

**1. Exclusive Application of the General Conditions of Purchase, closing of contract, subject terms of contract**

1.1. These General Conditions of Purchase ("hereinafter referred to as "Conditions") govern the entire relationship between the "Seller" (shall mean the person or legal entity which the contractual relationship is upon) and LASOS in respect of any purchase order issued by LASOS notably to purchase Goods or acquire Services. These Conditions are applicable in full and as the sole end exclusive agreement, supplemented by the particular conditions reflected in LASOS's purchase order together with all other contractual documents defined in these Conditions.

1.2. The Seller waives its general conditions of sale. An additional objection has not to be declared to state these Conditions as exclusive even if LASOS takes over the Goods or Services ("Good", "Goods" shall mean hereinafter the item, "Service" or "Services" shall mean the Services as described in the purchase order) from the Seller.

1.3. The payment of the Goods or Services and the sole takeover of the Goods shall not constitute acceptance of the general conditions of sale of the Seller.

1.4. After the first inclusion of these Conditions, all future businesses between the Seller and LASOS shall be governed by these Conditions without any necessity of additional reference unless otherwise agreed in future.

1.5. No variation to the order or these Conditions shall be binding unless in writing between the authorised representatives of the Seller and LASOS.

1.6. The purchase order constitutes an offer by LASOS to purchase Goods and/or acquire the Services subject to these Conditions. The order will lapse unless unconditionally accepted by the Seller in writing within 18 days of its date.

1.7. If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part the validity of the other provisions and the remainder of the provision in question shall not be affected thereby.

**2. Prices**

2.1. All prices for Goods or Services shall be set forth in the purchase order. Such prices are fixed and not subject to change by sole declaration of one party. Prices are deemed to "Delivered Duty Paid" (DDP – INCOTERMS 2010) to the agreed place of delivery. The price is expressed on a net basis, exclusive of any applicable value added tax which shall be payable by LASOS subject to a VAT invoice. The agreed price includes all charges for all of Seller's costs, expenses, charges, costs of packaging, loading, transport as well as insurance costs and risks, the expenses as aforesaid are calculated by the Seller into the net prices which LASOS have the only obligation to pay.

2.2. No price increase may be applied without the prior written consent of LASOS.

**3. Performance / Periods of delivery / Delay**

3.1. The Seller shall set up and maintain the period of delivery and/or execution as established in the order. The delivery and/or execution periods are an essential term of the contractual conditions. The Seller must immediately notify LASOS of any incident that may jeopardize the adherence to such delivery and/or execution periods.

3.2. In the event of late deliveries, and without prejudice to the right of LASOS to terminate all or part of the order and/or claim for damages, the Seller shall pay a late fee of 0,3 % per started late working day with a maximum aggregate late fee of 5 % of the total amount of the order to which such delivery relates, net of tax. LASOS shall not be required to send a prior notice to the Seller with respect to any late delivery or the imposition of such late fees.

3.3. LASOS shall be entitled to reject any Good delivered which are not in accordance with the contract.

3.4. LASOS reserves the right to invoice the Seller for all costs resulting from delays in delivery (including, without limitation, assembly line shortage of LASOS customers and/or LASOS itself, late penalties, loss of profit etc.).

3.5. A penalty agreed between the parties for the omission of performance by the Seller, whether in due form or in time shall not depend on a declaration of reservation on delivery. LASOS shall be entitled to claim for the agreed penalty until final payment has been done.

**4. Invoices, payments**

4.1. The Seller shall be entitled to invoice LASOS on or at any time after delivery of the Goods or performance of the Services, as the case may be. Each invoice must be sent in duplicate corresponding to an order of LASOS and it must set out a single delivery or performance. The invoice shall contain all the details that allow identification and it shall provide separate VAT details. Any incomplete invoice shall be returned unpaid to the Seller.

4.2. Unless otherwise stated in the order, invoices will be payable 30 days from the end of the month in which a proper invoice is received and provided that delivery of the Goods or performance of the Services have occurred.

4.3. A cash discount of 3 % shall be allowed for settlement by payment within a period of 30 days after delivery or performance and receipt of the invoice.

4.4. The payment by LASOS shall not be considered as an acceptance of the compliance of the delivered Goods or Services as with the provisions of the purchase order and these Conditions.

4.5. LASOS shall be entitled to retain payments to a reasonable extend if the delivery of Goods or performance of Services do not comply with the requirements of the purchase order or these Conditions.

**5. Security**

The Seller has full liability to comply with the provisions of all applicable laws, rules, technical standards (e.g. ISO, DIN, VDE, DIV), and regulations regarding health, safety and environment. The Seller shall indemnify and hold harmless LASOS from any liability claims, demand or expenses (including attorney fees and other professional fees) arising from or relating to Sellers non-compliance.

**6. Quality assurance**

The confirmation of LASOS's order by the Seller shall mean the acceptance of the Quality Management System of LASOS and the agreement of strict observance of the terms thereof.

**7. Origin of the Goods**

7.1. The supplier is obliged to provide, at his own expense, all information and explanations, which may be required by regulation (EC) 2015/2447 and subsequent related regulations, to allow examinations by customs authorities and to obtain certificates when required.

7.2. Seller's confirmation and invoice have to comply with all state restrictions, including but not limited to, export licences, taxes and customs.

**8. Property and transfer of risk**

8.1. All risks of loss relating to the Goods shall remain with the Seller until actual delivery of the Goods to LASOS and, if agreed so, with the terminating of the assembly or mounting by the Seller, or acceptance of the Services by LASOS.

The sole initial operation by LASOS shall not provide a substitute for a formal declaration of acceptance of the Services.

8.2. The Seller undertakes not to stipulate any reservation of title clause in favour of its own suppliers in respect of parts, material or similar which are to be integrated in the Goods sold to LASOS in accordance with the order.

8.3. The Seller agrees herewith to the assembly of the Goods delivered to LASOS into the products manufactured by LASOS. Moreover, the Seller agrees to the resale of the Goods by LASOS to the customers of LASOS in the due process of business.

8.4. In the event LASOS provides the Seller with material to be part of the Goods, the title of property remains with LASOS in respect to such material. The material has to be marked as property of LASOS by the Seller. The assembly or usage of such material as aforesaid is restricted to the fulfilment of the order, the material may not be utilised for other purposes.

8.5. The samples, models, tools, equipment and forms (hereinafter referred to as "Equipment") made available to the Seller by LASOS shall remain exclusively the property of LASOS or its respective owner. The Seller shall identify the Equipment with a prominent and non-removable plaque or label containing the name of the owner given by LASOS.

The Equipment must be used exclusively for execution of orders from LASOS. The maintenance of such Equipment and the preventative curative adjustments that are necessary for their proper functioning shall be the responsibility of the Seller.

The Seller shall return the Equipment upon termination of the order without request. The Seller shall not be entitled to any lien in respect to the Equipment.

8.6. The Seller grants LASOS the exclusive right, without limitation as to time, territory and content to use and exploit the subject of the contract. The agreed contract sum and its payment shall compensate for any copyrights. Granting of the rights includes the permission to treat or destroy the subject of the contract as well as the permission to grant rights to third parties. The contractor explicitly waives all rights which he may be entitled to as author, originator or owner of intellectual property rights of the subject of the contract, in particular the right on naming of the name and to get access to the subject of the contract.

**9. Warranty**

9.1. The Seller, as a specialist in its field, retain full liability for its technical decisions, regardless of the degree of assistance that LASOS may have provided during the fulfilment of the order.

9.2. LASOS will do its best efforts to inform the Seller of any apparent defects immediately after such defects should be detected within the normal operational process. With respect to that, the Seller waives the exception of late claim.

9.3. LASOS shall examine the Goods only by spot checks. LASOS shall be entitled to reject the entire charge if the amount of defect Goods exceeds 20 % of the delivered Goods. A delivery in instalments shall be deemed to be a separate delivery of a single contract and not severable.

9.4. Without prejudice to LASOS' right to terminate the order, and/or to assert any claim, and in addition to any legal warranties, Seller grants to LASOS a contractual warranty.

The Seller represents and warrants as a specialist of its field, to LASOS that the Goods

- (i) shall be merchantable, and of good material and workmanship,
- (ii) shall be fit for the particular purpose for which they are intended as specified to the Seller,

- (iii) shall offer the safety as the laws require and which can be reasonably expected of them at the time of the placement of the order,
- (iv) shall conform with all drawings, specifications and all definition document of the ordered Good
- (v) shall be, in respect to non-specified characteristics, in conformity with the initial samples received by LASOS, and
- (vi) shall be free of all latent defects, as well as design, manufacturing or operational defects

The takeover of the performed Services by LASOS shall not constitute acceptance of the aforesaid Services, and shall not discharge the Seller from its responsibility for any hidden defects, whenever such faulty Service may be discovered.

Pursuant to these warranties, the Seller is bound by a performance obligation and shall take responsibility notably for the reimbursement to LASOS for all costs directly or indirectly incurred by LASOS in connection with any defective Goods or non-complying or additional Services and all direct and/or indirect consequential damages, including loss of profits, that are incurred directly by LASOS, whether the damage to persons or property, as well as consequential damages caused to third parties, to LASOS or the successors or assigns of LASOS or any third party, as well as their respective employees and/or property.

Without prejudice of any other remedy, the seller shall at LASOS's sole option, repair the Goods or supply any replacement Goods or Services reimburse the purchase price.

9.5. These warranties are granted for the duration of twenty four (24) months as from delivery date, or up to 6000 operation hours depending on the incident which occurs first. The warranty for Services is granted for the duration of thirty six (36) months as from the acceptance of the Services. The performance of the warranty by the Seller inhibits the expiry of the warranty period until the performance of warranty has been finished.

9.6. The appearance of any defect Good within four (4) months after delivery creates the rebuttable conjecture that the Goods have been defect at the time of transfer of risk.

9.7. Where the Seller is unable to perform this warranty correctly within reasonable delay depending on the circumstances, LASOS reserves the right, depending on the case, to buy the Goods and/or arrange for the performance of any Service itself or from another Seller, all at the cost of the defaulting Seller without prejudice to LASOS's right to assert any claim, and in addition to all legal warranties under the law applicable.

9.8. The warranty granted by the Seller shall constitute an additional contractual warranty which does not restrict the right of LASOS to claim out of warranties contained in the provisions of the applicable laws.

#### 10. Non-Performance

LASOS reserves the right to withdraw from the entire contract or demand for compensation in the event the Seller continues to deliver the same or essentially the same Goods with defects or performs the Services inadequate or fails to deliver or perform in time despite of a dissuasion declared by LASOS.

#### 11. Intellectual / Industrial Property / Indemnification

11.1. The Seller shall not use, for the purpose of fulfilling any order, Intellectual Property and/or Industrial Property Rights that belongs to a third party without the prior written consent of such third party. Any fees, royalties, or other payments that may be payable in connection with such utilisation shall be borne exclusively by the Seller.

11.2. The Seller shall indemnify, defend and hold harmless LASOS from and against any legal or out of court claims made against LASOS at any place whatsoever by third parties, based on Intellectual and / or Industrial Property or Patent Rights relating to the Sellers fulfilment of the order. LASOS shall immediately inform the Seller of any such third party claims.

In the event of any lawsuit, arbitration or other proceeding concerning the rights in sentence one of this number 11.2., instituted against LASOS, whether substantiated or not, the Seller undertakes, by virtue of the above mentioned guarantee, at the choice of LASOS, either to collaborate with and actively assist LASOS during proceedings or to undertake to take all necessary measures to resolve the dispute with the third party, while keeping LASOS informed.

11.3. If LASOS must cease using all or part of the Goods then, without prejudice to the right of LASOS to withdraw the order, the Seller shall immediately do one of the following, at its sole and exclusive costs: obtain the right for LASOS to continue the use of the Goods, or modify or replace the Goods so that the rights to use cannot be disputed, it being stipulated that the Seller shall ensure, at its own expense, the recovery of any items of Goods to which all Intellectual Property Rights have not been granted that have been delivered to LASOS.

11.4. In the event that LASOS is liable based on strict liability and the Goods purchased of the Seller have cause, whether in full or partly, the Seller shall indemnify LASOS of the liability in relation to the customer of LASOS, to that extent that the Seller would be liable if the customer would have claimed against the Seller directly.

11.5. The Seller shall indemnify and hold harmless LASOS from any claim of customers of LASOS based on the advertisements which are announced by

the Seller with respect to its Goods or Services or the advertisements which LASOS issues relying on the information of the Seller.

#### 12. Confidentiality

12.1. The Seller agrees to keep secret all Confidential Information (as hereinafter defined) and will take all steps which may be necessary to maintain the secrecy of the Confidential Information. The term "Confidential Information" shall mean all information disclosed to the Seller or otherwise acquired by the Seller in connection with the fulfilment of its obligations under any order, concerning or relating in any way to the technical or commercial documents, specifications, formulae, drawings, plans, know-how, data, tools or samples, as well as the outcomes that result there from, markets, customers, products, procedures, plans, operation experience, employees of LASOS, the subsidiaries or affiliates of LASOS. This confidentiality obligation shall be binding on the Seller, its employees, agents, representatives and sub-contractors.

12.2. This obligation of confidentiality shall be maintained throughout the execution of the order and for a period of two (2) years thereafter.

12.3. Upon termination or completion of any order, the Seller shall immediately cease to use the Confidential Information and shall return to LASOS all documents and copies in its possession or control which in any way embody or evidence the Confidential Information.

12.4. Any document, product, drawing, study, information, specification, calculation, etc. entrusted by LASOS to the Seller for the purpose of execution of the order, is and remains the exclusive property of LASOS and must be identified as such.

12.5. In no event and in no form whatsoever shall the orders entitle the Seller to execute any direct or indirect advertising using drawings received from LASOS or naming LASOS as reference, unless a prior written consent has been declared of LASOS.

#### 13. Choice of Law, Jurisdiction – European Contracts (EU)

13.1. The entire agreement between LASOS and the Seller shall be governed by the laws of the Federal Republic of Germany under exclusion of the United Nations Convention on the international sale of Goods provided that Seller's office is located within the territory of the European Union at the time of the confirmation of order.

The relevant office shall be determined of the place which the confirmation of order is sent off or the branch, stock or the place of the instigation of the delivery or performance. In the event the places as referred aforesaid are different, the place of instigation the delivery or performance shall prevail.

13.2. Any dispute arising under or in connection with this agreement as stated in this Article 13 shall be referred exclusively to the courts at the seat of LASOS in Jena, Germany. Additionally, LASOS shall be entitled to sue the Seller at any place with competent jurisdiction.

#### 14. Choice of law, Arbitration – Non-EU Contracts

14.1. The entire agreement between LASOS and the Seller shall be governed by the UNIDROIT principles of international commercial contracts provided by the International Institute for the unification of private law in Rome in its actual version (currently 2004), supplemented where necessary by the laws of England provided that Seller's office is located outside of the territory of the European Union at the time of the confirmation of order.

The relevant office shall be determined of the place which the confirmation of order is sent off or the branch, stock or the place of the instigation of the delivery or performance. In the event the places as referred aforesaid are different, the place of instigation the delivery or performance shall prevail.

14.2. Any dispute under or in connection with these Conditions or the sale of the Goods or performance of Services out of these agreements as defined in this Article 14 shall be referred exclusively to arbitration by a single arbitrator appointed by agreement of LASOS and the Seller or, in default, nominated on the application of either party. The arbitration shall take place in Jena applying the rules of the International Chamber of Commerce, Paris. The arbitration award shall be binding on both parties.

#### 15. General

15.1. The order is personal to the Seller and the Seller shall not assign or transfer or purport to assign or transfer to any other person any of its rights or sub-contract any of its obligations under the contract without prior consent of LASOS.

15.2. No waiver declared by LASOS in respect of any breach of the contract by the Seller shall be considered as a waiver of any subsequent breach of the same or any other provision.

15.3. The Seller shall inform LASOS of any sale of shares, voting rights, securities, assets or the change of control in the management. In any of such event, LASOS shall have the right to terminate the whole order or a part of it without prior notice.

15.4. The Seller shall provide LASOS with all information and advice that is indispensable to the storage of any the Goods, the integration of any Good into any other product, and to its usage. It is required that the information and advice are sufficient and pertinent in this regard.

15.5. LASOS saves the dates and information of the contractual relationship with the Seller in electronic form. In case personal data are concerned these data will be processed in accordance with the General Data Protection Regulation of the European Union.