

# General Terms and Conditions of Sale and Delivery

of Laser Components GmbH, Werner-von-Siemens-Str. 15, 82140 Olching, Germany

## I. General Information

1. All deliveries, services, and quotations provided by Laser Components GmbH (hereinafter referred to as "Laser Components") shall be made exclusively on the basis of these General Terms and Conditions of Sale and Delivery (TCSDs). These TCSDs are an integral part of all contracts concluded by Laser Components with its contract partners (hereinafter referred to as "customers") regarding the deliveries or services it offers. The TCSDs also apply to all future deliveries, services, or quotations to the customer, even if they are not agreed upon separately.
2. The terms of business of the customer or third parties shall not apply, even if Laser Components does not object specifically in an individual case. Reference by Laser Components to a letter that contains or refers to the terms of business of the customer or a third party does not constitute an agreement with the validity of these terms and conditions.

## II. Quotation and Conclusion of Contract

1. The quotations provided by Laser Components are always non-binding. A contract shall only take effect upon written confirmation of an order by Laser Components and shall be governed solely by the contents of the order confirmation and these TCSDs.
2. Supplements and amendments to the agreement concluded including these general terms and conditions of sale and delivery must be in writing in order to take effect.
3. The customer shall review the information contained in catalogs and brochures, on the website, and in other written materials offered by Laser Components prior to acceptance and use for suitability for the intended application. This also applies to the selection of suitable materials. The customer is responsible for reviewing information on the application possibilities of the product.
4. Laser Components is not obliged to check the correctness and/or legal conformity of the customer's specifications or other customer information. The customer is solely responsible for his specifications. This applies in particular to the liability for any infringement of industrial property rights.
5. Laser Components reserves all rights to illustrations, drawings, technical documents, catalogs, samples, similar items, and all other sales documents that it produces. Making these items available to third parties is strictly prohibited and must be returned to Laser Components without delay upon request. This applies in particular to written documents labeled as "confidential". Only with Laser Components' prior written consent may such documents be passed on to third parties.
6. If software is part of the scope of service, the customer shall be granted a non-transferable and non-exclusive right to use the delivered software. All other rights to the software remain the property of Laser Components.

## III. Export Controls, Other Legal Requirements

1. The production and delivery of the ordered goods is subject to the proviso that they do not conflict with statutory provisions, directives, or regulations and that they do not oppose national or international regulations of export and import law.
2. Delays resulting from export compliance or approval procedures will render deadlines and delivery times invalid.
3. If Laser Components is unable to fulfill the contract due to conflicting statutory regulations or non-approved permits, the contract regarding the product in question shall be deemed to not have been effective from the outset. Claims for damages or expenses by the customer do not arise from this setback.
4. It is the customer's obligation to secure the necessary import licenses.

#### **IV. Deliveries, Services, and their Deadlines**

1. Unless otherwise expressly agreed upon in writing, Laser Components delivers "ex works" Olching (EXW Olching according to Incoterms 2010).
2. Laser Components is entitled to partial deliveries of individual itemizations from the order confirmation to the customer if:
  - The partial delivery can be utilized by the customer within the scope of the contractual purpose,
  - The delivery of the remaining goods ordered in the individual itemization of the order confirmation can be ensured, and
  - The customer does not incur considerable expenses or extra costs.
3. For certain articles, for example, goods sold by the meter (optical fibers) or deliveries of called-off quantities from sales contracts, Laser Components reserves the right to oversupply or undersupply the ordered quantity by up to 10%.
4. For small orders (i.e., orders having a net value of less than EUR 100.00), Laser Components reserves the right to charge a processing fee of EUR 50.00 in addition to packaging and shipping costs.
5. Deadlines and dates for deliveries and services stated by Laser Components are always only approximated and cannot be considered a fixed transaction within the meaning of the German Civil Code (BGB), unless a fixed deadline or a fixed date is explicitly announced or agreed upon with the indication "fixed date." If dispatch has been agreed upon, delivery periods and delivery dates refer to the time of handing the goods over to the freight forwarder, carrier, or other third party entrusted with transport.
6. The start of the delivery period requires that all business and technical issues between Laser Components and the customer have been clarified and the customer has fulfilled all obligations resting on him, in particular paying an agreed upon down payment.
7. In the case of additional or increased orders being placed at a later point in time, the deadlines are extended accordingly in an appropriate manner.
8. In the case of delivery impediments, which are not attributable to Laser Components, in particular
  - a) Force majeure such as mobilization, war, acts of terror, riot, or similar events,
  - b) Viruses and other attacks by third parties on the IT systems of Laser Components, in so far as they have occurred despite the due diligence exercised as protective measures,
  - c) Based on mandatory national or international provisions of foreign trade law or due to other circumstances beyond the control of Laser Components, or
  - d) Strike, lockout,
 the delivery period is extended accordingly. Should the delivery impediments last for more than three (3) months or make it impossible for Laser Components to fulfill its contractual obligations, Laser Components is entitled to withdraw from the contract. Laser Components shall immediately notify the customer of delivery impediments.
9. If Laser Components is not supplied by a supplier in breach of contract, the delivery period is extended accordingly, provided that Laser Components cannot be expected to procure replacement (self-supply reservation). In the event that supplying Laser Components becomes impossible by the supplier, Laser Components is entitled to withdraw from the contract with the customer.
10. Claims for damages on the part of the customer due to delays in delivery shall be governed in accordance with XII.
11. The customer is obliged, upon request, to inform Laser Components within a reasonable period of time whether or not he wishes to withdraw from the contract due to the delay in delivery.
12. If, upon request by the customer, delivery or dispatch is delayed by more than one (1) month after notification of readiness for delivery, Laser Components may charge the customer a storage fee of 0.5% of the price of the goods but not exceeding a total of 5% for any additional commenced month. The contracting parties are free to provide evidence of higher or lower storage costs. The date of stating the readiness for delivery represents in such cases the delivery date. After a reasonable period of time for acceptance, Laser Components is entitled to dispose of the item to be delivered as it sees fit. Laser Components reserves the right to make further claims.

#### **V. Prices**

1. Unless explicitly agreed otherwise, all prices are stated in EUR, with delivery "ex works" Olching (EXW Olching according to INCOTERMS 2010) and excluding freight, packaging, storage, insurance, customs, fees, and other public charges.
2. All prices are understood to exclude statutory value-added tax, which is stated separately.

## **VI. Payments**

1. Unless otherwise agreed, claims by Laser Components shall be due without deduction after 30 days from the date of the invoice.
2. Payments are to be made free of charge to Laser Components by bank transfer. The customer shall bear the risk and costs of the payment process.
3. Payments shall only be deemed to have occurred if the invoice amount shows up in one of Laser Components' accounts.
4. If the customer fails to pay at maturity, the outstanding amounts shall be interest-bearing from the date of maturity. The interest rate for remuneration claims is based on the amount according to § 288, Section II of the German Civil Code (BGB). The assertion of higher interest rates and further damages in case of default shall remain unaffected.
5. Laser Components is entitled to charge a fee of up to EUR 15 for each reminder required to the customer.
6. Payment by check requires the prior written consent of Laser Components. Checks will only be accepted free of charge to Laser Components, subject to the express reservation of redeemability.
7. All claims by Laser Components shall be due immediately, irrespective of the duration of any acceptance, if the agreed terms of payment are not respected despite a reminder or if the customer's pecuniary circumstances deteriorate, which jeopardizes the claim (see § 321 of the German Civil Code (BGB)).
8. The customer may offset the claims by Laser Components only with undisputed or legally binding counterclaims.
9. If Laser Components becomes aware of a significant deterioration of the customer's pecuniary circumstances after the contract has been concluded (for example, because the customer is late with outstanding invoices), Laser Components is entitled to perform outstanding deliveries or services only upon prepayment or security. If these are not provided even after expiry of a reasonable grace period, Laser Components may, without prejudice to further rights, withdraw from the contract in whole or in part.

## **VII. Cancellation of Orders**

1. If the customer wishes to change an order or to cancel it in whole or in part after the conclusion of the purchase contract, he shall immediately inform Laser Components in writing. Laser Components is not contractually obliged to accept an order change or cancellation.
2. An order cancellation will only take effect if and to the extent that Laser Components accepts it by written confirmation of cancellation.
3. In the case of order cancellation or in the event of the customer's default in payment, Laser Components is entitled to damages due to non-fulfillment. This compensation is at least 15% of the agreed purchase price. The damages shall be higher or lower if Laser Components can prove a higher or the customer a lower damage.

## **VIII. Transfer of Risk, Dispatch**

1. The transfer of risk to the customer shall take place upon handing over the delivery item from Laser Components to the carrier, a third party otherwise tasked with dispatch, or directly to the customer.
2. If the shipment is delayed due to the fault of the customer, the risk passes to the customer from the date of dispatch and after notification to the customer at that time.
3. In the event that the customer has not informed Laser Components of special shipping requirements early enough in advance of the purchase, the shipment will be made in the usual packaging in an appropriate manner.
4. Costs resulting from delivery at the customer's request to a place other than the place of delivery defined in the order confirmation shall be borne by the customer.
5. The shipment is insured by Laser Components only at the express request of the customer and at the customer's expense against theft, breakage, transport, fire, and water damage, or other insurable risks.
6. All shipping costs shall be borne by the customer, unless expressly agreed otherwise.

7. Storage costs after transfer of risk shall be borne by the customer. When stored by Laser Components, the storage fee is 5% of the invoice amount of the delivery items to be stored per week. The assertion and proof of additional or lower storage costs shall be reserved.
8. If Laser Components is obliged to take back packaging material according to the provisions of the packaging ordinance, Laser Components will collect the material from the customer at its own expense. The parties will agree separately on the details.

## IX. Retention of Title

1. The delivered products remain the property of Laser Components ("retained products") until all claims by Laser Components from the business relationship with the customer have been fully paid.
2. In the case of current invoices, the reserved property shall be used to safeguard the balance claims owed to Laser Components.
3. A sale of the retained products is only permitted to the customer in the ordinary course of business. The customer is not entitled to pledge the retained products, to surrender them to security, or to make any other decision that might jeopardize the ownership of Laser Components. The customer assigns the claim from the resale to Laser Components; Laser Components accepts this assignment. If the customer sells the retained products after processing or after connecting, mixing, or blending with other goods or together with other goods, the claim assignment is only agreed in the amount of the share which corresponds to the agreed price between Laser Components and the customer plus a security margin of 10% of this price. The customer is revocably authorized to collect the claims assigned to Laser Components in his own name in escrow for Laser Components. Laser Components may revoke this authorization, as well as the authorization to resell it, if the customer is in default with essential obligations, such as payments to Laser Components.
4. The processing or conversion of the retained products by the customer always takes place for Laser Components. If the retained products are processed with other objects, then Laser Components acquires co-ownership of the new item in proportion of the value of the retained products to the other processed items at the time of processing. The same applies to the new item resulting from processing, as it does for the products subject to retention.
5. If the retained products are combined with other objects, blended or mixed, then Laser Components acquires co-ownership of the new item in proportion of the value of the retained products to the other items at the time of connecting, blending, or mixing. If the connecting, blending, or mixing is carried out in such a way that the customer's item is to be regarded as the main item, then it is agreed that the customer transfers proportionate co-ownership to Laser Components. The resulting co-ownership item will be held by the customer for Laser Components.
6. The customer shall at all times provide Laser Components with all information requested about the retained products or any claims which have been assigned hereafter to Laser Components. The customer shall immediately notify Laser Components of any access or claims of third parties to retained products by providing the necessary documents. The customer shall, at the same time, notify the third party of the retention of title by Laser Components. The customer bears the costs of defending such accesses and claims.
7. The customer is obliged to treat the retained products carefully for the duration of the retention of title.
8. If the obtainable value of the securities exceeds the total claims to be secured by Laser Components by more than 10%, the customer shall be entitled to demand release to this extent.
9. If the customer is in default with essential obligations, such as payments to Laser Components, then Laser Components may, without prejudice to further rights, terminate the contract after the unsuccessful expiry of a reasonable grace period granted to the customer and take back the retained products to otherwise commercialize them in order to settle due claims against the customer. In this case, the customer will immediately grant Laser Components or its representative access to the retained products and release them.
10. In the case of delivery to other legal systems in which the above provision of retention of title does not have the same security effect as in Germany, the customer will do everything in their power to immediately provide Laser Components with corresponding security rights. The customer shall participate in all measures, such as registration, publication, etc., which are necessary and beneficial for the effectiveness and enforceability of such security rights.
11. At the request of Laser Components, the customer is obliged to adequately insure the retained products, to provide Laser Components with the appropriate proof of insurance, and to assign the claims from the insurance contract to Laser Components.

## **X. Customer-supplied Products**

1. If the products of the customer are required for production and delivery by Laser Components, then the customer must supply these products with a test certificate. The customer thereby confirms that the supplied products comply with the agreements with regard to material type, dimensions, tolerances, and other specifications.
2. Laser Components shall be exempt from incoming goods inspection for customer-supplied products.
3. Any warranty claim shall be excluded if and insofar as the defect is attributable to a fault in the customer-supplied products.
4. Customer-supplied products are treated and stored at the discretion of Laser Components, unless special written agreements with the customer stipulate a different treatment.
5. Laser Components does not assume any liability or warranty for damage or loss of customer-supplied products.

## **XI. Warranty, Obligation to Inspect**

1. The customer must immediately examine the delivered goods carefully upon receipt. The customer must notify Laser Components of obvious or other defects which could have been detected in an immediate, careful inspection in writing at the latest five (5) business days after receipt of the goods together with a proof of purchase. The customer shall notify Laser Components of concealed defects in writing immediately after their discovery. If the defect was already apparent to the customer at an earlier date at normal use, then this earlier date is decisive for the commencement of the above period of notice. If the customer fails to provide immediate notification of defects, the goods shall be deemed to have been approved. In this case, the customer can no longer assert claims for defects against Laser Components. At the request of Laser Components, a delivery item under complaint shall be returned to Laser Components free of charge. In the case of a justified complaint, Laser Components will compensate the customer for the costs of the most favorable shipping method; this does not apply if the costs increase because the delivery item is located in a place other than the place of the intended use.
2. Laser Components warrants that the goods and services shall be of the agreed nature at the time of transfer of risk when used as intended. Unless otherwise agreed upon, the agreed nature is governed by the valid specifications published by Laser Components at the time of order confirmation or by the specifications agreed upon in writing between Laser Components and the customer. The customer is solely responsible for the suitability of the deliveries and services of Laser Components for the respective intended use by the customer.
3. Reliability data such as life expectancy, mean time before failure (MTBF), long-term stability, etc. are statistically determined mean values, which are not considered as agreed upon for the respective delivered product. Samples are not representative for the scope of our warranty.
4. Claims for defects cannot be made in the event of only minor deviations from the agreed upon condition, insignificant impairment of usability, natural wear and tear, or in the case of damage after risk transfer due to faulty or negligent handling, excessive use, unsuitable equipment, or due to special external influences which are not covered under contract. If the customer or a third party carries out repairs or alterations, claims for defects for these and the resulting consequences cannot be made either.
5. All those parts or services must, at the discretion of Laser Components, be repaired, re-delivered, or performed anew, which exhibit a defect, if the cause was already present at the time of risk transfer. Laser Components shall bear the cost of repair as long as it is not caused by the delivered item being moved to a location other than the customer's place of business and the move does not correspond to its intended use.
6. The customer must grant a reasonable time frame to Laser Components for repair or replacement.
7. If the repairs made by Laser Components fail, the customer is entitled to reduce the purchase price or withdraw from the contract.
8. If a customer's complaint proves to be unjustified, the customer is obligated to compensate Laser Components for all expenses incurred in this context, for example shipping, customs, and inspection costs.
9. For defects which could have been determined by the customer with reasonable effort before installation or processing, all claims of liability for material defects against Laser Components cease as soon as the product is processed or installed. This does not apply if Laser Components or its vicarious agents are guilty of willful intent, gross negligence, and injury to life, body, or health or liable for breach of a material contractual obligation or if a liability under the Product Liability Act is mandatory.

10. Claims for defects shall become statute-barred twelve (12) months after the goods supplied by Laser Components have been delivered to the customer. The statutory period of limitation shall apply to claims for damages in case of willful intent and gross negligence or in cases of injury to life, body, or health which are based on an intentional or negligent breach of duty on the part of the user. The same applies to rescission and reduction. This period shall not apply insofar as the law stipulates longer periods pursuant to §§ 438 Section 1 No. 2 (buildings and objects for buildings), 479 Section 1 (recourse claim), and 634a Section 1 No.2 (construction defects) for intent, fraudulent concealment of the defect, as well as non-compliance with a quality guarantee. The statutory provisions on suspension of expiry, suspension, and recommencement of deadlines remain unaffected.
11. The customer's recourse claims against Laser Components from § 478 of the German Civil Code (BGB) exist only insofar as the customer has not entered into an agreement with his customer which goes beyond the statutory warranty claims. Laser Components is not liable within the scope of § 478 Section 2 BGB for expenses related to repairs resulting from the fact that the delivered item was moved to a location other than the customer's place of business and the move does not correspond to a use according to the intended use.
12. Damage claims by the customer due to defects are based on XII.

## **XII. Liability/Damage Compensation Laser Components**

1. The liability of Laser Components for damages, irrespective of the legal basis, in particular from impossibility, delay, defective or incorrect delivery, breach of contract, breach of obligations during contractual negotiations, and unauthorized action, shall be limited according to this clause XII insofar as it involves fault.
2. Laser Components shall not be liable in the case of simple negligence on the part of its organs, legal representatives, employees, or other vicarious agents, insofar as this is not a violation of contractual obligations. These contractual obligations include delivery in a timely manner and freedom from defects which impair functionality or usability to more than just an insignificant degree, as well as protective or advisory obligations, which are intended to enable the customer to use the delivered item in accordance with the contract or to protect the life or limb of the customer's personnel or to protect his property against considerable damage.
3. As far as Laser Components is liable for damages according to the preceding section, this liability is limited to damages that Laser Components has foreseen as a possible consequence of a breach of contract at the time of conclusion of the contract or that Laser Components should have anticipated when exercising due diligence. Furthermore, indirect damages and consequential damages, which are the result of defects in the delivered item, can only be compensated insofar as such damages are typically to be expected in the intended use of the delivered item.
4. In the case of liability for simple negligence, Laser Components' obligation to pay compensation for property damage and resulting further financial losses is limited to EUR 50,000 per claim, even if it constitutes a breach of contractual obligations. The prerequisite, however, is that the customer has complied with the regulations of XI regarding the warranty and the obligation to inspect in his dealings with Laser Components.
5. The above exclusions and limitations of liability apply to the same extent for the benefit of the organs, legal representatives, employees, and other vicarious agents of Laser Components.
6. Insofar as Laser Components provides technical information or acts in a consulting manner and such information or consultation is not part of the contractually agreed scope of performance, this is done free of charge and without any liability to the customer.
7. The above limitations do not apply to the liability of Laser Components for intentional conduct, guaranteed characteristics, injury to life, body, or health, or the Product Liability Act.

## **XIII. Intellectual Property Rights**

1. Laser Components expressly reserves all industrial and intellectual property rights to the customer regarding the delivered goods, all products, constructions, shapes, samples, services, illustrations, and other documents.
2. If a third party asserts valid claims against the deliveries or services of Laser Components from a patent or other industrial property right, Laser Components will, at its own discretion, either obtain a license for the affected items or replace them with non-proprietary ones. If, for legal or technical reasons, this is impossible or unreasonable for economic reasons, Laser Components will take back the affected goods from the customer against reimbursement of the purchase price.
3. There are no further claims by the customer.

#### XIV. Logos, Trademarks and Property Rights, and Safety and Warning Labels

The customer undertakes not to remove, alter, cover, or disfigure all logos, trademarks and property rights, and safety and warning labels with which Laser Components or the manufacturer has marked the delivered items.

#### XV. Collection and Disposal of Electrical and Electronic Equipment

In accordance with legal requirements (e.g., Electrical and Electronic Equipment Act (ElektroG)), Laser Components GmbH is registered as a B2B producer and distributor of products in Germany with the German registry Stiftung Elektro-Altgeraete Register („EAR Foundation“) under WEEE registration number DE 30317068. Disposal in commercial areas (B2B) is subject to individual agreements. However, Laser Components GmbH is always prepared to take back old devices it sold to the market and to ensure proper disposal. In such cases, please contact:

Laser Components GmbH  
QM/Compliance WEEE  
Werner-von-Siemens-Str. 15  
82140 Olching / Germany  
info@lasercomponents.com  
Fax: +49 8142 2864-11

#### XVI. Non-disclosure

1. The customer is obligated to keep secret all business and technical information from Laser Components which he has or will become aware of in connection with the contractual performance, even beyond the duration of the contract.
2. The obligation to maintain secrecy shall cease if the information becomes publicly known without a breach of a confidentiality obligation.

#### XVII. Right of Retention, Set-off, Assignment

1. Statutory set-off and retention rights are granted to Laser Components under the conditions set out therein.
2. The customer is only entitled to set off with undisputed or legally binding counterclaims or to exercise a right of retention. The exercise of a right of retention by the customer shall be excluded insofar as the counterclaims are not based on the same contractual relationship.
3. Claims of the customer can only be assigned with the written consent of Laser Components.

#### XVIII. Data Protection

The customer hereby agrees that his data received in connection with the business relationship will be stored by Laser Components for the purposes of data processing and that the data, if necessary for the fulfillment of the contract, will be transmitted to third parties (e.g., for the assessment of creditworthiness, to insurance companies, for notifications according to the Medical Products Act).

## XIX. Final Provisions

1. The court of jurisdiction is Munich, Germany, for any disputes arising from the business relationship between Laser Components and the customer, if the customer is a merchant.
2. The relationship between Laser Components and the customer shall be governed exclusively by the laws of the Federal Republic of Germany. The United Nations Convention on Contracts for the International Sale of Goods (CISG) does not apply.
3. Should a clause of these general conditions of sale and delivery be or become invalid or partial, the validity of the clause or other clauses shall remain unaffected.
4. Insofar as the contract or these general conditions of sale and delivery contain gaps in the regulations, the legal effective regulations which the contracting parties would have agreed upon in accordance with the economic objectives of the contract and the purpose of these general conditions of sale and delivery, had they been aware of the regulatory gap, shall be deemed to have been agreed upon.