

1. Scope, General

- 1.1. The present General Terms and Conditions of Sale, Delivery and Repair [Allgemeine Verkaufs-, Liefer- und Reparaturbedingungen, ALB] apply to all our business relationships with entrepreneurs as defined below. The ALB are considered to be a framework agreement for contracts regarding our goods and services.
- 1.2. Entrepreneur is a natural or legal person or a legal partnership that, when entering into a legal transaction, is exercising its commercial or independent professional activity (Section 14 of the German Civil Code [Bürgerliches Gesetzbuch - BGB]) or a legal entity under public law or a public special fund within the meaning of Section 310, Para. 1 BGB.
- 1.3. Our ALB shall apply exclusively. Divergent, conflicting or supplementary General Terms and Conditions of our customers shall only become part of the contract if and insofar as we have expressly consented to their validity in writing. This consent requirement applies in any case, for example, even if we carry out the delivery or service to the customer without reservations, in knowledge of the General Terms and Conditions of the customer.
- 1.4. References to the application of generic rules are for clarification only. Even without such clarification, statutory provisions therefore apply unless they are modified directly by our ALB.

2. Entering into Agreement

- 2.1. Our offers are subject to change without notice and non-binding until they become the content of a contractual agreement. This also applies when we have provided the customer with catalogs, product descriptions or technical documentation (e.g. drawings, plans, computations, calculations) prior to the entering into an agreement.
- 2.2. Placing an order for goods or services by the customer shall be deemed a binding contractual offer, unless otherwise stated in the order or other agreements. We are entitled to accept this contractual offer within 2 weeks of receipt. The acceptance can be declared either in writing (e.g. by order confirmation) or by delivery of the goods to the customer.
- 2.3. Insignificant or customary changes, in particular of technical or optical nature, remain reserved and do not justify a deviation from the order insofar as they are reasonable for the customer.
- 2.4. Verbal collateral agreements and contractual amendments require our explicit confirmation in writing in order to be binding.

3. Delivery, shipping, transfer of risk

- 3.1. The delivery shall be made from the Urmitz warehouse, which is also the place of performance. Upon request of the customer, the goods are shipped to another destination (sale by delivery to a place other than place of performance) unless pickup or pickup by a third party is agreed upon and the customer has not issued any special instructions, we are entitled to determine the manner of shipping (in particular transport companies, shipping route, packaging). We will arrange for transport insurance only at the express instruction of the customer and at the expense of the customer.
- 3.2. Unless a different delivery date has been agreed upon in writing, delivery will be made 4 weeks after the contract has been entered into. However, this period shall not begin to run until all of the technical details pertaining to the planning and execution have been provided to us in full. Compliance with written deadlines is also predicated on the customer complying in due time with all his contractual obligations to cooperate, in particular all documents to be supplied by the customer, the required approvals and authorizations to be provided by him are available in good time and if necessary third-party services are carried out punctually and properly.
- 3.3. Delivery dates and deadlines are considered met if the goods have left our factory at the respective time or the customer has been notified of readiness for shipment.
- 3.4. Even if binding delivery deadlines have been agreed upon, we will not be considered in default without a warning from the customer.
- 3.5. If we cannot meet delivery deadlines for reasons for which we are not responsible (unavailability of performance), we will inform the customer without delay and at the same time agree on a reasonable, new delivery period. If performance is still not available within the new delivery period, we are entitled to withdraw from the contract in whole or in part because of the unfulfilled part. We will immediately reimburse any consideration already provided by the customer. As an instance of non-availability of performance in this sense shall apply, in particular the non-timely delivery by our supplier, if we have concluded a congruent covering transaction. The legal rights and obligations of the contractual parties shall remain unaffected.
- 3.6. We are entitled to make partial deliveries / partial performance in so far as they are reasonable for the customer and unless otherwise expressly agreed.
- 3.7. The risk of accidental loss or accidental deterioration of the goods passes to the customer upon transfer of the goods in question. When the customer delays acceptance or transfer is impossible for reasons for which we are not responsible, transfer is deemed to have occurred. In the case of sale by delivery to a place other than place of performance to an entrepreneur, the risk of accidental loss or accidental deterioration of the goods passes at the time of the delivery to the transport company, the carrier or the person or institution otherwise responsible for executing shipment.
- 3.8. If delivery is delayed for reasons for which the customer is responsible, we are entitled to store the goods at the expense and risk of the customer. After a reasonable grace period has been given and expired without results, we are entitled to otherwise dispose of the goods and to deliver to the customer with a reasonably extended period. We are also entitled to withdraw from the contract after the expiry of said period without results. Claims for damages shall remain unaffected by exercising the right to withdraw (Section 325 BGB).
- 3.9. Insofar as the subject matter of the contract is not the sale of goods, but the provision of services, the provisions of these ALB shall apply, provided that the place of delivery of the goods is replaced by the acceptance of the work.

4. Obligations of the Customer to Cooperate

Before initial operation of the goods, the customer must check that the specified conditions of use and specifications (see information in advertisements, offers and operating instructions) are met or not exceeded; furthermore, the customer undertakes to comply with applicable safety regulations governing the operation of the goods (e.g. laser regulations).

5. Prices, Costs, Terms of Payment

- 5.1. Unless otherwise agreed in individual cases, our prices are from the warehouse and are subject to statutory VAT, packaging and possibly insurance costs. Any duties, fees, taxes or other public charges are the responsibility of the customer. If assembly or installation is agreed upon with the customer, a separate compensation agreement must be entered into for this work; in the absence of such, we are entitled to charge for this according to our rates for assembly work.
- 5.2. We reserve the right to change our prices if, after the contract is entered into, cost reductions or cost increases occur, in particular due to labor agreement or changes in material prices. We shall provide evidence of these to the customer upon request. In the case of cost increases, we are entitled to require a proportionally higher price based on the percentage of these costs relative to the agreed-

upon price as consideration. The customer is entitled to withdraw only if the price increases exceed more than insignificantly the increase in the general cost of living between ordering and delivery.

- 5.3. All our receivables are due immediately and are to be paid immediately upon receipt of the invoice and delivery of the goods. If the customer does not pay at the latest within fourteen days of receipt of the invoice, he will be considered in default. Assertion of due date interest, Section 353 German Commercial Code [Handelsgesetzbuch - HGB], shall remain unaffected. Receivables are subject to interest when in arrears. The default interest rate is eight percentage points per year above the base rate.
- 5.4. We accept checks only as payment and under the condition of redemption. All resulting expenses, fees and costs shall be the responsibility of the customer. Payments are considered to be made when we definitively have the amount available to us.
- 5.5. The customer is authorized to exercise a right of retention only insofar as his counterclaim is based on the same contractual relationship.
- 5.6. If it becomes apparent after the contract has been entered into that our claim for payment is jeopardized due to an inability to pay on the part of the customer, we can refuse delivery or service and provide the customer a reasonable deadline by which he must pay in partial amounts against delivery of the service or provide security. In case of refusal by the customer or if the deadline is not met, we are entitled to withdraw from the contract.
- 5.7. The customer may transfer individual or all rights arising from the contract entered into with us only with our prior written consent.

6. Retention of title

- 6.1. We retain ownership of the delivered goods until full payment of all (including future) receivables from an ongoing business relationship have been received.
- 6.2. Goods subject to retention of title must not be pledged to third parties or transferred as collateral before full payment of the secured receivables. The customer must notify us promptly in writing (e.g. by e-mail) and enclose the associated documents if and insofar as third parties attach the goods belonging to us. The costs associated with defense against such attachment shall be the responsibility of the customer.
- 6.3. In the event of breach of contract by the customer, in particular in the event of non-payment of the purchase price due, we are entitled to withdraw from the contract in accordance with statutory provisions and to demand return of the goods on the basis of retention of title and rescission. If the customer does not pay the purchase price due, we may assert these rights only if we have set a reasonable deadline for payment and the customer does not meet it, or if such a deadline is dispensable according to statutory provisions.
- 6.4. The customer is authorized to resell and/or process the goods subject to retention of title within the scope of ordinary business activities. The following provisions apply in that regard.
 - i. Retention of title extends to the full value of the products resulting from the processing, mixing or combining of our goods, whereby we are deemed to be the manufacturer. If third parties retain ownership rights over goods that are processed, mixed or combined, we shall become co-owners in proportion to the invoice values of the processed, mixed or combined goods. For the rest, the same shall apply to the resulting product as to the goods delivered under retention of title.
 - ii. The customer hereby assigns to us as security the receivables that arise from the resale of the goods or resulting products to third parties in total or in the amount of our possible co-ownership share in accordance with Number 6.4 letter i above. We accept the assignment. The obligations of the customer mentioned in Number 6.2. above shall also apply with regard to the assigned receivables.
 - iii. The customer remains authorized to collect the receivables in addition to us. We undertake not to collect the receivable as long as the customer meets his payment obligations to us, does not default on payment, or has not filed for insolvency proceedings or ceased payments. However, if this is the case, we can demand that the customer notify us of the assigned receivables and their debtors, provide all information necessary for collection, hand over the relevant documents and notify the debtors (third parties) of the assignment.
 - iv. If the value of the securities exceeds our receivables by more than 20%, we will release securities of our choice at the customer's request.
- 6.5. For deliveries within the scope of different legal systems in which the above retention of title regulation does not have the same security effect as in Germany, the customer will do everything in its power to immediately create corresponding security rights. In particular, the customer will undertake all necessary registrations, publications, etc. that are necessary or conducive to the effectiveness and enforcement of such security interests.
- 6.6. The customer must adequately insure the goods subject to retention of title and assign claims arising from the insurance contract to us at our request.

7. Industrial property rights, copyrights, knowledge and trade secrets

Unless otherwise agreed in writing, the following applies to industrial property rights and copyrights:

- 7.1. Industrial property rights and copyrights remain the property of PSI Technics. The same applies to other intellectual property with regard to which there are intellectual property rights or property rights in favor of PSI Technics. The intellectual property of PSI Technics includes, but is not limited to, operating, business and trade secrets, hardware design, source code, applications and programs, HMI designs, trademarks and marks, patents, knowledge developed by PSI Technics that were or are exclusively licensed and provided to the customer or to which the customer has gained access within the framework of the order.
- 7.2. PSI Technics products may include third-party software. The license to this software is limited to the specifications of the manufacturers of this software and will be passed on to the customer by PSI Technics. In case of doubt, transfer is limited to a simple right of use for the intended purpose, as provided below.
- 7.3. We grant the customer one (1) simple, non-exclusive license to use the software application we have installed in the product to take effect upon receipt of the final payment. The right to use exists only in connection with the goods (hardware) and only within the intended use of the product. The software installed in the goods may not be transferred to different hardware without the express prior consent of PSI Technics.
- 7.4. In particular, the license does not include a title of ownership to the software to the customer.
- 7.5. The right to use includes loading, viewing and running the software. The customer is not entitled to any other duplication, processing, editing or other modification of the software. It remains permissible to make backup copies if this is necessary to secure future use and decompilation of the software in the cases specified in Section 69e of the German Copyright Act [Urheberrechtsgesetz - UrhG] under conditions mentioned there.
- 7.6. The customer may pass on the software to third parties only together with the entire good supplied by us, and only for the legitimate intended use. The customer undertakes to make the text of this

provision available to the third party and to impose on it the same obligations that the customer itself has entered into.

- 7.7. The right of use of the customer expires with the passing on of the goods.
- 7.8. Insofar as the customer acquires special knowledge, in particular manufacturing and trade secrets or otherwise confidential information within the scope of the contractual relationship, it may not pass these on to third parties or otherwise exploit them.

8. Non-Solicitation Clause

The client is prohibited from directly or indirectly soliciting employees of PSI Technics without prior written permission. If the client violates this point, he must pay a contractual penalty, which corresponds to the gross annual fee paid by PSI Technics to the solicited employee in the last year of employment; in the case of a shorter contractual duration, the extrapolated gross annual fee.

9. Warranty claims of the customer

- 9.1. Regarding the rights of the customer in case of defects (claims for defects), statutory provisions shall apply, with the proviso that the warranty is limited to defects occurring within one year after the beginning of the limitation period (liability period). For the exclusion of liability contained therein, Number 12.2 of this ALB shall apply accordingly. The period for exercising these rights (limitation period) shall remain unaffected.
- 9.2. Our "product descriptions", designated as such, which were provided to the customer prior to its order or which were included in the contract shall serve as the agreement regarding the quality of the goods, in the same manner as these ALBs prior to entering into the contract.
- 9.3. In the absence of an agreement about the quality, we are not liable for public statements (e.g. advertising statements and markings) of third parties.
- 9.4. The customer is obligated to inspect the delivered goods immediately for obvious defects, in particular also for obvious shortfalls or damages, and to notify us in writing of these immediately, at the latest within one week after receipt of the goods. To meet the deadline, timely dispatch of the complaint is sufficient. In the case of non-obvious (hidden) defects, the customer is obligated to give notice of these immediately after their discovery, at the latest within one week from discovery of the defect. Transport damage must also be asserted against the transport company.
If the customer fails to raise the complaints specified above, the goods shall be considered as approved, including in view of the respective defect. The customer bears the burden of proof for the observance and timeliness of the obligation to make a complaint as well as for the existence and timing of the determination of a defect.
- 9.5. If the delivered goods are defective, we can first decide whether we will remedy the defect by repair or replacement according to the statutory provisions. Our right to refuse a type of supplementary performance under the statutory requirements shall remain unaffected. We shall bear the expenses required for the purpose of supplementary performance, in particular transport, travel, labor and material costs.
- 9.6. If supplementary performance fails or is unreasonable for the customer, or if it is impossible or we have refused it or if a reasonable deadline to be set by the customer for the supplementary performance has not been met or is dispensable in accordance with statutory provisions, the customer may withdraw from the contract or reduce the price. However, a right of withdrawal does not exist in the case of insignificant defects. The customer's claim to delivery of a defect-free product no longer applies upon declaration of withdrawal and/or reduction.
Customer claims for damages or reimbursement of expenses incurred in vain shall only be granted within the scope of Numbers 10 and 12 below. Otherwise they are excluded.
- 9.7. If the customer is an entrepreneur and the new goods we have delivered to him have been sold to a consumer, the following regulations shall apply to claims for defects by our customer, in addition to the above Numbers 9.5. and 9.6:
- The supplementary performance rights of the customer shall apply with the following proviso: The customer may demand from us the type of supplementary performance which he owes his buyer, taking into account the statutory and contractual rights of refusal of the customer. Our right to choose in accordance with Number 5 shall not apply in this case. Our customer is entitled to assign this supplementary performance claim to his buyer, but only for fulfillment and/or security reasons, e.g. without prejudice to his own liability towards the buyer. Assignment of performance is not valid. Our right to refuse this supplementary performance under the statutory requirements shall remain unaffected.
 - If we have agreed to an equivalent compensation with our customer in accordance with Section 478 Para. 2 BGB, the claim for compensation of the expenses which he had to bear in relation to his buyer (Section 445a BGB) is excluded.

10 Warranty

- 10.1. Notice is given that it is not possible to develop error-free technical devices and/or equipment for all application conditions. PSI Technics warrants that the delivered technical equipment is usable within the meaning of the description issued by it and is valid at the time the contract is entered into and that it is suitable for the intended use specified in the product specification/documentation under the conditions specified therein. An insignificant reduction in usability shall be disregarded.
- 10.2. Within the scope of product documentation, PSI Technics uses notes and warnings to draw attention to the risks that can be expected when using the product. Compliance with and adherence to the notes or warnings is the responsibility of the customer. The warranty does not extend to damage that occurs after passing the transfer of risk as a result of improper use, faulty or negligent handling, incorrect operation or excessive use or natural wear and tear.

All warranty claims expire when the product is used for a purpose other than that specified in the product description.

11 Repair and installation services

For repair and installation services that are performed outside the warranty, the following applies:

- 11.1. Delivery of the defective goods to us or the request for one of our service technicians shall be deemed as placing an order to review the necessary repair measures at the expense of the customer. The result of the review and the expected work to be performed will be included in the repair order. The customer receives a written order confirmation only upon express request. Unless otherwise expressly agreed, we are instructed to repair the goods at our own discretion and without consultation with the customer. We will provide all spare parts that become necessary to repair the goods. Information we provide regarding time including the beginning, duration and completion of the work as well as spare parts deliveries are binding on us only if they have been expressly confirmed by us in written form. Our service technicians are not authorized to represent us.
- 11.2. The customer must make all necessary and reasonable preparations for making the repair and/or the installation and must support us with this work to the best of its ability. In particular, the customer is obliged to inform us of its observations concerning the defect of the goods, to allow the repair and installation services to be carried out without interruption, to provide us with the necessary aids, rooms and auxiliary personnel free of charge for repairs and installations outside of our workshops and to take all necessary safety precautions
- 11.3. Unless a fixed price has been agreed, the customer will be charged for the repairs and installations based on time, material and travel expenses at the hourly rates and price lists valid at the time of the service. If the goods must be brought to our workshop to perform the repair, the customer bears the costs of the return transport. Unless otherwise stipulated in the contract, when service technicians are used, our registered office or, at our discretion, the last place of use of the service technician, shall be deemed to be the starting point and, if the return actually takes place, the return destination.
- 11.4. We are entitled to commission third parties to repair or install the goods.

12. Liability

- 12.1. For damage claims of any kind - in particular from warranty, tort, organizational negligence, fault when entering into the contract or any other fault-based claims due to breach of duty - we shall be liable only if they are based on willful intent or gross negligence or damages are based on a breach of contractually material obligations whose performance is required for proper implementation of the contract in the first place and compliance with which the contractual party may normally rely or claims based on Sections 1 and 4 of the German Product Liability Act [Produkthaftungsgesetz - ProdHaftG]. Claims for damages of the client resulting from breaches of duty within the meaning of Section 280 BGB, from tort, from product liability shall, in the event of slight negligence, be valid only for a breach of essential obligations that jeopardize the purpose of the contract and are limited to typical and foreseeable damages. Liability under the German Product Liability Act shall remain unaffected.
- 12.2. The above exclusion of liability for cases of slight negligence does not apply to damage resulting from injury to life, limb or health, as well as in the case of the assumption of a guarantee of quality or the fraudulent concealment of a defect within the meaning of Section 444 BGB. In these cases, we are liable even for slight negligence. To the extent that our liability is regulated above, this also applies to our workers, employees, representatives and vicarious agents.
- 12.3. Due to a breach of duty that is not based on a defect, the customer - when other statutory requirements are met - may withdraw only if we are responsible for the breach of duty. The withdrawal is excluded if the breach of duty is immaterial.

13. Governing Law, Jurisdiction

- 13.1. With regard to this ALB and all legal relationships between us and the customer, the laws of the Federal Republic of Germany shall apply, to the exclusion of all international and supranational (contract) legal systems, in particular the United Nations Convention on the Contracts for the International Sale of Goods. Prerequisites and effects of the retention of title in accordance with Number 6, on the other hand, are subject to the law of the place of storage of the goods, insofar as the choice of law in favor of German law is inadmissible or ineffective thereunder.
- 13.2. Certain goods are subject to German and/or American export control regulations, their export from Germany is possible only with the consent of the Federal Office of Commerce in Frankfurt am Main and the Office of Export Control in Washington. The customer is responsible for compliance with the relevant regulations through to delivery to the end user.
- 13.3. If the customer is a merchant within the meaning of the German Commercial Code [Handelsgesetzbuch - HGB], a legal entity under public law or a special fund under public law, the exclusive place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship is our registered office in Urmitz. In addition, we are entitled to sue the customer at any other legal venue.

14. Severability Clause

In the event that one or more provisions of this Agreement are or become void or ineffective, the contracting parties are mutually obliged to agree on a provision that is economically as close as possible to the invalid or ineffective provision. This also applies to gaps in the Agreement. The validity of the Agreement otherwise is not affected.