

Lapmaster WOLTERS GmbH

General Terms and Conditions of Sale and Delivery

– Applies exclusively to entrepreneurs –

1. General

- 1.1 All deliveries made by the supplier are exclusively subject to the following Terms of Delivery. These Terms and Conditions shall also be deemed accepted for all subsequent business dealings, even if the supplier does not explicitly refer to them when entering into other contracts. This applies to telephone orders in particular.

The acceptance of the goods delivered by the supplier or the receipt of services provided by the same always constitutes recognition of these Terms and Conditions, unless otherwise expressed by the contractual partner towards the supplier immediately.

Deviating agreements or supplements and, in particular, agreements made with our sales representatives, are only binding if they are confirmed by the supplier in writing.

Any contradicting terms and conditions of purchase of the buyer do not apply, even if these are not expressly objected to in writing.

- 1.2 The trade terms are to be interpreted pursuant to the Incoterms 2010.

2. Quotation

- 2.1 The documents, such as images, drawings, information on weight and dimensions, etc., which are merely attached to the quotation but do not constitute part of the quotation itself, only serve to provide approximate data and do not constitute a statement on the composition of the goods unless the supplier has expressly declared them to be binding. All quotations are subject to change without notice.

Cost estimates are generally non-binding.

- 2.2 The documents pertaining to the quotation as well as all associated appendices remain the property of the supplier. They may not be made available to third parties without the express written consent of the supplier and, in the event that a contract does not come to fruition, must be sent back to the supplier upon request. In the event of intentional infringement, the infringing party is obliged to pay compensation.

3. Concluding a contract

- 3.1 The contract is deemed concluded when the supplier, after receiving an order, confirms that order in writing, if applicable within the period specified by the buyer.
- 3.2 If the supplier, when issuing a written quotation, stipulates a period of acceptance for the buyer, then the contract is deemed concluded when the buyer has sent a written declaration of acceptance within the period set, which must be received by the supplier within one week after expiry of the acceptance period.
- 3.3. The parties are obliged to make available all documents and other information pertaining to their respective areas of responsibility that are required for the parties to fulfil their contractual duties, in particular for the import and export of goods or for the shipment thereof.

4. Cancellation of Order

If we agree by way of exception to the cancellation of an order after conclusion of the contract at the request of the customer, this shall only take place against payment of a lump sum for expenses. The amicable cancellation is only made as a gesture of goodwill; there is no claim to amicable cancellation of a contract. The amount of the lump-sum expenses is calculated as follows according to the net order value and the time of cancellation: 15% up to 30 days, 25% up to 60 days, 50% up to 90 days and 75% up to 120 days after receipt of our order confirmation respectively. A cancellation later than 120 days after receipt of the order confirmation is not possible.

5. Postponement of the date of Delivery

If, after conclusion of the contract, we agree by way of exception to the postponement of a delivery or a part thereof at the request of the customer, this shall only take place as a gesture of goodwill and shall require a separate agreement. The agreed payment dates shall not be affected thereby. A postponement of delivery by more than 14 days, however, is generally excluded.

6. Content of the supply contract

All information provided by the supplier on products, in particular the pictures, drawings, and quality, quantity, weight, measurement, and performance data contained in the quotations and publications, provide only approximate data and do not constitute information on the composition of the goods. The quality, suitability, qualification, function and intended use of the goods offered by the supplier are determined exclusively by the specifications and technical qualifications of the supplier as specified in the contract. If the confirmation of order does not contain any set limit for tolerances and no such tolerances are apparent from explicitly accepted customer specifications, then tolerances customary to the industry are permissible. Public statements, endorsements or advertisements by the supplier or third parties do not constitute descriptions as to the composition of the products.

7. Prices

The prices, unless otherwise agreed, are net ex works prices including loading of the goods at the supplier's premises but not including packaging.

8. Payment

8.1 Payments are to be made directly to the paying office of the supplier and not to representatives or third parties. Unless otherwise agreed, the following payment terms apply:

- a) For deliveries of machines and fittings:
 - 30 % net down payment upon receipt of the order confirmation
 - 60 % net upon indication of readiness for delivery
 - 10 % net 30 days after invoice date

- b) For the delivery of replacement and wearing parts as well as for contract work:
 - Payment without deductions immediately upon receipt of invoice.

8.2 The buyer is not entitled to retain payments or to offset counterclaims due unless such claims are undisputed, have become res judicata or are ready for judgment.

- 8.3 Bills of exchange and cheques will only be accepted as conditional payment and subject to being honoured. The claims of the supplier become due immediately, regardless of the term of any bill of exchange accepted as conditional payment, if the buyer does not comply with contractual agreements. In the event of a delay in payment, protest of a bill of exchange or suspension of payment by the buyer, the supplier is entitled to demand immediate payment of the entire claim, including claims relating to any outstanding bills of exchange, regardless of the agreed due date. This shall also apply if the supplier becomes aware of circumstances that give rise to founded and considerable doubts with regard to the buyer's solvency or creditworthiness. This shall also apply if these circumstances already existed at the time of ordering but were unknown and could not be known to the supplier then. In all of the above cases, the supplier is also entitled to make outstanding deliveries subject to payment in advance or to provision of security and, if no advance payment is made or security furnished within two weeks of the supplier's corresponding demand, to withdraw from the contract without setting another time limit. Further claims shall remain unaffected. The duty to provide payment in advance does not apply if the contractual partner has a claim against the supplier, which is undisputed or has become res judicata.
- 8.4 If the payment deadlines are not adhered to, the supplier will charge default interest in the amount of 8 percentage points p.a. above the respective base rate of the Deutsche Bundesbank (*German Federal Bank*), unless higher or lower damage can be proven.
- 8.5 After setting a reasonable extension period, the supplier is entitled to withdraw from the contract and/or to claim compensation instead of demanding payment.

9. Delivery period; force majeure

- 9.1 The delivery period begins on the date of the order confirmation, but not before the ordering party has procured the requisite documents, licenses and approvals, and not before receipt of the agreed down payment.
- 9.2 The delivery period is deemed adhered to if, upon its expiry, the delivery item has left the plant or if notification of its readiness for dispatch has been issued.

- 9.3 In the event of force majeure - for instance as a result of industrial action, particularly strikes and lockouts, or as a result of war, operational disturbances, restrictions in connection with national and international law, in particular export control provisions, embargos or similar sanctions, as well as in the event that sub-suppliers of the supplier fail to deliver or to deliver on time, irrespective of the reason, and any other unforeseeable hindrances to delivery for which the supplier is not accountable - the delivery period shall be extended by the time required to eliminate the hindrance to performance as well as by an appropriate start-up period thereafter. The supplier will inform the buyer as soon as possible in the event of such a hindrance. Should the hindrance to performance appear to be permanent, then the supplier is entitled to withdraw from the agreement either in full or in part. If the supplier wishes to avail of its right to withdraw, then it is obligated to inform the buyer accordingly as soon as it becomes aware of the extent of the hindrance to performance, even if an extension to the delivery period had initially been agreed with the buyer.
- 9.4 Compliance with the delivery period is subject to the buyer fulfilling its contractual duties. If a delay in delivery or assembly is attributable to the buyer, then the costs incurred by the supplier as a result of employee waiting times and any daily allowances due shall be compensated for.
- 9.5 The supplier is entitled, however, if the buyer is responsible for the unsuccessful expiry of a set time period and after granting a reasonable additional period, to withdraw from the contract and/or to demand compensation in lieu of performance.

10. Transfer of risk

- 10.1 All sales are ex works supplier. The buyer always bears the risks for shipping and transport. The risk passes to the buyer, also in case of partial deliveries, as soon as the consignment has been handed over to the person in charge of the transport, regardless of whether this person belongs to the supplier's company or is a third party, unless section 8.2 applies.

The risk is also transferred to the buyer as soon as the consignment has left the supplier's warehouse for dispatch purposes.

- 10.2 If the buyer refuses to accept the goods or if the consignment is delayed for other reasons attributable to the buyer, then the transfer of risk takes place upon the buyer's refusal of acceptance.

10.3 Insurance policies against transport damages will only be taken out at the request and cost of the buyer unless other individual agreements have been made.

11. Retention of title

11.1 All delivered goods remain the property of the supplier (reserved goods) until all existing claims and all claims arising after conclusion of the contract have been settled, in particular the respective outstanding debts.

11.2 The buyer assigns to the supplier with immediate effect any claims and ancillary rights arising out of the resale of the reserved goods, including those pertaining to contracts for work and services or contracts for the delivery of movable goods to be manufactured or created. They serve as security to the same extent as the reserved goods themselves. Assignment to third parties is only permissible with the prior written consent of the supplier.

11.3 If the buyer sells the reserved goods together with other goods not ordered from the supplier, then the assignment of claims resulting from the resale of goods only applies to the value of the reserved goods as invoiced at the time of their delivery. Upon selling goods that are co-owned by the supplier, the assignment of claims only applies to the co-owned proportion.

11.4 The buyer may only sell the reserved goods within the course of its customary business, at its regular conditions and subject to agreement on a reservation of title, the extent of which is defined by the supplier. The buyer is authorized to collect claims arising out of the resale.

11.5 If the buyer fails to fulfil its duties toward the supplier, which arise out of this agreement or other agreements, or if circumstances become apparent that reduce its creditworthiness, then the buyer is obligated, at the request of the supplier, to name a third party debtor. Should the buyer fail to properly fulfil its contractual duties toward the supplier, then the supplier is entitled to prohibit the buyer from reselling, processing or transforming the reserved goods or from combining or mixing these with other goods. The supplier is furthermore entitled to withdraw its authorization to collect claims.

- 11.6 Any processing and transformation of reserved goods is performed on behalf of the supplier pursuant to § 950 BGB (*German Civil Code*), without making it subject to any obligations. If the buyer processes, transforms, combines or mixes the reserved goods with goods of a different origin to create a new thing or a combined thing, then the supplier acquires co-ownership thereof at a ratio of the invoice value of the reserved goods at the time of delivery to the value of the other processed or mixed goods. If the reserved goods are combined or mixed with other things, and if the thing belonging to the buyer is the main thing pursuant to § 947 BGB, then it is hereby agreed with immediate effect that a co-owned share will be assigned to the supplier at a ratio of the invoice value of the reserved goods at the time of delivery to the value of the other processed or mixed goods; the buyer agrees to preserve the co-owned share for the supplier at no charge.
- 11.7 The buyer is obligated to preserve the reserved goods for the supplier. Upon request, the supplier shall be permitted, at any time and at the respective place of storage, to conduct an inventory and to label the reserved goods appropriately. If the value of the existing securities exceeds that of the supplier's claims by a total of more than 20%, then the supplier is obligated, at the buyer's demand, to return the securities accordingly.

12. Drawings and drafts

- 12.1 Unless otherwise agreed, drawings of the products offered do not require the approval of the buyer.
- 12.2 Without the supplier's consent, the buyer is not permitted to provide, lend, show or sell to third parties, or to make available in another way, any drawings or photographs, or specifications or reproductions thereof, that would enable a party other than the supplier to manufacture similar devices, software licenses or parts thereof.

13. Software license

- 13.1 Upon effecting payment for the applicable software license fees, which are a component of the price specified in the respective order, and subject to fulfilment on the part of the buyer of the agreement including the individual provisions pertaining to the respective order, the supplier grants the buyer a limited, non-exclusive, non-transferable license to use the supplier's software and any other third party software supplied within the scope of this agreement only in the form of so-called object codes. The license is subject to a regional limitation, i.e. the country named in the "delivery address" ("licensed software"). The rights are granted exclusively in accordance with the following conditions of section 11 as well as in accordance with any addenda and additional user restrictions that were agreed between the parties.
- 13.2 The supplier retains the sole and exclusive ownership of all rights, legal claims and other legal positions relating to the licensed software and any products derived from the licensed software as well relating to copyrights and other intellectual and industrial property rights which apply thereto, and is limited, in this respect, only by the rights expressly granted to the buyer and by the rights held by the owners or holders of third party software. The license granted does not apply in the event of a change of holder, a transfer of exclusive rights or a granting of sub-licensing rights. Corresponding legal positions have neither been expressly nor implicitly granted.
- 13.3 This license is limited, as specified in the order, to the use of the licensed software by the buyer for purposes of implementing its own operational processes. The license is furthermore limited to the specific product module or machine with which the licensed software was delivered.
- 13.4 The buyer is not entitled to use the software for the purposes of third parties or to make it accessible to third parties. If running the software is subject to hindrances (e.g. through compatibility difficulties with third party software programs), then the buyer is obligated to first refer back to the supplier in order to rectify the difficulties. The buyer is only entitled to commission third parties upon receiving the express written refusal of the supplier.

- 13.5 The buyer agrees that neither itself nor any third parties shall copy, modify, process, otherwise rework, duplicate, decompile or disassemble the licensed software (and the corresponding manuals), or perform any other form of reverse engineering on it, and furthermore shall not attempt to determine the source code unless such activity is expressly permitted by law. The buyer also agrees not to permit third parties to perform the above activities. The mandatory provisions in §§ 69d and 69e UrhG (*German Copyright Act*) remain unaffected, although the buyer is only entitled to implement decompilation measures if the supplier does not make the requisite information on achieving interoperability available to the buyer despite the buyer's request for it to do so.
- 13.6 The buyer undertakes not to issue sub-licenses for the licensed software, not to sell, transfer, lease or market the licensed software, or to otherwise make it available to third parties.
- 13.7 In the exceptional circumstance that transferring the licensed software is permissible, then the transfer to third parties of the rights of use to the software requires the consent of the supplier. Consent shall not be withheld in bad faith; the supplier is, however, entitled to make its consent dependent on (i) the buyer confirming in writing that it shall not retain or delete any components or backup copies of the software, (ii) the buyer undertaking to provide the supplier with the names and addresses of the purchaser, and (iii) the buyer ensuring that the recipient has declared its agreement with the validity of the provisions of these software license terms.
- 13.8 The buyer shall allow the supplier to inspect, at appropriate intervals, the facilities and systems that ensure compliance with this license provided that such inspections are conducted during regular business hours and upon prior arrangement between the parties.
- 13.9 The supplier reserves the right to revoke the limited rights of use granted and to terminate the agreement upon which they are based, without further obligation or liability vis-à-vis the buyer if
- a) the buyer breaches these General Terms and Conditions materially, and this breach of contract is not rectified within thirty (30) days of receiving corresponding written notification of the breach from the supplier;

- b) The buyer commits a breach of section 11 or 12 and fails to rectify this breach within five (5) days of receiving corresponding written notification of the breach from the supplier, or
- c) if insolvency proceedings are opened against the assets of the buyer or if an application to open such proceedings is rejected due to lack of assets, if an insolvency administrator is appointed for any part of the buyer's business or if ownership of its assets is transferred to creditors.

13.10 The buyer undertakes to release the supplier from liability for all damages and claims or third party claims that result out of the unauthorized or illegal use or transfer of the licensed software.

14. Maintaining secrecy with regard to protected information

14.1 The buyer, its customers and end users (if applicable) are not granted any rights or claims to patents, inventions, drafts, discoveries, technical data, copyrights, brands, know how, company secrets, or any other intellectual or industrial property rights that arise out of the supplier's activities or that may otherwise apply to the product delivered or product made available. The supplier remains the exclusive holder of such rights.

14.2 The buyer acknowledges that the supplier has developed specific protected information and technologies - or has procured these often at considerable cost - which are of great value to its company and for this reason must be treated confidentially; they have only been divulged to the buyer in connection with the purchase of the product and subject to this agreement.

14.3 The buyer agrees to treat confidentially all protected information and undertakes not to copy it, publicize it, summarize it or divulge it to a third party, either directly or indirectly, without the prior written consent of the supplier.

14.4 The buyer undertakes to take any necessary steps (including confidentiality agreements with the buyer's staff and advisors as well as the measures that the buyer implements to protect its own protected information) to protect all protected information received from the supplier and to prevent it from being divulged to or used by third parties. "Protected information" as per this section encompasses, but is not limited to,

- a) information about the supplier's secrets in relation to the integration of manufacturing processes;
- b) information developed by the supplier about the functions, the user interface, the distribution, the use and maintenance of the product; and
- c) information as per section 10 and 11 of these General Terms and Conditions.

14.5 The buyer acknowledges that the supplier is entitled to make use of all available legal remedies as well as takes judicial measures in order to protect, preserve, defend and ensure observance of its rights to the protected information.

15. Non-assignability

The buyer is not permitted to assign any of the rights or claims granted to it by the supplier.

16. Warranty

16.1 The buyer shall carefully inspect the delivered goods for any material defects immediately after their arrival at the place of destination. If the buyer discovers a defect, then it must notify the supplier of this in writing immediately, at the latest 8 days after receipt of the goods at the place of destination, providing an exact description of the defect. The delivery is otherwise deemed accepted in a defect-free condition. If the defect was not detectable despite a careful inspection of the delivery goods, then it must be reported immediately after its discovery. Notices of defects must always be directed to the supplier.

16.2 In the case of a justified notice of defects made within the respective time period, the supplier will at its choice provide subsequent performance by rectifying the defect or providing a replacement.

- 16.3 If the rectified or replaced product conclusively fails to function, the buyer can demand a reduction in the purchase price or rescission of the contract.
- 16.4 If the buyer rectifies the defect itself, i.e. if the buyer does not allow the supplier the opportunity of providing subsequent performance, or if the buyer performs work on the software thereby causing defects in the goods, then any claims for defects are excluded.
- 16.5 If the buyer receives faulty assembly instructions and has not yet assembled the contractual goods, then the supplier is only obligated to provide faultless assembly instructions. This only applies if the faults in the assembly instructions hinder the proper assembly of the product.
- 16.6 The foregoing provisions constitute the complete warranty for the goods of the supplier. In particular the supplier's liability for all other damages claims to which the buyer is entitled as a result of or in connection with defects in the goods delivered, irrespective of the legal ground, is regulated exclusively by sections 14.7 – 14.9.
- 16.7 Irrespective of the legal ground, the supplier is only liable for damage claims arising out of culpable action, for instance default, defective delivery, infringement of obligations or of duties during contractual negotiations, tort, product liability (with the exception of liability pursuant to the *Produkthaftungsgesetz (German Product Liability Act)*, if the damage is caused intentionally or by gross negligence. Liability for ordinary negligence is excluded unless a duty is infringed upon, the observance of which is particularly important for fulfilling the purpose of the agreement (material contractual duty). The term material contractual duty thus abstractly refers to the type of duties whose fulfilment is essential to implementing the agreement and upon whose continual observance the contracting parties may regularly rely. Within this scope, the supplier is only liable for typical damages that were foreseeable at the time the agreement was concluded. This limitation does not apply to damages suffered by the buyer as a result of injury to life, body and health.
- 16.8 Personal liability of the supplier's legal representatives, vicarious agents and staff for any damage caused through ordinary negligence on their part is excluded.
- 16.9 A customer's warranty claims become time-barred 1 year after delivery of the goods if those claims relate to subsequent performance, right of rescission or right to a price reduction. This does not apply if the supplier is accused of fraudulent intent.

16.10 The supplier is not accountable for agreements between the buyer and its customers, which extend beyond the statutory warranty claims.

17. Compensation by the buyer

In the event of a breach of duty and the culpable non-fulfilment of the agreement on the part of the buyer, the supplier is entitled to standard damages compensation in the amount of 15% of the net invoice value. The right to assert claims for further damage remains unaffected. The buyer has the right to prove that no damage was suffered by the supplier or that the damage suffered corresponded to less than the standard damages compensation amount.

18. Commissioning

18.1 If the costs of assembly are included in the supplier's price, then the buyer assumes the responsibility for and the costs of installing and connecting electricity lines to the machine, installing light sources as well as installing water supply and drainage pipes. The same applies to the fulfilment of all necessary construction measures, including a machine foundation. The accommodation and living costs of technicians shall be borne by the buyer. Unless otherwise agreed, the prices quoted only apply to an order for the entire system, its continuous assembly and subsequent commissioning. If delivery or assembly is delayed for reasons attributable to the buyer, then the additional costs thus incurred by the supplier, the period spent on hold by the technicians, and the technicians' allowance will be charged separately to the buyer in accordance with the supplier's valid schedule of fees.

18.2 Any work not included within the scope of the quotation will be charged to the buyer according to the wage and material costs actually incurred.

19. Place of performance, legal venue, applicable law

19.1 The supplier's registered office (Rendsburg) is the place of performance for delivery and payment.

- 19.2 Any suits relating to legal disputes arising directly or indirectly from the contractual relationship must be filed at the court having jurisdiction over the supplier's registered office. The supplier is also entitled to file a suit at the court having jurisdiction over the buyer's registered office. Legal regulations regarding exclusive competence remain unaffected.
- 19.3 The agreement is exclusively subject to German law, to the exclusion of conflict of laws provisions. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG), as well as any future intergovernmental or international conventions, even if these are incorporated into German law, is also excluded.

20. Final provisions

- 20.1 Business dealings with legal persons under public law and special funds under public law are treated in the same manner as business dealings with entrepreneurs.
- 20.2 Should a provision of this agreement be or become invalid in whole or in part, then the validity of this provision shall not affect the validity of the remaining provisions of the agreement. The invalid provision shall be replaced by a legally valid provision that, in economic terms, comes as close as legally possible to the intended purpose of the invalid provision. The same applies to any loopholes in this Agreement.

Dated 2019