

KC ROBOTICS, INC.

TERMS AND CONDITIONS OF SALE

1. **ACCEPTANCE.** Any sale of products ("Products") or services ("Services") by KC Robotics, Inc. ("Supplier") is governed by these Terms and Conditions of Sale and shall be part of the agreement of sale by and between Supplier and Buyer. These Terms and Conditions, Supplier's quotation, proposal or order acknowledgement provided to Buyer, any warranty documents provided to Buyer at the time of sale (the "Warranty Documents") and all other documents incorporated by reference herein, constitute the complete and exclusive agreement ("Agreement") between Buyer and Supplier. Except as set forth in any quotation, proposal or order acknowledgement provided by Supplier, all representations, promises, warranties or statements by any agent or employee of Supplier that differ in any way from the Terms and Conditions of the Agreement shall have no effect. No additional or conflicting terms or conditions in any purchase order, inquiry or other document from Buyer shall alter, add to, or affect the terms and conditions herein contained. No changes in any of the terms and conditions contained herein shall be valid unless approved in writing by a duly authorized officer of Supplier. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any terms used in this Agreement. The rights of Supplier herein set forth are in addition to all rights set forth in the Uniform Commercial Code as set forth in Ohio General Laws.
2. **TAXES.** Unless otherwise provided, the prices for the Products and Services set forth in the attached quotation or proposal are exclusive of any federal, state or local sales, use, property, excise or other similar tax. If Buyer is required by law or regulation to pay any such tax on account of this transaction, Buyer shall pay such taxes directly to taxing entity.
3. **PAYMENT.** Unless otherwise stated in Supplier's proposal or quotation, all invoices are payable net upon receipt. Provisions for systems and projects shall be stated as 50% within 10 days of date of purchase order, 30% prior to ship and 20% at installation. Provisions for robots shall be stated as 100% within 10 days of date of purchase order and prior to shipment. Provisions for parts and service shall be stated as net 30 days. Supplier reserves the right to either terminate any contract resulting from the quotation or to suspend any delivery under it without notice to Buyer, if Buyer fails to pay in accordance with these terms. Buyer will pay late charges of 1-1/2% per month or, if lower, the highest rate allowed by applicable law, on any over-due balance until paid in full. In case of doubt as to Buyer's financial responsibility, shipments under this Agreement may be suspended or sent sight draft with Bill of Lading attached by Supplier. Supplier reserves the right to demand a confirmed letter of credit at Buyer's full cost and expense or other security of payment in Supplier's sole discretion.
4. **ACCEPTANCE AND CANCELLATION.** Except as otherwise provided in Section 18 and this Section 4, all proposals and acceptances of orders are made with a mutual understanding that orders are not subject to cancellation. Buyer may suspend the Services or delay delivery of the Products for up to 12 months from the initial agreed upon date; provided that during the period of any such suspension or delay, Supplier reserves the right to resell the Products to a third party or assess an interruption charge related to production rescheduling or additional costs incurred by Supplier. Any such delay or suspension longer than 12 months shall be deemed a cancellation by Buyer. If Buyer cancels a sale for any reason, any deposit paid by Buyer shall be non-refundable and an additional surcharge of 30% of the total invoice amount will be charged to Buyer. Each proposal shall be open for 30 days from the date the proposal is made and subject to prior sale.
5. **CHANGES.** Buyer shall have the right to make changes to its order provided that Supplier receives written notice of the desired changes and accepts the same, and provided further, that Buyer accepts any additional charges determined by Supplier. Additional options, enhancements, or changes beyond the original proposal, quotation, purchase order, or order acknowledgement will not delay the payment schedule.
6. **DELIVERY DATE.** All estimates of delivery time are approximate and failure to effect shipment of an accepted order by such estimated delivery date will not be considered sufficient cause for cancellation without prior agreement confirmed in writing by an authorized agent of Supplier.
7. **TITLE.** Title shall not pass to Buyer with the delivery of the described Products, but shall remain vested in Supplier until the entire purchase price is paid.
8. **RISK OF LOSS; TRANSPORTATION AND DELIVERY.** Unless otherwise specifically provided, the price of any Products sold is F.O.B. Supplier's facility. Title to any Products sold and the risk of loss of such Products passes to Buyer upon delivery by Supplier to the carrier, and any claims or losses or damage in transit shall be filed by Buyer directly with the carrier. Supplier reserves the right to ship Products via the most economical routing; if shipped otherwise upon Buyer's request, Buyer shall pay the difference in the rate of transportation. Buyer shall fully insure the Products for Supplier's benefit until the purchase price is paid in full.
9. **STORAGE.** In the event of Buyer's inability or wrongful refusal to accept delivery of the Products ordered, Supplier may store the Products or any part thereof at Buyer's risk and expense.
10. **MACHINERY USE AND SAFETY.** Unless otherwise stated in the proposal from Supplier, Buyer assumes responsibility to provide safety devices and equipment to ensure that the purchases conform to all federal, state and local government safety standards and all industrial safety standards.
11. **SAFETY INDEMNIFICATION.** Buyer shall comply with and require its agents and employees to comply with all directions, safety notices, warnings and other instructions furnished by Supplier, and shall use and require its agents and employees to use reasonable care in the installation and/or use of the Products. Buyer shall indemnify and hold Supplier harmless from and against any and all claims, loss, liability, cost and expense (including reasonable attorney's fees) incurred in connection with accidents involving the Products sold hereunder, caused, directly or indirectly, by the failure of Buyer to provide safety devices or to comply with federal, state and local laws applicable to such Products, including but not limited to, the Occupational Safety and Health Act of 1970 and ANSI/RIA R15.06-1999 Safety Requirements for Industrial Robots and Robot Systems. Seller specifically disclaims any and all liability arising out of the use of the Products supplied hereunder.
12. **INSTALLED SOFTWARE.** Products may contain installed software offered by the manufacturer. In some cases, prior to use of the Products, Buyer may need to license such software from the manufacturer. Unless otherwise explicitly stated, Supplier is not providing a license to Buyer to use such installed software. Buyer should contact the manufacturer for further details.
13. **ACCESS TO FACILITIES.** Buyer agrees to grant Supplier access to Buyer's facilities for the purpose of providing the Services. Buyer understands and agrees that any access to Buyer's facilities by Supplier may affect Buyer's operations. Accordingly, Buyer shall not hold Supplier liable for any losses incurred by Buyer as a result of such authorized access. Buyer shall indemnify Supplier from all third party claims, damages, losses, costs or expense (including reasonable attorney's fees) arising out of or relating to Supplier's authorized access to Buyer's facilities hereunder, except as may be attributable to Supplier's reckless conduct or willful misconduct.
14. **WARRANTY AND DISCLAIMER.** EXCEPT AS EXPLICITLY SET FORTH IN ANY WARRANTY DOCUMENTS PROVIDED TO BUYER AT THE TIME OF SALE, BUYER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WHICH ARE HEREBY DISCLAIMED AND EXCLUDED BY SUPPLIER. UNLESS OTHERWISE EXPLICITLY STATED, SUPPLIER MAKES NO WARRANTY WITH RESPECT TO BUYER'S RIGHT TO USE THE INSTALLED SOFTWARE. SUPPLIER SHALL NOT BE LIABLE TO BUYER FOR ANY LOSS, CLAIM, DEMAND, LIABILITY, COST, DAMAGE OR

EXPENSE OF ANY KIND CAUSED OR ALLEGED TO BE CAUSED, DIRECTLY OR INDIRECTLY, BY THE PRODUCTS OR BY ANY INADEQUACIES THEREOF, INCLUDING, WITHOUT LIMITATION, ANY LOSS OF BUSINESS, PROFITS, CONSEQUENTIAL, INCIDENTAL, SPECIAL, PUNITIVE OR OTHER DAMAGE OF ANY NATURE, WHETHER ARISING IN TORT, CONTRACT, WARRANTY OR STRICT LIABILITY. Buyer acknowledges its responsibility to understand any warranty, disclaimer, and limitation of liability of Supplier set forth in the Warranty Documents and by accepting delivery of the Products, Buyer agrees to be bound by any such terms. All actions by Buyer for breach of warranty against Supplier shall be brought within one (1) year after the cause of action thereon accrues.

15. **INSPECTION.** Buyer agrees to inspect and accept or reject Products delivered by or for Supplier within 96 hours after delivery thereof to Buyer's facility, and all Products delivered shall be conclusively deemed accepted and to conform to contract requirements unless rejection is made or specific objection or notice of nonconformity is given in writing within such 96-hour period.
16. **NON-SOLICITATION COVENANT.** Buyer covenants and agrees that, during the term of this Agreement and during the period beginning on the date this Agreement is terminated or expires and ending twelve (12) months after the termination or expiration of this Agreement, neither Buyer nor any of Buyer's parent corporations, subsidiaries or affiliates shall knowingly solicit for employment or employ any of Supplier's employees or consultants providing Services to Buyer on behalf of Supplier pursuant to this Agreement without the express prior written consent of Supplier. Buyer acknowledges that a breach or threatened breach by it or any of its parent corporations, subsidiaries or affiliates of the foregoing covenant shall constitute a material breach of this Agreement for which Supplier shall be entitled to a preliminary injunction and other equitable relief.
17. **CONFIDENTIALITY.** Buyer covenants and agrees that it shall not, and shall cause its officers, directors, employees, agents and representatives to not, directly or indirectly, disclose or communicate to any person or entity any information of Supplier disclosed hereunder or in connection with the sale contemplated hereby. Any cell layout concepts, sequences of operation, procedure development, cycle time element analyses or preparatory work furnished by Supplier, shall remain the exclusive property of Supplier. No use of it shall be made, nor any ideas obtained there from used, except upon compensation to be determined by Supplier. Buyer shall be responsible for the compliance of this nondisclosure obligation by Buyer's officers, employees, agents and representatives. This nondisclosure covenant has no geographic, territorial or time limitation and applies no matter where Buyer may be located or conducts business in the future.
18. **FORCE MAJEURE.** Supplier shall not be liable for any loss, damage, delay, changes in shipment, schedules or failure to deliver, whether arising in tort, contract or warranty, caused by accident, fires, strikes, riots, civil commotion, terrorism, embargoes, failure of carriers, inability to obtain transportation facilities, foreign or local governmental requirements, acts of God, prior orders from customers or limitations on Supplier's or its suppliers' production or any other causes of contingency beyond Supplier's control. In such event, Supplier shall not be liable for any consequential, incidental or special damages to Buyer. Supplier may, at its option and without liability, cancel all or any portion of this Agreement and/or extend any date upon which performance hereunder is due.
19. **INTERNATIONAL SALES.** Notwithstanding any provisions to the contrary set forth herein, any international sale shall be subject to the following terms: (a) all trade terms identified herein shall be governed by the meanings assigned to them in Incoterms 2000; (b) Supplier and Buyer hereby agree that the sales contract shall be governed by and construed in accordance with the laws of the State of Ohio, United States of America, without reference to the principles of conflicts of law and hereby further agree that the United Nations Convention on Contracts for the International Sale of Goods shall not apply to the terms hereof; (c) any suit, action or proceeding arising out of the sale hereof shall be instituted by either party in the courts of the State of Ohio, Hamilton County, or United States District Court for the Southern District of Ohio and Supplier and Buyer irrevocably and unconditionally submit and consent to the jurisdiction and venue of any such court for such purpose, and each waives any obligation it may have as to the venue of any dispute arising out of or in connection with this transaction; (d) payment terms shall be as set forth in this Agreement, with Supplier reserving at all times the right to demand a confirmed letter of credit at Buyer's full cost and expense or other security of payment in Supplier's sole discretion; (e) all other terms and conditions set forth herein shall apply to international sales.
20. **EXPORT/IMPORT.** Buyer agrees that all applicable import and export control laws, regulations, orders and requirements, including without limitation those of the United States and the European Union, and the jurisdictions in which Supplier and Buyer are established or from which items may be supplied, will apply to its receipt and use of the Products and Services. In no event shall Buyer use, transfer, release, import, export or re-export Products in violation of such applicable laws, regulations, orders or requirements.
21. **BUYER'S DUTY TO REPORT COMPLAINTS AND INFRINGEMENT.** Buyer shall immediately report to Supplier, in full, any claim, demands, or complaint received by Buyer in regard to any Products sold hereunder. Buyer shall also give immediate written notice to Supplier of infringement of any copyright, trademark or patent and no liability for infringement arising out of such use is assumed by Supplier.
22. **COST OF COLLECTION.** Buyer shall pay for all collection costs and expenses which are incurred by Supplier in connection with this Agreement, including legal expenses and reasonable attorney's fees.
23. **NOTICE.** All notices shall be by registered or certified mail, return receipt requested, to the address of the parties shown herein.
24. **INTERPRETATION; FINAL AGREEMENT.** This writing is intended by the parties as a final expression of their Agreement and is intended also as a complete and exclusive statement of the terms of their Agreement and shall not be modified except by a writing signed by the parties. No antecedent or extrinsic representations or statement, oral or written, by way of advertisement or otherwise with reference to the Products or Services, or their performance or capabilities shall constitute warranties or guarantees. Buyer agrees that it has not relied upon any such statements or representations. If any provision of this Agreement is invalid under any statute or rule of law, such provision, to that extent only, shall be deemed to be omitted without affecting the validity of the remainder of the Agreement.
25. **GOVERNING LAW; DESIGNATION OF FORUM.** The sale of Products or Services hereunder shall be construed and enforced in accordance with the substantive law of the State of Ohio, without giving effect to the conflicts or choice of law provisions thereof. Any suit, action or proceeding arising out of the sale hereof shall be instituted by either party in the courts of the State of Ohio, Hamilton County, or United States District Court for the Southern District of Ohio and Supplier and Buyer irrevocably and unconditionally submit and consent to the jurisdiction and venue of any such court for such purpose, and each waives any obligation it may have as to the venue of any dispute in connection with this transaction.
26. **OFFERS AND ACCEPTANCES OF SUPPLIER EXPRESSLY LIMITED TO THE TERMS HEREOF.** SUPPLIER HEREBY EXPRESSLY LIMITS THE ACCEPTANCE OF ANY OFFER OF SUPPLIER TO THE TERMS STATED HEREIN. ALL OTHER TERMS OFFERED OR PROPOSED BY BUYER ARE REJECTED UNLESS ASSENTED TO IN WRITING BY SUPPLIER. SUPPLIER'S ACCEPTANCE OF ANY OFFER MADE BY BUYER IS MADE EXPRESSLY CONDITIONAL ON BUYER'S ASSENT TO THE TERMS HEREOF. BUYER'S ACCEPTANCE AND ASSENT TO THE TERMS AND CONDITIONS HEREOF MAY BE EVIDENCED BY ANY ONE OR MORE OF THE FOLLOWING: (1) BUYER'S SIGNATURE ON SUPPLIER'S ORDER ACKNOWLEDGEMENT DOCUMENT; (2) ACCEPTANCE OF DELIVERY OF PRODUCTS OR PERFORMANCE OF SERVICES; OR (3) ANY OTHER MEANS MANIFESTING ASSET TO BE BOUND. ANY ADDITIONAL, CONTRADICTORY OR DIFFERENT TERMS CONTAINED IN ANY INITIAL OR SUBSEQUENT ORDER OR COMMUNICATION FROM BUYER PERTAINING TO THE PRODUCTS OR SERVICES SOLD HEREUNDER ARE HEREBY OBJECTED TO AND SHALL BE OF NO EFFECT. IF BUYER OBJECTS TO ANY OF THE TERMS STATED HEREIN, BUYER SHALL ADVISE SUPPLIER IN WRITING OF THE PARTICULAR OBJECTION WITHIN 10 DAYS OF RECEIPT OR SHALL BE HELD TO HAVE WAIVED ANY OBJECTIONS.