

motcom GmbH • Kurt-Schumacher-Str. 28-30 • D-66130 Saarbrücken

Ms Julia Dong
Managing Director
Dalian Leader Fluid Control Technology Co.,Ltd.
No.5 Luohu Road. Dalian Free Zone

P.R. China P.C.: 116600

22 June 2017
K. Priester

Framework Supply Agreement

Dear Ms Dong.

We are very pleased to send you the signed contract.

Please be so kind, sign the agreement, and send us return an exemplar.

We are looking forward to a good cooperation.

Kindly regards

moTcom GmbH



ppa. K. Priester

motcom GmbH
Kurt-Schumacher-Str. 28-30
66130 Saarbrücken
Deutschland

Framework Supply Agreement

between

1. **Dalian Leader Fluid Control Technology Co.,Ltd.**, No.5 Luohu Road, Dalian Free Zone, P.R. China P.C.: 116600, represented by its managing director, Ms. Julia Dong

- hereinafter „**Distributor**“

and

2. **motcom GmbH**, represented by its managing director Mr. Dieter Lott, Kurt-Schumacher-Str.28-30, 66130 Saarbrücken

- hereinafter „**Supplier**“.

PREAMBLE

Supplier is a company located in Saarbrücken, Germany, producing high quality safety, monitoring and measuring systems for large machinery and engines.

Distributor is a multidiscipline sub supplier.

Distributor is interested in selling and installing products of the Supplier as the non- exclusive reseller in P.R. China.

The parties therefore conclude the following agreement:

§ 1 SUBJECT MATTER OF THE AGREEMENT

1. The subject matter of this agreement is the appointment of Distributor for the sale of products specified in § 2sec. 1.in the territory specified in § 2sec. 2.
2. The legal relationship between the parties is exclusively governed by this agreement. The Supplier does not acknowledge any general terms and conditions of Distributor. Even if an order of Contractual Products is performed without an express reservation by Supplier, this shall not be construed as a consent of Supplier to the application of such conflicting general terms and conditions. The provisions of this agreement shall have priority over the General Terms.
3. Distributor buys and sells the Contractual Products in its own name and for its own account. Distributor is not entitled to act on behalf of Supplier neither shall he have any authority to bind the Supplier to any contract or to other legal obligations.

§ 2 CONTRACTUAL PRODUCTS AND CONTRACTUAL TERRITORY

1. Contractual products shall be the **SiCOMS®/ OCom Oil mist Concentration and splash oil temperature monitoring**, produced by Supplier that are specified in Exhibit 1 (hereinafter "**Contractual Product**").
2. The contractual territory shall cover the entire territory of P.R. China (hereinafter "**Contractual Territory**").

Supplier grants to Distributor the non-exclusive right to sell the Contractual Products in the Contractual Territory for the term of this agreement. Supplier hereby grants to Distributor a non-exclusive authorization to use his registered trademarks, trade names or other designations for Contractual Products throughout the Contractual Territory in connection with the promotion, marketing, distribution and/or sale of the Contractual Products for the term of this agreement.

3. Supplier undertakes not to deliver Contractual Products to customers, which are already customers of the distributor.
4. Distributor is responsible for Chinese customers whom he has already visited before conclusion of supply agreement.

Further exceptions see Exhibit 2 (hereinafter "**List Exclusive Customers of Distributor**").

5. Distributor undertakes not to deliver Contractual Products to customers, which are already customers of other representations/agents of the supplier or of the supplier itself.
6. If Distributor is able to work with customers and sign agreements with new customers outside P.R. China the list of exclusive customers of Distributor may be amended after written agreement between Distributor and Supplier. Distributor agrees that he shall not conflict with other distributors of Supplier especially in maritime business and power plant business.

§ 3 PROMOTION OF SALES, COMPETITION

Distributor shall use commercially reasonable endeavours to promote the sale of the Contractual Products in the Contractual Territory. Distributor shall exclusively sell the Supplier's bearing condition monitoring system and are obligated to not sell competitors similar product.

§ 4 DELIVERY OF THE CONTRACTUAL PRODUCTS

The Contractual Products will be delivered (EXW – see Incoterms 2010) by Supplier to the delivery address: **Dalian Leader Fluid Control Technology Co.,Ltd.**, No.5 Luohu Road. Dalian Free Zone, P.R. China P.C.: 116600.

§ 5 PRICES, DISCOUNT

1. The prices of the Contractual Products that Supplier will charge to Distributor shall be based on the retail customer list price recommended by Supplier minus a discount. The currently valid price list is attached to this agreement as Exhibit 3.
2. At the beginning of each year, Supplier shall send Distributor the actual price list for that year with the recommended retail customer prices. Any changes to the list prices will be notified to Distributor and will come into effect after 3 months upon notification.
3. Supplier grants to Distributor a discount on price depending on the annual actual sales volumes:

§ 6 PAYMENTS TERMS

Payment becomes due and payable by Distributor within 30 days upon receipt of invoice by Supplier.

§ 7 ADVERTISEMENT AND MARKETING

1. Distributor will, at his own discretion, advertise and market the Contractual Products. Inter alia, Distributor might list the Contractual Products at his internet page "www.dlleader.cn/com" as well as in catalogues for retailers and in respective apps for mobile devices.
2. Supplier will provide professional pictures of the Contractual Products and its production to support Distributor in advertising and marketing of the Contractual Product in the Contractual Territory. Supplier will provide such pictures at his own expense and will grant all user rights necessary for these pictures for such purpose to Distributor.

3. Supplier expressly allows Distributor to create, publish, distribute, advertise, or print any marketing material that makes reference to Supplier or the Contractual Products. Distributor is allowed to use of Supplier's name and any of his trademarks for marketing or promotional materials, whether in print, broadcast or electronic media. Distributor will not cause any deliberate harm to the image or marketability of the Contractual Products of Supplier.
4. Supplier agrees to support the Distributor with free product samples of the Contractual Products for exhibitions and promotions customers up to a commonly agreed volume.

§ 8 RESPONSIBILITY OF DEFECTS / QUANTITY DEVIATIONS

1. Supplier represents and warrants that the Contractual Products are free of defects for a warranty period of 12 months after delivery. If the delivered products are defective, the Distributor, without waiving any rights or remedies provided by law and / or elsewhere under this agreement, may demand from Supplier to replace such products at the Supplier's risk and expense or to refund such portion of the price as is equitable under the given circumstances.
2. Upon delivery Distributor will check quantities and packaging. Should the delivered products have visible defects, Distributor has to make a complaint within 10 working days upon receipt of the goods. Other defects have to be claimed within 10 working days after the actual discovery of the defect.

§ 9 DAMAGES CLAIMS

If the notice of defect is justified and has been given within the agreed time-limit and if the Supplier fails to comply with its obligation to render supplementary performance (Nacherfüllung) - at the Supplier's option either by removing the defect (rectification) or by providing goods that are free from defects (substitute delivery) - within the reasonable time, the Distributor may only withdraw from the specific supply contract and not demand (consequential) damages.

§ 10 INTELLECTUAL PROPERTY RIGHTS

Supplier warrants that he is owner of or has a legal right to use all intellectual property rights regarding the Contract Products, including but not limited to copyrights, trade mark rights, firm name or other designations of know-how.

§ 11 TERM AND TERMINATION

1. This agreement shall come into effect on 01 May 2017.
2. The agreement can be terminated by either party upon 6 months notice to the end of each quarter.

3. The right to terminate this agreement for good cause with immediate effect remains unaffected. Good cause for termination shall include in particular the following:

- (i) any material breach of obligations under this agreement;
- (ii) the insolvency of one of the parties.

4. Any termination has to be made in written form.

§ 12 DUTIES TO SECRECY, INFORMATION AND DISCLOSURE

The parties mutually agree not to disclose any business or operations secrets or any confidential information known to them in the course of the business carried out under this agreement to any third party.

§ 13 MISCELLANEOUS

- 1. This agreement is governed by German law.
- 2. The parties submit to the exclusive venue of the courts of Hamburg.
- 3. Amendments and supplements to this contract must be made in writing (including fax, but excluding e-mail). This also applies to a waiver of this requirement for the written form.
- 4. If one or more provisions of this agreement are or become invalid or void, or if it contains a gap, the validity of this agreement shall not hereby be affected. The parties are obliged to replace any invalid or void provision with a valid provision which comes closest to what the parties had intended with respect to the purpose under the invalid or void provision.

Saarbrücken, 26 April 2017



D. Lott - Managing Director-

motcom GmbH
Kurt-Schumacher-Str. 28-30
66130 Saarbrücken
Deutschland

Dalian, 24-07-2017



J. Dong - Managing Director-

