majeure citing this Section 11 in said notice and shall supply all relevant information about its effects on the performance of the Contract.
- 11.3 Unless otherwise agreed in writing between the Parties, if ARMANO is unable to perform the Contract because of Force Majeure, ARMANO is temporarily excused from performance while the incident of Force Majeure is occurring and shall perform as soon as reasonably possible after the incident ends. The duration of the incident of Force Majeure shall be added to the time of performance granted to ARMANO. ARMANO shall not be subject to damage claims.
- 11.4 In case the duration of Force Majeure exceeds six (6) months, the Parties will have the right to terminate the Contract immediately. Contractual obligations performed up to such date of termination shall be remunerated. If the purchase price has been paid by the Purchaser in full, ARMANO will refund the fees paid less the accrued cost and expenses of the contractual obligations.
- 12. Place of performance**
- Unless otherwise agreed in writing between the Parties, ARMANO's principal office is the place of performance.
- 13. Termination**
- 13.1 In addition to any other remedies that ARMANO may have in law, ARMANO may terminate or suspend the Contract or any part thereof if the Purchaser:
- fails to pay any amount by the Due Date and such failure continues for fourteen (14) days after the Purchaser's receipt of a written notice demanding payment ("Notice of Demand") from ARMANO;
 - has not otherwise performed or complied with any of the terms and conditions of this Contract in whole or in part; and/or
 - becomes insolvent, files a petition for bankruptcy or commences or has commenced against it proceedings relating to bankruptcy, receivership, reorganization or assignment for the benefit of creditors.
- 13.2 If the Contract (or parts thereof) is terminated, as specified in Section 13.1 of these GTC:
- ARMANO will have an immediate right to remove the Products from relevant premises;
 - Purchaser shall return or destroy any and all information provided by ARMANO; and
 - all other outstanding amounts owed to ARMANO by the Purchaser as well as any costs arising out of damages from the return or retrieval of the Products shall be due and payable by the Purchaser on demand by ARMANO, per the terms of the Notice of Demand from ARMANO.
- 13.3 ARMANO, in addition to any other rights of termination it has under this Contract may, at any time and for any reason, terminate the Contract for convenience by written notification within thirty (30) days. Written notification must be provided to Purchaser, stating that this Contract, or a specified part of this Contract, is terminated without any further obligations from ARMANO. Such termination shall explicitly not constitute default.

14. Limited Warranty

- 14.1 ABSENT A SEPARATE WARRANTY ISSUED TO PURCHASER, ARMANO WARRANTS ONLY TO THE PURCHASER THAT THE PRODUCTS WILL CONFORM TO ANY DESCRIPTION CONTAINED IN THE RELEVANT OFFER OR ORDER CONFIRMATION (IF ANY) AND WITH THE STANDARD SPECIFICATION FOR THE PRODUCTS FOR A PERIOD OF TWENTY FOUR (24) MONTHS FROM THE DATE OF DELIVERY. PRODUCTS SHALL BE DELIVERED FREE FROM DEFECTS IN MATERIAL, WORKMANSHIP AND TITLE AND SERVICES SHALL BE PERFORMED IN A COMPETENT AND DILIGENT MANNER IN ACCORDANCE WITH ANY MUTUALLY AGREED SPECIFICATIONS.
- 14.2 SUBJECT TO LIMITATIONS SET FORTH UNDER SECTION 14.1, IF THE PRODUCTS SUPPLIED OR SERVICES PERFORMED BY ARMANO DO NOT SATISFY THE WARRANTIES SPECIFIED IN SECTION 14.1 HEREOF, THE PURCHASER SHALL PROMPTLY, BUT NO LATER THAN SEVEN (7) DAYS AFTER SUCH A DEFECT SHOULD HAVE BEEN KNOWN NOTIFY ARMANO IN WRITING. IN THE SCOPE OF SUCH A NOTICE, PURCHASER SHALL PROPERLY SUBSTANTIATE THE ALLEGED DEFECTS. ONCE A DEFECT HAS BEEN DETECTED, PURCHASER SHALL NOT HANDLE THE RELEVANT PRODUCTS AND CAUSE A THIRD PARTY IN POSSESSION OF THE PRODUCTS TO COMPLY WITH THE REQUIREMENTS SET FORTH HEREIN. SUBJECT TO COMPLETE COMPLIANCE WITH THE FOREGOING AND UPON INSPECTION OF THE PRODUCTS AS WELL AS A DETERMINATION THAT AN APPLICABLE DEFECT EXISTS, ARMANO SHALL, AT NO COST TO THE PURCHASER AND AT ITS OPTION:
- REPAIR SUCH PRODUCTS;
 - SUPPLY A REPLACEMENT;
 - PERFORM REMEDIATING SERVICES; OR
 - REFUND TO THE PURCHASER A PROPORTIONAL AMOUNT OF THE CONTRACT PRICE. PURCHASER SHALL BEAR THE COST AND RISK OF RETURNING THE PRODUCTS TO ARMANO FOR INSPECTION. IF ARMANO DETERMINES THAT NO APPLICABLE DEFECT EXISTS, PURCHASER AGREES TO REIMBURSE ARMANO FOR ANY AND ALL COSTS ARISING OUT OF OR RELATING TO ITS WARRANTY CLAIM. THIS WARRANTY DOES NOT EXTEND TO INCLUDE ARMANO'S LABOR COSTS.
- 14.3 THE WARRANTY DOES NOT APPLY IN RESPECT OF DEFECTS DUE TO OR ARISING FROM:
- INCORRECT OR NEGLIGENT HANDLING BY THE PURCHASER OR A THIRD PARTY, INCLUDING ANY CHANGES TO ALLEGEDLY DEFECTIVE PRODUCTS, ACCIDENT, ACTS OF GOD, CAUSES BEYOND ARMANO'S CONTROL, AND UNAUTHORIZED USAGE OF THE PRODUCTS;
 - NORMAL WEAR AND TEAR; AND
 - ANY ACTIONS WHICH ARE IN CONFLICT WITH ARMANO'S INSTRUCTIONS.
- 14.4 IN CASE ARMANO DISCOVERS A DEFECT IN THE PRODUCTS, PURCHASER SHALL GRANT ARMANO ALL NECESSARY ACCESS TO THE PRODUCTS TO PERFORM ANY REPAIRS OR REPLACEMENTS.
- 14.5 WITH REGARDS TO SERVICES, THIS EXPRESS WARRANTY ONLY APPLIES IF:
- DEFECTS OCCUR WITHIN THIRTY (30) DAYS AFTER THE SERVICES HAVE BEEN PERFORMED;
 - ARMANO IS NOTIFIED IN WRITING WITHIN SEVEN (7) DAYS OF THE ALLEGED DEFECT FIRST COMING TO THE NOTICE OF THE PURCHASER; AND
 - THE PURCHASER HAS FULFILLED ALL OF ITS CONTRACTUAL OBLIGATIONS UNDER THE CONTRACT.
- 14.6 IN CASE THE PRODUCTS CONTAIN ANY THIRD PARTY PARTS, ARMANO WARRANTS SUCH PARTS ONLY TO THE EXTENT OF SUCH THIRD PARTY'S WARRANTY.
- 14.7 NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, ANY SAMPLES, DRAWINGS OR OTHER MATERIALS MADE AVAILABLE TO PURCHASER ARE PROVIDED "AS IS" WITHOUT ANY WARRANTY.
- 14.8 THE EXPRESS WARRANTIES AND EXPRESS REPRESENTATIONS OF ARMANO SET FORTH IN THESE GTC ARE IN LIEU OF, AND ARMANO DISCLAIMS, ANY AND ALL OTHER WARRANTIES, CONDITIONS OR REPRESENTATIONS (EXPRESS OR IMPLIED, ORAL OR WRITTEN), WITH RESPECT TO THE PRODUCTS AND SERVICES HEREUNDER, INCLUDING ANY AND ALL IMPLIED WARRANTIES OR CONDITIONS OF TITLE, NONINFRINGEMENT, INCLUDING FOR INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY RELATING TO PRODUCTS CREATED IN ACCORDANCE WITH PURCHASER'S OR A THIRD PARTY'S SPECIFICATIONS OR REQUESTS. MERCHANTABILITY OR FITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE, WHETHER ALLEGED TO ARISE BY LAW, BY REASON OF CUSTOM OR USAGE IN THE TRADE. ARMANO HEREBY EXPRESSLY DISCLAIMS ANY WARRANTY OR REPRESENTATION TO ANY PERSON OTHER THAN PURCHASER.

15. Limitation of Liability

- 15.1 NOTWITHSTANDING ANYTHING ELSE CONTAINED IN THE CONTRACT TO THE CONTRARY, ARMANO SHALL NOT BE LIABLE (TO THE FULLEST EXTENT PERMITTED AT LAW) WHETHER BY WAY

OF INDEMNITY, GUARANTEE, OR BY REASON OF ANY BREACH OF CONTRACT, OR OF STATUTORY DUTY OR BY REASON OF TORT (INCLUDING BUT NOT LIMITED TO NEGLIGENCE) OR ANY OTHER LEGAL PRINCIPLE OR DOCTRINE FOR:

- ANY CONSEQUENTIAL, INDIRECT OR SPECIAL DAMAGES;
- ANY LOSS OF PROFITS, LOSS OF USE, LOSS OF REVENUE OR LOSS OF ANTICIPATED SAVINGS OR FOR ANY FINANCIAL OR ECONOMIC LOSS (WHETHER DIRECT OR INDIRECT); OR
- ANY OTHER AMOUNT IN AGGREGATE WITH ANY OTHER LIABILITY (BEING ANY PAST, PRESENT OR FUTURE LIABILITY) TO WHICH THIS SECTION APPLIES, THAT EXCEEDS THE AGGREGATE VALUE OF ALL PAYMENTS OF THE AMOUNTS PAID TO ARMANO FOR A RELEVANT ORDER OR IN A TWELVE (12) MONTH PERIOD PRECEDING THE DISPUTE, WHICHEVER IS LOWER.

- 15.2 THE FOREGOING DOES NOT AFFECT ANY WARRANTIES WHICH CANNOT BE EXCLUDED OR LIMITED UNDER APPLICABLE LAW.

16. Indemnity

The Purchaser shall indemnify, defend and keep ARMANO harmless against all costs, claims, demands, expenses and liabilities of any nature, including, without prejudice to the generality of the foregoing, claims of death, personal injury, damage to property, claims of infringement to third party intellectual property due to specifications or other requests by Purchaser, and consequential loss (including loss of profit), which may be made against ARMANO or which ARMANO may sustain, pay or incur as a result of or in connection with the sale of the Products and performance of the Services unless such costs, claims, demands, expenses or liabilities are directly and solely attributable to any willful misconduct or gross negligence of ARMANO or its duly authorized employee or agent.

17. Insurance

Purchaser shall, at its sole expense, maintain and carry all customary insurance in full force and effect with insurance companies rated A- or better by a rating service. Upon ARMANO's request, Purchaser shall provide ARMANO with a certificate of insurance from Purchaser's insurer evidencing the insurance coverage specified in this Section 17. Purchaser shall provide ARMANO with thirty (30) days' advance written notice in the event of a cancellation or material change in Purchaser's insurance policy. Except where prohibited by law, Purchaser shall require its insurer to waive all rights of subrogation against ARMANO's insurers and ARMANO.

18. Intellectual Property Rights

- 18.1 Intellectual property rights in the Products, Tools, quotations, drawings, plans, proposals or any other property remain with ARMANO or third parties.
- 18.2 Purchaser shall not reverse-engineer, decompile, disassemble or any other way alter the Products or Tools without ARMANO's prior written consent.
- 18.3 Purchaser is granted a non-exclusive, non-assignable, revocable and non-transferable right to use the intellectual property rights for the agreed purpose in the Contract.
- 18.4 If ARMANO creates Products in accordance with Purchaser's instructions, Purchaser shall ensure that such instructions and resulting Products do not infringe on any third party rights. In furtherance of Section 14.8, Purchaser shall be solely liable for any damages or other costs arising from a third party claim related to infringement of intellectual property rights on Products created in accordance with Purchaser's or a designated third party's specifications or requests.

19. Security Interest

- 19.1 To the extent that title to a Product passes to Purchaser before full payment and to ensure compliance with all of its obligations hereunder, Purchaser grants to ARMANO a security interest until all amounts due have been paid in full, in each case in good, collected and indefeasible funds (the "Release Date") in (a) all Products purchased in accordance with these GTC; (b) without in any way limiting any restrictions herein, any and all leases, chattel paper, instruments, accounts and security deposits relating in any way to such Products; and (c) in all proceeds thereof (the "Collateral"). Purchaser acknowledges that the security interest granted under these GTC is a purchase money security interest under the Uniform Commercial Code as enacted in the State of Texas ("UCC").
- 19.2 Purchaser expressly authorizes, ratifies and confirms past or future filings of one or more UCC financing statements or other documents by ARMANO or its designees to the extent deemed necessary or desirable by ARMANO. Such financing statements or documents may describe the Collateral in the manner in which ARMANO determines best protects ARMANO's interests in the Collateral and facilitates the future sale of Products.
- 19.3 In case Purchaser integrates or otherwise utilizes the Products in connection with the creation or modification of other products (the "New Products"), ARMANO shall retain all available rights in the Products. Purchaser shall at its sole cost ensure that the New Products are jointly owned by ARMANO and Purchaser until the Release Date.

- 19.4 Until the Release Date, Purchaser may only sell or utilize for the performance of services the Products or New Products in its normal course of business and refrain from shipping any Products or New Products outside of the United States; provided that Purchaser shall (a) ensure ARMANO's rights in the Products and New Products and assigns all receivables from such sale on a pro rata basis to ARMANO, and (b) refrain from granting any rights to the receivables to any third party in any manner, including but not limited to financing or factoring models.
- 19.5 Until the Release Date and without limiting any other rights, in case Purchaser's financial viability deteriorates or will likely deteriorate as set forth under Section 10.5, ARMANO shall be entitled to directly receive payment for any sale or utilization for the performance of Services of the Products or New Products from Purchaser's customers. In order to implement the foregoing, ARMANO may take any action it deems necessary, including but not limited to demand payment from Purchaser's customers from such sale on a pro rata basis to ARMANO.
- 19.6 Subject to the exceptions set forth herein, Purchaser shall not sell, pledge, transfer or assign the Products or New Products (for security or otherwise) or any receivables related thereto until the Release Date without ARMANO's written consent.
- 19.7 Until the Release Date, Purchaser shall (a) carefully maintain, and insure the Products; (b) protect such Products against any risks; and (c) take all reasonable measures in order that ARMANO's rights and interests in such Products are neither compromised nor cancelled.
- 19.8 In the event of a breach, ARMANO may utilize any remedies available to it at law or in equity, including but not limited to seizure of Products or disassemble of New Products to obtain the Products. In all cases, Purchaser will be responsible for ARMANO's costs and expenses in exercising its rights.
- 20. Confidentiality**
- 20.1 Both Parties shall treat in strict confidence all information which is neither generally known nor generally accessible, including but not limited to illustrations, drawings, calculations and other documents, and shall use it only for the purpose of fulfilling the Contract. The Parties shall ensure the confidential treatment of all information relating to the Contract by their personnel and consulted specialists. In case of doubt, all information is to be treated confidentially.
- 20.2 Confidential information of a Party does not include information which:
- was already known to the other Party, before it was made accessible by the disclosing Party;
 - is or becomes generally known without the other Party's responsibility;
 - was disclosed to the other Party by a third party without any transfer restriction;
 - was developed by the other Party itself without using or referring to the confidential information of the protected Party; and/or
 - has to be disclosed based on a legally binding decision of a court, administrative or other authority. In this case the Party under the obligation to disclose shall inform the other Party immediately about the decision and consider protective measures the other Party may want to implement.
- 20.3 This obligation of confidentiality already exists prior to the conclusion of the Contract and remains valid until such information is no longer of proprietary nature. Any information concerning a Party's trade secret shall be kept confidential as long as such information remains protected by applicable law.
- 20.4 A Party must not disclose any confidential information to a third party without the prior written approval of the other Party to the Contract. If the approval is given, the obligations of confidentiality are to be transferred to the receiving third party.
- 20.5 Notwithstanding Section 20.4 of these GTC, ARMANO may disclose confidential information to its affiliates and advisors (attorneys, auditors, experts).
- 21. Data Protection**
- 21.1 Subject to any limitations pursuant to applicable law and to ensure compliance with the obligations set forth in the Contract, ARMANO may utilize any data provided by the Purchaser hereunder. Without limiting the generality of the foregoing and notwithstanding any other obligations set forth herein, ARMANO may provide such Purchaser information to its insurance company, broker or other related third party providing coverage for a transaction contemplated according to these GTC.
- 21.2 Purchaser agrees to carry out such steps as may be necessary to reasonably ensure adequate data protection, corresponding with respective applicable law. In particular, Purchaser undertakes to take economically, technically and organizationally reasonable measures to protect any data connected or relating to the Contract.
- 22. Compliance**
- 22.1 The Purchaser agrees to comply with any and all applicable laws, regulations, ordinances, legal standards, and industry practices.
- 22.2 Without limiting the obligations under Section 22.1, Purchaser shall ensure any third party purchaser of a resold Product or New Product shall comply with all applicable laws, regulations, ordinances, legal standards, and industry practices.
- 23. Miscellaneous**
- 23.1 Assignment. Purchaser shall not assign any of its rights under the Contract, except with the prior written consent of ARMANO. The preceding sentence applies to all assignments of rights, whether they are voluntary or involuntary, by merger, consolidation, dissolution, operation of law or any other manner. Any change of control transaction is deemed an assignment hereunder. Any purported assignment of rights in violation of this Section 23.1 is null and void.
- 23.2 Notices. With the exceptions for communication provided by ARMANO in its regular course of business, which may be transmitted with email or other electronic transmissions, all notices required or permitted by the Contract shall be in writing and shall be deemed to have been given (a) on the date of personal delivery to an officer of or personally to the other Party, or (b) the day following deposit when properly deposited for overnight delivery with a nationally recognized commercial overnight delivery service, prepaid, and addressed as provided in the Contract, unless and until either of such Parties notifies the other in accordance with this Section 23.2 of a change of address.
- 23.3 Waiver. No waiver by ARMANO of any of the provisions of the Contract is effective unless explicitly set forth in writing and signed by ARMANO. No failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from the Contract operates or may be construed as a waiver thereof. No single or partial exercise of any right, remedy, power or privilege hereunder precludes any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.
- 23.4 Survival. Provisions of the GTC, which by their nature should apply beyond their terms, will remain in force after any termination or expiration of the Contract, including but not limited to Section 15, 16, 18, 20, 21, 22 and 23.
- 23.5 No-Third Party Beneficiaries. The Contract is for the sole benefit of the Parties and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of the GTC and/or Contract.
- 23.6 Governing Law and Dispute Resolution.
- Any claims, disputes or controversies arising between the Parties hereunder shall be governed by and construed in accordance with the internal laws of the State of Texas, without regard to conflicts of laws that would require the application of the laws of another jurisdiction.
 - The Parties shall attempt to resolve any dispute, controversy, or claim arising under or relating to the Contract, or to a material breach, including its interpretation, performance, or termination. If the Parties do not reach settlement within a period of twenty (20) days, the Parties hereto shall submit the dispute to mediation on the terms and at a location determined by the Parties. If the Parties are unable to resolve a dispute through the methods outlined herein, either Party may refer the dispute to arbitration. The arbitration shall be conducted in accordance with the Commercial Rules of the American Arbitration Association, which shall administer the arbitration and act as appointing authority. The arbitration, including the rendering of the decision and/or award, shall take place in Houston, Texas or any other location determined by the Parties, and shall be the exclusive forum for resolving the dispute, controversy, or claim. The arbitrator shall make the final determination as to any discovery disputes between the Parties. The award or decision of the arbitrator shall state the reasons upon which the award or decision is based, and shall be final and binding upon the Parties. The prevailing party shall be entitled to compensation for the expense of the arbitration, including, but not limited to, the award of reasonable attorneys' fees, at the discretion of the arbitrator. Both Parties waive their right to any appeal under any system of law. The award shall be enforceable before any court of competent jurisdiction upon the application to such court by either Party. The arbitrator shall have no authority to award any of the types of damages excluded by hereunder, and shall be so instructed by the Parties.
 - Notwithstanding anything to the contrary herein, any Party may seek injunctive relief against the other Party with any court of proper jurisdiction with respect to any and all preliminary injunctive or restraining procedures pertaining to this Agreement or the breach of any relevant obligations, including but not limited to Section 20.
- 23.7 Entire Agreement. The Contract contains the entire agreement between the Parties with respect to the sale of Products and performance of Services and supersedes all prior agreements and understandings between the Parties.
- 23.8 Independent Contractor. For the purpose of the Contract, ARMANO is an independent contractor and nothing in herein shall be deemed to make ARMANO an agent, employee, partner, or joint venturer of Purchaser. Neither Party shall have any authority to bind, commit, or otherwise obligate the other Party in any manner whatsoever.
- 23.9 Severability. Should any provision of the GTC and/or Contract be deemed incomplete, legally invalid or unenforceable, such provision may be severed from the GTC and/or Contract and be replaced by as closely an equivalent effective provision as possible. The remaining terms of the GTC and/or Contract shall remain in full force and effect.
- 23.10 Amendments. The GTC may only be amended or modified in a writing which specifically states that it amends this Agreement and is signed by an authorized representative of ARMANO.