



## Standard Terms of Business

### Trotec Laser GmbH

1.....General	1
2.....Elements of the contract	1
3.....Conclusion of the contract	1
4.....Prices	1
5.....Call-up orders	1
6.....Payments	1
7.....Delivery date, acceptance default	1
8.....Place of performance and transfer of risk	2
9.....Deliveries to third parties	2
10.....Warranty	2
11.....Reservation of title	2
12.....Claims for damages	2
13.....Miscellaneous	3
14.....Special conditions in contracts with consumers	3

#### 1. GENERAL

All deliveries, services and quotations by Trotec Laser Automation GmbH, (hereinafter "TROTEC") shall be provided exclusively on the basis of these Standard Terms of Business (hereinafter "STB"). They shall thus also apply to all future business relationships, even if they are not expressly agreed again.

Standard terms of business of the contract partner (hereinafter the Customer) that are in conflict with these STB are hereby expressly contested. Departures from these STB and from Trotec's quotations or price lists shall also require a separate written agreement.

#### 2. ELEMENTS OF THE CONTRACT

2.1 Unless agreed otherwise, the contents of the contract with the Customer shall be derived from the following elements of the contract:

- 2.1.1 The Customer's order
- 2.1.2 The price conditions
- 2.1.3 Specification of performance (description of service)
- 2.1.4 Warranty conditions
- 2.1.5 Trotec's STB

The elements of the contract shall supplement each other. In the event of contradictions, the element first mentioned in Sec. 2.1 shall take priority.

#### 3. CONCLUSION OF THE CONTRACT

3.1 The contract is concluded by an order from the Customer and the acceptance of the order by TROTEC. The Customer can place the order with TROTEC in writing or electronically, provided that this is available for certain products.

3.2 TROTEC's acceptance of the order shall be in writing or electronically, provided that this is available for certain products. Computer-assisted order confirmation by TROTEC shall not require a signature.

3.3 TROTEC shall be entitled to refuse the conclusion of a contract as desired by the Customer through its order; refusal shall in particular be possible in the event of the Customer's lack of creditworthiness or in the case of risk transactions.

3.4 TROTEC shall be entitled to subject the acceptance of an order to the provision of security or of an advance payment (e.g. deposit, payment on account, bank guarantee, ...)

3.5 TROTEC shall also be entitled to refuse the agreed service or delivery at any time after acceptance of the order if the Customer is in payment default or if TROTEC becomes aware of circumstances concerning the Customer's economic situation that suggest to TROTEC that its claims are not or are insufficiently secured.

#### 4. PRICES

The prices shall be net prices ex TROTEC site at Planckstrasse 12, D-88677 Markdorf. The prices correspond to the last quotation sent by TROTEC shall apply. TROTEC's quotations, irrespective of how made, shall always be without obligation and revocable for TROTEC. The prices shall include the costs of transport packaging. Other costs such

as the costs for special packaging, additional costs for individual shipments, freight etc. shall be borne entirely by the Customer. The Customer shall also bear any customs dues, value added taxes, border levies etc., even if the contract for the transportation is concluded by TROTEC in the specific case.

#### 5. CALL-UP ORDERS

In the case of call-up orders, TROTEC shall be entitled to procure the material for the entirety of the order and produce the entire quantity ordered immediately. Accordingly, any requests for change by the Customer can no longer be taken into account once the order has been placed unless such is logistically still possible. In addition, TROTEC shall be entitled to demand that orders not called up within the agreed deadline shall be taken up immediately following the setting of a 14-day grace period. Call-up orders shall in any event be deemed to be called up at the latest one year after the date of the confirmation of order.

#### 6. PAYMENTS

6.1 The agreed prices shall always be deemed to be exclusive of value added tax, ex TROTEC site in D-88677 Markdorf. All payments shall be by bank transfer or, if available for specific products, by credit card, and shall be free of charges for TROTEC. Unless expressly agreed otherwise in writing, payments shall be due seven days after the date of invoice. The Customer shall not be entitled to offset counter claims or assert rights of retention unless such counter claims have been determined with final legal effect or have been expressly acknowledged by TROTEC.

6.2 Payments can only release the Customer from the debt if they are made to TROTEC's bank account.

6.3 Payments shall always first be applied to the costs (reminder costs, litigation costs, etc.), then to the interest and finally to the principal, namely to the oldest debt outstanding at the time.

Specifications to the contrary by the Customer shall be null and void. If payment by instalments is agreed, the failure to pay even only one instalment shall render the entire outstanding amount payable. Cheques and bills shall only be accepted by special agreement and shall only be in lieu of payment and not as payment. Cheques and bills shall only be deemed to be payment once they have been finally and irrevocably honoured, namely to the amount credited to TROTEC by the bank. TROTEC shall be entitled to refuse offers of payment by cheque or bill without stating reasons.

6.4 If a payment deadline is not met, the Customer shall be in default without there being any need for a separate notification by TROTEC. In such event, TROTEC shall be entitled at any time to set aside all the agreed payment deadlines -- including for any ongoing accepted bills -- and to call the debt in immediately.

6.5 Unless expressly agreed otherwise in writing, the Customer shall in the event of payment default pay default interest on the amount due at the rate of 8 percentage points above the base rate of interest, but at least 12% per annum. The extrajudicial reminder and collection costs including the consultation of legal counsel or a collection agency shall also be borne by the Customer.

#### 7. DELIVERY DATE; ACCEPTANCE DEFAULT

7.1 Delivery dates or deadlines shall be in writing.

7.2 The agreed delivery period shall commence on the date of the written electronic confirmation of order by TROTEC. If such is not sent, it shall then commence on the day on which TROTEC accepts the order. Compliance with the deadline by TROTEC shall require the clarification of all commercial and technical issues between TROTEC and the Customer, and compliance by the Customer with all the obligations imposed on it such as the provision of the necessary official confirmations or approvals or the making of a payment on account. If this has not been done, the delivery period shall be prolonged accordingly. This shall not apply if TROTEC is responsible for the delay.

7.3 The delivery period shall in any event be suspended until clarification of all execution details or, in the case of finishing measures to be effected by TROTEC, until receipt of the fault-free initial material.

7.4 The delivery period shall be deemed to be complied with if the notification of readiness for shipment is sent on time. Goods ready for shipment must be collected immediately. If the goods are not dispatched in good time without TROTEC being at fault, the delivery times shall be deemed to be complied with upon notification of





readiness for dispatch. If acceptance is to be carried out, the date of acceptance shall be decisive except in the event of a justified refusal of acceptance.

7.5 Delivery periods and delivery dates shall always be without obligation due to possible bottlenecks in production capacity or at suppliers.

7.6 TROTEC shall be entitled to effect partial and advance deliveries. A declaration of withdrawal by the Customer that is justified and follows the setting of a grace period shall be without effect for the partial and advance deliveries already made.

7.7 If dispatch or acceptance of the subject matter of delivery is delayed for reasons for which the Customer is responsible, it shall be charged the costs incurred as a result of the delay, starting from the notification of readiness for dispatch or acceptance.

7.8 Unforeseen obstacles such as force majeure, industrial dispute or other events that lie outside the scope of influence of TROTEC or its sub-suppliers and that render the timely execution of the accepted contract impossible shall entitle TROTEC, to the exclusion of claims for damages (including for consequential losses) by the Customer, to withdraw in whole or in part from the contract or to postpone the delivery by the period of the obstacle together with a reasonable start-up time. TROTEC shall notify the Customer of the start and end of such circumstances.

7.9 In the event of delivery default, the purchaser can, within the limits of the statutory regulations, also withdraw from the contract following the setting and fruitless expiry of a reasonable grace period.

7.10 If the purchaser is in acceptance default or if it infringes obligations to cooperate, TROTEC shall be entitled to demand compensation for the losses incurred by TROTEC, including any additional expenditure. In such event, the risk of accidental loss or accidental deterioration of the subject matter of the purchase shall also transfer to the purchaser at the time at which the latter defaults.

## 8. PLACE OF PERFORMANCE AND TRANSFER OF RISK

8.1 Place of performance for all deliveries shall be the TROTEC production plant at D-88677 Markdorf or at the registered office of any TROTEC branches in the country in which the Customer's registered office is located (ex-works pursuant to Incoterms 2000).

8.2 Upon delivery to the forwarding agent or carrier, the risk of accidental loss and accidental deterioration shall transfer to the Customer. This shall also apply to part deliveries. The "ex-works" clause in Incoterms 2000 shall apply.

8.3 In the event of delivery or acceptance delays due to circumstances for which the Customer is responsible, all risks including that of accidental loss shall transfer to the Customer at the time of the sending by TROTEC of the notification of readiness for dispatch or acceptance. At the Customer's request, deliveries shall be insured in the Customer's name and for its account.

## 9. DELIVERIES TO THIRD PARTIES

If within the framework of an order placed by the Customer, the latter requests the order in question or parts thereof to be delivered and invoiced to third parties (e.g. Customer's subsidiaries, marketing partners, etc), the Customer shall be liable jointly and severally as contracting partner alongside the third party. Similarly, TROTEC shall be entitled to charge separately any additional costs for packaging and transport.

## 10. WARRANTY

10.1 In the event of a complaint, the Customer shall be obliged to store the contested delivered product appropriately and to keep it available until clarification of the matter. A return shipment of the contested delivered product at the Customer's expense and risk can only be carried out following consultation with TROTEC. If a complaint is justified, the costs shall be refunded by TROTEC.

10.2 TROTEC shall be entitled to obtain release from all and any claims to a reasonable reduction of the price by remedying the defective product or by making good what is missing within a reasonable period and in a manner that the Customer can reasonably be expected to accept. Defects in one part of the shipment (contract) shall not entitle the Customer to contest the shipment as a whole.

10.3 TROTEC shall not be liable for defects or the absence of assured qualities if the cause of such is to be found in the material

supplied by the purchaser to TROTEC. Similarly, claims for damages of any kind shall be excluded to the extent that and whenever original parts are not used by TROTEC.

10.4 Obvious and concealed defects shall be notified to TROTEC immediately in writing. If the Customer fails to make notification, the goods shall be deemed to be accepted and the Customer shall lose any warranty rights. The warranty period shall, even in the event of concealed defects, terminate at the start of working or processing. For all kinds of deliveries, claims based on defects, irrespective of the legal basis on which they are founded (in particular warranty, claims for damages, special rights of recourse) shall expire at the latest, however, three months after receipt of the goods. The statutory assumption of defectiveness in Sec. 924 sentence 2 and 3 of the General Civil Code shall not apply.

10.5 The remedying of the defect shall not lead to an extension of the original warranty period.

## 11. RESERVATION OF TITLE

11.1 All deliveries shall remain TROTEC's property (goods subject reservation of title) until complete payment of all receivables including interest and costs based on the business relationship between the Customer and TROTEC. The Customer's claims resulting from the resale of the good subject to reservation of title are hereby assigned to TROTEC up to the amount of the purchase price debt to which TROTEC is entitled together with interest and costs in lieu of payment. The Customer shall enter this assignment in its books in a manner that satisfies all legal requirements, but shall remain entitled to collect the receivables unless it is in default as against TROTEC. TROTEC shall be entitled to notify the Customer's purchasers of the assignment. The Customer shall deliver to TROTEC all documents and information necessary for the assertion of TROTEC's rights. If such an assigned invoice amount is received by a third party, the Customer shall be entitled to demand repayment of this amount from the third party and to deliver it to TROTEC. In the event of access by third parties to an item subject reservation of title, the Customer shall point out that such is the property of TROTEC and shall notify TROTEC immediately. The pledging or assignment as collateral of the goods supplied by TROTEC or an assignment of the receivables resulting from the resale of these goods shall not be permitted.

11.2 It is agreed that TROTEC shall acquire a contractual lien to the material made available by the Customer for processing or working and which as a result comes into the direct or indirect possession of TROTEC. This lien shall apply to all TROTEC's claims against the Customer. The lien shall also extend to future and conditional receivables and shall expire as soon as the material leaves the direct or indirect possession of TROTEC through the latter's activity. The realisation of the lien shall be subject to the statutory regulations, subject to the condition that the value of the lien shall be determined with binding effect by an expert to be determined by TROTEC.

11.3 In the event that TROTEC's goods are processed, combined or mixed with other material, TROTEC shall acquire joint ownership to the resulting product in proportion to the ratio between the value of TROTEC's goods and that of the other material. The reservation of title shall extend to the new product. In such event, the Customer shall be deemed to be the custodian. The receivables resulting from the sale of goods to which TROTEC holds title rights are hereby assigned by the Customer, where appropriate to the amount of TROTEC's joint ownership share, to TROTEC as security and the Customer shall enter this assignment in its books in a manner that satisfies judicial practice.

## 12. CLAIMS FOR DAMAGES

12.1 The Customer's claims for damages based on whatever legal title, in particular on the grounds of production failures, down times, delay, impossibility of performance, breach of positive obligation, culpa in contrahendo, consequential losses resulting from defects, defects or tort shall be excluded unless the Customer can prove that TROTEC was at least grossly negligent in the causation of the damage. TROTEC shall not be liable for third parties or for consequential losses.

12.2 TROTEC products are not suitable for use as medical devices. TROTEC assumes no liability for any damages that might arise as a result of the use of the products in the medical sector.

12.3 If TROTEC products are explicitly intended for the production or processing of medical products (i.e. stent cutting laser for the manufacturing of stents), the customer is responsible for the





process in short and long term. TROTEC assumes no liability for such long-term damage or for any damage that arises as a result of a fault in the products.

**13. MISCELLANEOUS**

- 13.1 All initial material supplied by the Customer or on its instructions to TROTEC for working, processing or finishing shall be provided in accordance with Incoterms 2000 DDP Wels (carriage paid TROTEC, tax and customs paid).
- 13.2 In the event of the delivery or sale to third parties of the goods supplied by TROTEC, the Customer shall be obliged to inform the purchaser about the proper use or handling of the goods.
- 13.3 The Customer shall not be entitled to use the company name or a part of the company name of TROTEC or any other reference to the company name of TROTEC on its products, announcements, advertising and business material etc. without the express written authorisation of TROTEC.
- 13.4 The Customer shall on no account be entitled to assign to third parties any claim to which the Customer is entitled against TROTEC.
- 13.5 Each order and contract and these STB shall be subject exclusively to Austrian law to the exclusion of the UN Law on the Sale of Goods and to the exclusion of the reference rules of German international private law. In the event of disputes, the Customer and TROTEC accept the exclusive local jurisdiction of the courts competent for such cases in Wels, and waive any other ordinary legal venue.
- 13.6 Any additional agreements or information and complaints shall be made in writing and can only duly be accepted by TROTEC if they are sent to Trotec Produktions-und Vertriebs GmbH, A-4600 Wels, Attn. "Customer Service". This alone shall be deemed to be the address for service for TROTEC with a corresponding legal effect.
- 13.7 The above provisions shall also apply to deliveries and services other than the goods pursuant to the contract.
- 13.8 TROTEC's previous Standard Terms of Sale and Delivery are hereby repealed.
- 13.9 These standard terms of business are also available in German.

**14. SPECIAL CONDITIONS IN CONTRACTS WITH CONSUMERS**

- 14.1 In amendment and/or supplement to Secs. 6.4, 6.5, 10. and 13.5 of the TROTEC STB, the following provisions shall apply as against consumers:
  - 6.4: If the Customer is a consumer within the meaning of the Consumer Protection Act, TROTEC shall be entitled to call in the purchase price instalments immediately if the Customer is six weeks in default with at least one payment and if TROTEC has sent a written warning without effect threatening that the debt will be called in immediately, setting a grace period of two weeks.
  - 6.5: If the Customer is a consumer within the meaning of the Consumer Protection Act, default interest at the rate of 5 percentage points above the contractually agreed rate of interest shall be payable.
  - 10.5: If the Customer is a consumer within the meaning of the Consumer Protection Act, the two-year statutory warranty period for movables shall apply. The period shall begin with the delivery of the goods or transfer of risk. Secs. 8 and 9 of the Consumer Protection Act shall apply notwithstanding the aforesaid.
  - 13.5: If the Customer is a consumer within the meaning of the Consumer Protection Act, Sec. 14 of the Consumer Protection Act shall continue to apply, according to which an action can only be brought against a consumer before a court in whose district the consumer has his place of residence, ordinary domicile or place of employment.
- 14.2 In addition, the following special conditions shall apply as against consumers in the case of remote sales:
  - If the Customer is a consumer within the meaning of the Consumer Protection Act, the provisions of the Act shall apply to

customer contracts concluded exclusively using one or more telecommunication means (remote sales contracts).

The Customer can withdraw from remote sales contracts or withdraw his remote sales order within a period of seven working days, with Saturday not deemed to be a working day. The period shall commence on the day of receipt of the delivery by the customer. The withdrawal shall be valid if the declaration of withdrawal is sent within the deadline.

If TROTEC fails to comply with its information obligations pursuant to Sec. 5d Paras. 1 and 2 of the Consumer Protection Act, the withdrawal period shall be extended to three months. If TROTEC complies with its information obligations within this time, the period for the exercise of the right of withdrawal shall commence at the time when the information is communicated by TROTEC.

The Customer must be given a written confirmation of the information specified in Sec. 5c Para 1 Nos. 1 to 6 in good time during the performance of the contract, in the case of goods not intended for delivery to third parties at the latest at the time of the delivery, unless such was given to him in writing at the time of conclusion of the contract. An information data carrier permanently available to the consumer shall be equivalent to written confirmation.

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