

# General Terms and Conditions

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**InnoLas Laser GmbH**  
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## 1. Binding

These General Terms and Conditions apply to all business relationships between InnoLas Laser GmbH and its customers (purchasers) for orders and sales of goods. Deviations from these terms and conditions shall only be effective and binding if we have expressly confirmed them in writing. We do not recognize any terms and conditions of the customer or buyer that contradict and/or deviate from our General Terms and Conditions, unless we have expressly agreed to their validity in writing.

Our offers are subject to change and non-binding unless they are expressly marked as binding or contain a specific acceptance period. As a rule, we accept orders from the buyer within two weeks, unless expressly agreed otherwise in writing. We accept offers either in writing or by making the delivery. Our offers and order confirmations are subject to our own delivery and a positive credit check of the buyer. The seller reserves the right to demand advance payment in the event of negative credit information. The information in our offers or our order confirmations always refers to the specific goods.

## 2. Export regulations/transfer of risk

The obligation to deliver goods or provide services shall not apply if their execution violates German, European, or other applicable export, customs, or sanctions regulations.

The buyer is obliged to inform us fully and truthfully of the intended use of the goods before concluding the contract. Subsequent changes to the intended use require our prior written consent.

The risk of loss or damage to the goods shall pass to the buyer upon leaving our premises (EXW Incoterms® 2020). In the case of collection by the buyer, the risk shall pass to the buyer upon handover.

Regardless of any notification of the final destination country, the buyer is solely responsible for obtaining all necessary permits, licenses, or official approvals prior to exporting the goods. We are not obligated to conduct any independent checks or gather any information.

The delivery, resale, or use of our goods is prohibited if they are used directly or indirectly for the development, manufacture, maintenance, or use of chemical, biological, or nuclear weapons or other internationally banned military equipment.

Unless expressly agreed in writing, our products are not intended for use in nuclear facilities or in medical, life-saving, or life-supporting systems.

The buyer bears the sole risk of any use deviating from this, even if this is unintentional.

## 3. Extension of deadline

If, after conclusion of the contract, changes or deviations are agreed that may affect the planned production time, the delivery time shall be extended accordingly. This also applies in the event of delays due to strikes or unforeseeable events beyond our control. In the event of epidemics or pandemics, for example, the delivery time shall be extended accordingly, unless the contract as a whole has to be canceled because its execution has become impossible. Claims for damages due to delivery delays are excluded, unless the delay

is due to intent or gross negligence on our part or to the breach of a material contractual obligation (cardinal obligation). In the latter case, liability is limited to the typically foreseeable damage.

#### **4. Offsetting and retention**

The buyer shall only be entitled to offset if his counterclaims have been legally established, are undisputed, or have been recognized by us. The buyer may only exercise a right of retention if his counterclaim is based on the same contractual relationship.

#### **5. Terms of payment**

Our goods and services are invoiced at the prices agreed upon at the time of conclusion of the contract. Our prices are ex warehouse (EXW); packaging and transport costs as well as statutory sales tax shall be added.

In the case of contracts with an agreed delivery period of more than four (4) months, we shall be entitled to adjust the agreed prices appropriately if, after conclusion of the contract, there are demonstrable changes in costs, in particular due to changes in material, energy, wage, or collective agreement costs.

Price adjustments shall be made symmetrically, i.e., cost increases and cost reductions shall be taken into account equally. The change in the cost components actually relevant to the respective delivery shall be decisive.

If the price adjustment exceeds 5% of the originally agreed price, the buyer is entitled to terminate the contract in writing within two (2) weeks of notification of the price adjustment. Further legal rights remain unaffected.

Unless otherwise agreed, the purchase price is due for payment immediately and without deductions. If the buyer defaults on payment, we are entitled to charge default interest of at least 5 percentage points above the base interest rate. If the buyer fails to make payment, all our claims against him shall become due for payment immediately and must be settled without delay. Any expenses shall be borne by the buyer. We have the right to demand advance payments or partial payments.

#### **6. Retention of title**

The delivered goods remain the property of InnoLas Laser GmbH until all current and future claims arising from the business relationship have been paid in full (extended retention of title). The buyer may only resell the goods subject to retention of title with our express written consent. The buyer's claim from the resale of the goods subject to retention of title is hereby assigned to us. Upon request, the buyer must notify its debtor of the assignment. Insofar and as long as we are still the owner, the buyer may neither pledge the delivery item nor assign it as security. In the event of seizures, confiscations, or other dispositions by or to third parties, the buyer must notify us immediately. Any intervention costs shall be borne by the buyer.

We retain title to the goods sold until all our current and future claims arising from the purchase contract and an ongoing business relationship (secured claims) have been paid in full. The goods subject to retention of title may not be pledged to third parties or transferred as security before the secured claims have been paid in full.

The buyer must notify us immediately in writing if an application for the opening of insolvency proceedings is filed or if third parties (e.g., garnishments) access the goods belonging to us. In the event of breach of contract by the buyer, in particular non-payment of the purchase price due, we shall be entitled to withdraw from the contract in accordance with the statutory provisions and/or to demand the return of the goods on the basis of the retention of title. The demand for return does not simultaneously constitute a declaration of withdrawal; rather, we shall be entitled to demand only the return of the goods and to reserve the right to withdraw from the contract. All costs of taking back and selling the goods shall be borne by the buyer.

If the buyer fails to pay the purchase price due, we may exercise these rights after the unsuccessful expiry of a reasonable grace period or immediately if such a grace period is not dispensable under the statutory

provisions. Until revoked, the buyer is authorized to resell and/or process the goods subject to retention of title in the ordinary course of business.

In this case, the following provisions shall apply in addition. The retention of title extends to the full value of the products resulting from the processing or combination of our goods, whereby we are considered the manufacturer.

If, in the event of processing or combination with goods of third parties, their ownership rights remain in force, we shall acquire co-ownership in proportion to the invoice values of the processed or combined goods. In all other respects, the same shall apply to the resulting product as to the goods delivered under retention of title; the buyer hereby assigns to us as security all claims against third parties arising from the resale of the goods or the product, either in full or in the amount of our possible co-ownership share in accordance with the preceding paragraph. We accept the assignment. The aforementioned obligations of the buyer also apply with regard to the assigned claims. The buyer remains authorized to collect the claim alongside us. We undertake not to collect the claim as long as the buyer meets his payment obligations to us, there is no deficiency in his ability to pay, and we do not assert our retention of title by exercising a right. However, if this is the case, we may demand that the buyer informs us of the assigned claims and their debtors, provides all information necessary for collection, hands over the relevant documents, and informs the debtors (third parties) of the assignment.

In this case, we shall also be entitled to revoke the buyer's authority to resell and process the goods subject to retention of title. If the realizable value of the securities exceeds our claims by more than 10%, we shall release securities of our choice at the buyer's request.

## **7. Description of services**

The basis for the purchase contract is the service description in our offer and any changes or additions confirmed by us in writing. Deviations from the agreed quality require our written confirmation.

## **8. Documentation**

The operation and maintenance of our systems is described in detail in our documentation. The instructions contained therein, in particular the safety instructions for commissioning and operating the delivered equipment, must be followed. The buyer shall ensure that all persons working with the equipment are appropriately trained and have access to the documentation.

## **9. Default of acceptance**

If the buyer defaults on acceptance of the delivery or cancels the order or parts thereof after receipt of the order confirmation, we shall be entitled, at our discretion, to demand performance or to claim lump-sum damages amounting to 30% of the order value.

The lump sum takes into account, in particular, the damage typically incurred in plant construction, including expenses for project planning, material procurement, production planning, capacity commitment, and lost profits.

The buyer reserves the right to prove that no damage has been incurred at all or that the damage is significantly lower than the lump sum. We reserve the right to claim higher damages.

## **10. Warranty**

a. The buyer is obliged to inspect our goods or services immediately upon receipt in the ordinary course of business and to report obvious defects in writing within seven (7) working days of receipt.

Hidden defects that were not apparent even after careful inspection must be reported in writing immediately after their discovery.

If the buyer fails to notify us in due time or in the proper form, the goods shall be deemed to have been approved and warranty claims shall be excluded, unless the defects were not apparent during the inspection or were fraudulently concealed by us.

The notification must contain a comprehensible description of the defect. The buyer shall notify us in writing immediately as soon as they become aware of a defect.

For the systems delivered by us, we guarantee that the delivery complies with the contractual agreements in terms of design, material quality, execution, and warranted characteristics. Insofar as we have contractually undertaken further services in addition to the delivery, we guarantee that they will be performed in accordance with the contract and without defects. If our delivery or service does not comply with this warranty, we shall initially be entitled and obliged to make two attempts at rectification or one replacement delivery. Only after the unsuccessful expiry of a reasonable period for subsequent performance may the buyer assert further rights. Replaced parts shall become our property.

b. A warranty claim shall not exist if the use of our delivery or service is impaired by other circumstances. This applies in particular to wear and tear, chemical or mechanical influences, and the consequences of improper installation or commissioning by the buyer or improper operation of the delivered goods. The warranty obligation shall expire for defects that can be proven to be attributable to improper modifications or repairs by the buyer or unauthorized third parties.

The agreed process-related properties of the delivery shall be deemed to have been fulfilled in accordance with the contract unless the buyer reports defects in writing and in detail within 14 days of commissioning. After this period has expired, complaints are only admissible for defects that were not detectable even during the most careful inspection during commissioning and were deliberately concealed by the seller. If commissioning has not taken place within the warranty period, our warranty obligation ends at the end of the warranty period with regard to all process-related characteristics.

c. If the device is located in Germany, all necessary expenses, costs, and travel expenses for our employees are covered by the warranty. If, on the other hand, our goods are located outside Germany, all necessary costs, travel expenses, and downtime of our employees shall be borne by the buyer, as shall any transport costs or customs duties for parts to be replaced. Wear parts such as filters, operating gases, laser lamps, protective glasses, UV optics, and the like are excluded from the warranty.

d. For sales to businesses, our warranty is limited to twelve (12) months after delivery of the goods. For sales to consumers, the statutory warranty periods apply.

If parts or spare parts were delivered to the buyer during the warranty period, the warranty period ends with the end of the warranty obligation for the entire laser system. The warranty for spare parts delivered to the buyer outside the warranty period of the laser system is six (6) months in commercial transactions and covers only the cost of materials. In the case of consumer goods purchases, the statutory warranty periods apply.

e. Liability for damage caused by slight negligence is limited to typical, reasonably foreseeable damage. This applies in particular to liability arising from pre-contractual obligations, for indirect damage and for production downtime incurred by the buyer or a third party as a result of the use or operation of our products and the service provided for them. The exclusion of claims does not apply in cases of intent or gross negligence on our part, on the part of one of our legal representatives or one of our vicarious agents, as well as in cases of breach of cardinal obligations or injury to life, limb, or health.

Furthermore, the exclusion does not apply in cases where liability for damage to persons or property is incurred under the Product Liability Act for privately used items.

#### **11. Substitute performance, reduction, withdrawal**

The buyer is only entitled to remedy the defect himself or have it remedied by third parties after two attempts at subsequent performance have failed and after a reasonable grace period set in writing has expired, and has set us a reasonable deadline for rectification with the indication that he will remedy the defect himself or have it remedied by third parties after the fruitless expiry of the deadline. The deadline

must be set in writing. The same applies to the right to reduce the purchase price or withdraw from the contract.

#### **12. Written form**

Contract amendments and supplements must be in writing to be effective (Section 126b BGB). This also applies to any amendment or waiver of this written form requirement.

Individual contractual agreements within the meaning of Section 305b BGB always take precedence over these General Terms and Conditions and are effective even without compliance with the written form requirement.

#### **13. Delimitation**

All deliveries and services not listed by name are not part of the delivery contract. Pre-contractual information and agreements only become binding if they have been expressly included in the contract in text form. This does not apply to information in product descriptions and technical documents that have become part of the contract. Any changes that may arise after technical clarification will be recorded and invoiced separately in supplementary offers.

#### **14. Severability clause**

If any provision of these General Terms and Conditions is or becomes invalid, the remaining provisions shall remain valid. The invalid provision shall be replaced by a valid provision that comes closest to the economic purpose of the invalid provision. The same applies in the event of a loophole.

#### **15. Applicable law, place of performance, and place of jurisdiction**

The law of the Federal Republic of Germany shall apply. The place of performance and jurisdiction shall be Munich, Germany, provided that the buyer is a merchant, a legal entity under public law or a special fund under public law. This shall also apply to matters relating to reminders, bills of exchange and checks.

This English version of the General Terms and Conditions is legally binding. In the event of any discrepancies, inconsistencies or differences in interpretation between the English and the German versions, the German version shall prevail.