General Terms and Conditions of BLS Lasertechnology GmbH

I. General, Scope of Application

- 1. The following Terms and Conditions shall apply to all business relations if the Customer is an entrepreneur within the meaning of § 14 of the German Civil Code (BGB), a legal entity under public law or a special fund under public law.
- 2. These Terms and Conditions shall apply in their respective version as a framework agreement also to future contracts with the same Customer without the need for a renewed reference to the validity of the Terms and Conditions.
- 3. Any deviating, conflicting or supplementary terms and conditions of the Customer shall only become part of the contract if and to the extent that we have expressly consented to their application. This requirement of consent shall also apply if we perform the contractually agreed service with knowledge of the Customer's terms and conditions.
- 4. Individual agreements with the Customer, including subsidiary agreements, supplements and amendments, shall take precedence over these terms and conditions. These individual agreements must be made in writing. The same shall apply to legally relevant declarations and notifications which the Customer must submit to us after conclusion of the contract (e.g. setting of deadlines, notification of defects). These must be in writing to be effective.

The written form shall be deemed to have been complied with by text form.

Verbal promises made by our employees shall not be binding on us.

II Conclusion of Contract

- 1. Our offers are subject to change without notice.
- 2. We reserve the property rights and copyrights to any contractual documents cost estimates, drawings and other documents and data provided to the Customer, irrespective of the form in which they are embodied. These documents may not be made accessible to third parties without our consent.

III. Prices and Terms of Payment

- 1. Prices are net prices plus value added tax. The processed goods are provided by us ex works without packaging for collection by the Customer, unless otherwise agreed.
 - If there is a period of more than four months between the conclusion of the contract and the fulfilment of the contract, we are entitled to pass on proven cost increases to the Customer.
- 2. If, after conclusion of the contract, it becomes apparent that our claim to payment is jeopardized by the Customer's inability to perform, we may refuse to perform our obligations and set a deadline for the Customer to make payment concurrently with the performance of the work or to provide security. If the deadline expires unsuccessfully, we shall be entitled to withdraw from the contract and to claim damages. The setting of a deadline shall be dispensable if the Customer seriously and finally refuses payment or if special circumstances exist which, taking into account the interests of both parties to the contract, justify our immediate withdrawal.

IV. Quality of the Material

- 1. The Customer shall ensure that the material provided to us for processing is suitable for processing without any restrictions. In particular, the Customer must ensure that the material provided to us for processing is free of contamination, rust or damage and that the material conforms to the drawings and is within the defined tolerances. We point out that in particular contamination (especially emulsions, lubricants, residues from previous processing steps, insoluble greases, etc.) can lead to defective weld seams or results during laser processing.
- 2. We point out to the Customer that, unless otherwise agreed, we can only carry out a random visual inspection before processing the objects handed over to us. If problems arise in the processing of the material due to non-detected contamination, we will inform the Customer of this immediately and stop further processing, provided that we identify the problems in the course of our further processing steps. Likewise, we are not responsible for any resulting damage to the product, any sorting and administration costs or other consequential costs (e.g. installation and removal costs, recall costs, etc.).
- 3. Expenses for any sorting in the event of defects in the goods and semi-finished products provided for which we are not responsible shall be borne by the Customer. In the event of a need for sorting, we will inform the Customer immediately.

V. Notes on the Provision of Services

- 1. We are certified according to DIN EN ISO 9001. Any further quality standards are to be requested by the Customer in writing and, if necessary, to be agreed upon.
- 2. We subject the goods processed by us to a metallographic examination. This examination is caried out on a random basis for the product types separately and/or in accordance with the agreements/inspection plans with the customer. The components required for the metallographic examination shall be made available to us by the Customer free of charge. If the Customer does not provide any special components for the metallographic examination, we shall only be liable for the performance, but not for the success; in this case, no guarantee for perfect weld seams can be given.
- 3. We would like to point out that a reject rate of up to 2-3 %, depending on the product and the drawing requirement/specification to be fulfilled, is technically unavoidable and usual.
- 4. We would like to point out that welding spatter occurs during laser welding. These do not entitle to complaints. The same applies to cutting beads resulting from laser cutting work. Potentials marks of processing like scratches, defects or corrosion do not entitle to complaints.
- 5. Insofar as we process prototypes or carry out sample orders, our work is purely of a trial nature; we can therefore accept no responsibility for the laser application or the weld seams (workmanship and durability). The trial nature also results in the fact that parts can, as part of the application development process, get damaged. This do not entitle to complaints.

VI. Rights of the Customer in the Event of Defects

1. Claims of the Customer due to defects presuppose that the processing by us does not have the contractually agreed quality or that the processed material is not suitable for the use presupposed or usual according to the contract. We shall not be liable for defects which are attributable to improper quality of the material provided by the customer (cf. IV. above).

- 2. In the event of justified notices of defects, we shall have the right to rework within a reasonable period of time. If this reworking fails, the Customer may reduce the price or, if the reworked items cannot reasonably be used, withdraw from the contract. In addition, the Customer shall be entitled to claim damages or reimbursement of expenses, if applicable.
- 3. Claims by the Customer for expenses incurred for the purpose of subsequent performance in particular transport, travel, labour and material costs shall be excluded insofar as the expenses are increased because the processed items have subsequently been transported by the Customer or a third party to a location other than the relevant registered office of the Customer, unless the transport corresponds to the intended use of the processed items or was notified to us upon conclusion of the contract.

Any transport costs incurred in the course of subsequent performance shall be borne by the Customer.

- 4. Claims of the Customer due to defects are subject to a limitation period of twelve months. The limitation period shall commence with the delivery of the items.
- 5. Claims for damages due to defects are limited as follows:

We shall not be liable in the event of a slightly negligent breach of non-essential contractual obligations.

Our liability for consequential harm caused by a defect is excluded except in the case of intent, gross negligence or breach of essential contractual obligations.

Insofar as we are liable for consequential harm caused by a defect, liability shall be limited to foreseeable damage not attributable to extraordinary circumstances.

Essential contractual obligations are those whose fulfillment makes the proper execution of the contract possible in the first place and on whose compliance the Customer may rely.

No reversal of the burden of proof is associated with the above provisions.

Except in the case of intent, gross negligence or violation of essential contractual obligations, our liability shall be limited to three times the order value.

6. The aforementioned limitation of liability shall not limit the Customer's claims due to insufficient bodily injury or damage to health or in the event of loss of life of the Customer or his vicarious agents. The Customer's claims under the Product Liability Act and claims based on a guarantee given by us or in the event of fraudulent concealment of a defect shall also remain unaffected. With regard to these claims, the statutory limitation periods shall apply.

VII Limitation of Liability, Compensation

- 1. The following limitations shall apply to our contractual and extra-contractual (tortious) liability as well as to liability for culpa in contrahendo. The burden of proof for the facts justifying a limitation of liability or an exclusion of liability lies with us.
- 2. We shall not be liable for the slightly negligent breach of non-essential contractual obligations. In the event of a slightly negligent breach of material contractual obligations, the claim for damages shall be limited to the foreseeable damage typical for the contract.

In the event of a grossly negligent breach of non-essential contractual obligations, we shall also be liable for the foreseeable damage typical of the contract.

In the event of a slightly negligent breach of duty due to default, our liability shall be limited to 5% of the agreed net price.

Apart from that, our liability is not limited.

Essential contractual obligations are obligations the fulfillment of which is essential for the proper performance of the contract and the observance of which the Customer may rely on.

- 3. Except in the case of intent, gross negligence or violation of essential contractual obligations, our liability shall be limited to three times the order value.
- 4. The limitation of liability does not apply if we are liable for injury to life, body or health. It shall also not apply in the event of claims by the Customer under the Product Liability Act.

VIII. Insurance

- 1. We shall duly insure the goods against the typical risks (fire, water damage, theft, etc.) in accordance with the customer's value specifications.
- 2. We shall not be liable for any damage to the material to be processed or worked on by us if the Customer delivers the goods before the agreed time or collects the goods after the agreed time (notification of readiness for dispatch by us). This applies in particular to any corrosion that may occur.

IX. Lien, Set-off

- 1. We shall have a lien on the goods handed over to us and processed by us until all claims against the Customer have been satisfied in full.
- 2. The Customer shall only be entitled to set-off against our claims to the extent that his claims have been recognized by us, are undisputed or have been established as final and absolute by a court of law.

X. Place of performance, Place of Jurisdiction and Applicable Law

- 1. Place of performance for all obligations arising from the contractual relationship is Grafenau.
- 2. The place of jurisdiction for all disputes arising from the contractual relationship shall be Grafenau, if the Customer is a merchant, a legal entity under public law or a special fund under public law. However, we shall be free to appeal to the court having jurisdiction over the customer's registered office.
- 3. German law shall apply exclusively.

XI. Data protection

- 1. The data protection information on our homepage www.bls-lasertechnology.de applies.
- 2. By request/ order, the customer agrees to the collection, processing and use of personal data, insofar as this is necessary for the purpose of the contractual relationship.