

**General Conditions for Deliveries and Services
for Use in Transactions with Business Customers
June 2015**

1. General

The quotation is subject to these Conditions only. Any conditions of the Customer which are in conflict with these Conditions are not binding unless they have been confirmed by Rohde & Schwarz Malaysia Sdn. Bhd. (RSMY[™]) in writing.

2. Prices and Taxes

Prices for Deliveries are FCA Munich Airport, according to INCOTERMS 2010, ICC Publication Section 715. The prices quoted are net prices in Malaysian ringgit (MYR), if not otherwise stated in the quotation. Prices exclude any sales, value added, GST or similar taxes incurred at the statutory rate and exclude any customs, charges, duties as well as any consular or legalization fees. Customary packing for land and air freight is included in the price.

3. Reservation of Title

Title to the Deliveries is retained by RSMY until full payment.

4. Terms of Payment

30% down-payment shall be made upon receipt at RSMY of the purchase order and the remaining 70% shall be made to RSMY before delivery without any deduction. RSMY shall not be obliged to pay any interest on the down-payment. RSMY reserves the right to demand further security for payment and/or advance payments. RSMY reserves the right to charge monthly interest of 1.5% of the outstanding amount.

5. Periods of Deliveries and/or Services

Compliance by RSMY with the periods for Deliveries requires that all obligations of the Customer are fulfilled properly and in due time, in particular, that all documents, approvals and releases to be furnished by the Customer are received by RSMY in time, and that such other obligations are satisfied which are required for the Deliveries by RSMY to be carried out properly and in due time. If such requirements are not satisfied in time, the periods shall be extended accordingly, plus a reasonable restart period. If non-compliance with the periods for Deliveries and/or Services is due to force majeure, the periods will be extended accordingly, plus a reasonable restart period. The events of force majeure shall include any sovereign acts, such as, but not limited to, the refusal of a required governmental approval in spite of an application having been properly filed, transport restrictions and restrictions of energy consumption, but also general shortage of raw materials and common supplies as well as other reasons, such as non-delivery or late delivery by suppliers, beyond the control of RSMY.

If RSMY is in delay exclusively by its own fault, the Customer may – if it can prove that it has suffered damage owing to the delay – demand, from the third full week of delay, liquidated damages to the amount of 0.5% for each full week of delay up to a total of 2% of the value of the delayed part of the deliveries. In case the delay exceeds 12 weeks, the Customer has the right to withdraw from the contract. Any further claims due to delayed delivery shall be excluded. If the Customer is in delay with payment, RSMY reserves any rights, including the right to charge interest. The customer do not have any right to claim for any liquidated damages in the event of nonpayment or failure to comply with the terms of payment stipulated in Clause 4 above or any specific payment terms stated in RSMY's quotation attached herein or failure to comply with any of the terms and conditions stated herein.

6. Software

RSMY grants the Customer the non-exclusive right to use the contractual computer programs and associated documentation jointly ("Software") exclusively for the operation of the hardware intended or supplied therefore. The right to use is limited to the agreed period of time; in the absence of such agreement, the right to use shall be unlimited in time. The Software will solely be provided in machine-readable format (object code) and without source code and source-code documentation. The Customer shall in particular not be entitled to modify, decompile, disassemble or otherwise reverse engineer the Software in whole or in part unless stipulated otherwise by mandatory law. The Software may only be copied for archiving purposes or if it is required for its intended use. The Software and the right to use the Software may not be sublicensed and may only be transferred, leased or lent to a third party together with the according hardware; in such a case the Customer undertakes to impose the above obligations on the third party. RSMY may also deliver third party programs (including, but not limited to open source programs) to the Customer; in this event the respective third party license terms which will be made available by R&S shall take precedence over this Section 6 as far as the third party programs are concerned.

7. Liability for Material Defects

If Deliveries and/or Services show a material defect, RSMY shall, at its option and free of charge for the Customer, repair, replace or reperform such Deliveries and/or Services within 12 months from delivery (the "Warranty Period") if the cause of the defect was present at the time of the transfer of risk. The Customer shall immediately give detailed written notice of any defects to RSMY. RSMY shall not be responsible for defects in case of minor deviations from the agreed specifications, misuse, neglect, accident or abnormal condition of operation or in case of modifications or repair carried out by the Customer or by third parties. Software shall be considered to be defective only if there are reproducible deviations from the specifications. Should RSMY fail to remedy the defect within a reasonable period of time, the Customer can withdraw from the contract or reduce the agreed remuneration. Further claims are excluded.

8. Liability for Defects of Title / Infringement of Intellectual Property Rights

The delivery shall be free of defects of title such as third-party industrial property rights and copyrights (hereinafter "Intellectual Property Rights") in the country of the place of delivery. Within the warranty Period RSMY shall, at its option and cost, either obtain a right to use the delivery/service items concerned, or modify them to prevent an infringement of Intellectual Property Rights, or replace them. If this is not possible for RSMY under reasonable conditions, the Customer shall have the right to withdraw from the contract or reduce the agreed remuneration. The above obligations of RSMY shall only be in force on condition that: (i) the Customer immediately informs RSMY in writing about any claims asserted by third parties, (ii) the Customer does not acknowledge any infringements, and (iii) the right of RSMY to conduct any defense measures or settlement negotiations shall remain unaffected. Further claims are excluded.

9. Liability

RSMY shall be liable without limitation for damage caused with intent, for guarantees given in writing and in case of culpable damage to life, body or health. The liability under the mandatory provisions of product liability law applicable from time to time shall remain unaffected. Otherwise, the liability of RSMY towards the Customer, no matter on what legal ground, including delay and indemnification, shall be limited in aggregate to an amount equal to fifteen percent (15%) of the agreed remuneration. RSMY shall not be liable for financial loss or consequential damages or compensation for expenses, for loss of profit, loss of production, interruption of business, contractual claims of third parties, lost usage, financing expenditure, interest loss and claims under a covering purchase as well as for loss of data, information and programs as a result of a software error. Subject to the liability by mandatory law the limitation period for any liability claims shall be twelve (12) months from accrual and knowledge, or grossly negligent lack of knowledge of the Customer. Any further liability of RSMY shall be excluded.

10. Applicable Law / Jurisdiction

All contractual relations between the parties shall be governed exclusively by Malaysia law. The application of the UN Convention for the International Sales of Goods (CISG) shall be excluded. The courts of Kuala Lumpur shall have exclusive jurisdiction.