

Standard Purchase Terms of LRE Medical GmbH

1. APPLICATION, OFFERS, WRITTEN FORM

- 1.1 These Standard Purchase Terms (hereinafter: "**SPT**") apply for the purchase of goods (hereinafter "**Delivery**") as well as of services or work services (hereinafter "**Service**"). Our SPT apply for all - including future - business relations with the seller of the Deliveries/Services (hereinafter "**Supplier**"), even if in a particular case no express reference is made to their application. We do not accept conflicting or derogating standard terms of the Supplier unless we expressly consented to their application in writing. The SPT also apply if in knowledge of conflicting or derogating terms of the Supplier we unconditionally accept the Delivery or the Service. If for certain orders particular conditions are stipulated or attached to the order, these SPT have subsidiary and supplementary application.
- 1.2 The Supplier shall examine our orders and any related documents, requirements, specifications and instructions on its own responsibility and inform us immediately of any inaccuracy, ambiguity, incompleteness, contradictions or deviations from the state of art and of any concern he may have.
- 1.3 We are bound by our order for 14 days. As far as the Supplier does not accept our order within three work days, we can revoke the order prior to acceptance by the Supplier at any time. All agreements entered into between us and the Supplier to implement this agreement shall be recorded in writing. The Supplier may only accept our order within the binding period specified therein, otherwise within fourteen (14) working days from receipt of the order without changes by written confirmation or execution of the order. Timely receipt of the confirmation or the confirmation of shipment during our normal business hours shall be decisive. If we do not receive confirmation of the order or dispatch within the aforementioned period, the order shall be deemed rejected. Until an order is accepted by the Supplier, we are not bound by such order and may revoke, modify or change the order at any time.
- 1.4 If in these SPTs the term "in writing" or similar is used, this shall include communication via e-mail, fax or other means of electronical communication.

2. CHANGE IN THE DELIVERY/SERVICE

We can request of the Supplier to make reasonable changes in the scope of the Delivery or Service in the specifications, design or lay-out. The effects, in particular concerning the additional or reduced costs as well as delivery or service dates, shall be agreed on by mutual accord such that they are reasonable.

3. ACCEPTANCE OF WORK SERVICES

If an acceptance is stipulated or if we are obliged to an acceptance according to the given circumstances, the following applies. Partial acceptances are excluded as far as they were not expressly agreed on. The Supplier can only request an acceptance of the Service if he has proven a defect-free completion. He shall request us to accept the Service after completion and having regard to the dates stated in the service description. The acceptance is not replaced by the fact that we use the work service or part of the work service of the Supplier due to operational necessities.

4. TIME OF DELIVERY OR SERVICE

- 4.1 Any delivery/performance times specified in the order are binding for the Supplier. If no time is specified in the order, the delivery of Deliveries or performance of Service must be carried out immediately.
- 4.2 The Supplier is obligated to inform us in writing without delay if circumstances become recognizable which indicate that the agreed time for Delivery or Service cannot be met. The Supplier shall inform us about the reason and the expected duration of the delay. Statutory claims and rights due to delay shall remain unaffected thereby.
- 4.3 Early deliveries and/or early partial deliveries and/or early performance of Service are only permissible with our prior written approval. In the event of an earlier delivery than agreed, we reserve the right of return shipment at the expense of the Supplier. If in the event of an early delivery no return shipment is made, the goods shall be stored up to the delivery date by us at the expense and risk of the Supplier.
- 4.4 We accept partial deliveries only after express written agreement. In the event of agreed partial shipments,

the remaining residual quantity shall be stated.

- 4.5 If we are unable to accept delivery at the contractually agreed time for whatever reason, the Supplier shall store the Deliveries and maintain them in merchantable condition. Subject to prior written agreement, we shall reimburse the Supplier for the reasonable costs of such storage against appropriate proof.

5. TRANSFER OF RISK, DOCUMENTS

- 5.1 The Delivery including the packaging shall be made freight pre-paid ("DDP" Incoterms 2020) to the receiving location indicated in our order. If the receiving location is not indicated and nothing else is stipulated, the Delivery must be made to our business office in Nördlingen. A delivery certificate shall be provided with all Deliveries. When the goods are sent, a notice of shipment shall be provided to us without delay with an exact description of the delivered items and indicating our file number or the order number.
- 5.2 The Supplier is obligated to state our order number on all shipping documents and delivery certificates. If he fails to do so we shall not be responsible for delays in the processing.
- 5.3 The risk shall pass to us upon receipt of the Delivery by the receiving location. As far as an acceptance is necessary, it shall be determinative for the transfer of risk.

6. PRICES, PAYMENT TERMS

- 6.1 Unless expressly agreed otherwise, the price shall include all costs of packaging, packing, shipping, freight, insurance and delivery, all travel expenses, food and beverages, accommodation and other costs related to the Service and all duties, fees, licenses, permits and taxes as may be payable for the Deliveries and/or Services from time to time. The Deliveries shall be packed in accordance with common practice and adequately protected against transport damage. We are entitled but are not obligated to return the packaging. In the event the packaging is returned, the Supplier shall be responsible for the disposal.
- 6.2 As far as not agreed otherwise, the price includes the statutory value added tax in the amount applicable on the date the tax is incurred. Compensation claims of the Supplier in the event of value added tax increases are excluded. The invoice must satisfy all requirements of the Value Added Tax Act, in particular the value added tax must be stated separately in the invoice.
- 6.3 We can only process invoices if they state the order number indicated in the order. The Supplier is responsible for all consequences arising due to the non-compliance with this obligation, as far as he does not prove that he is not responsible for the non-compliance.
- 6.4 As far as nothing else is agreed in writing, we will pay the price within 14 days from the due date with a 3 % discount or net within 30 days after receipt of the invoice. The following conditions must be met for the price to be due:

For Deliveries: receipt of a proper invoice and receipt of the Delivery.

For Services: receipt of a proper invoice and complete provision of the Service. As far as an acceptance is stipulated, for the purposes of the price becoming due the Service is deemed to have been provided upon successful acceptance.

- 6.5 In the case of delay of a Delivery by the Supplier we are entitled to demand a contract penalty of 0.1 % per commenced work day of the delay, and at most 5 % of the net price of the delayed Delivery, and to apply such contract penalty by way of setoff. The contract penalty must be asserted by us at the latest with the payment for the Delivery which the Supplier provided with delay. We reserve the right to prove that higher damages have occurred and the Supplier reserves the right to prove that we have not incurred any damages or only significantly lower damages.

7. INSPECTION OF DEFECTS, WARRANTY, LIABILITY

- 7.1 The acceptance of the ordered item shall be made subject to the condition of later inspection as to completeness, accuracy and absence of defects. We are only required to inspect the Deliveries for variations in identity and quantity and for defects and damages (including transport damages) which are obvious. An objection based on excessive, insufficient or defective Deliveries shall be deemed to have been timely made if they are asserted within 8 working days after receipt of the goods, and in the case of hidden defects within 5 working days after discovery of the defect. In the case of a longer statutory period for objection, such longer period shall apply. A quality control agreement entered into between us and the Supplier has priority application.
- 7.2 If defects arise in a partial Delivery which justify the assumption that also further Deliveries are defective, we

can reject the acceptance of all already bindingly ordered further Deliveries as long as the Supplier does not prove that the further Deliveries are defect-free. In case of doubt such an assumption is justified if 3 % from the delivered quantity have the same type of defect. In this case we are also entitled to object to the already delivered quantity as being defective, even if the defect type only becomes apparent during the processing or other use of the delivered items.

- 7.3 In the case of defects in Deliveries or Services we can at our option request replacement performance through removal of defects or replacement delivery. If the Supplier is in delay with the replacement performance or if there is risk in delay such that the Supplier can no longer be timely requested to make replacement performance, we can undertake the replacement performance ourselves at the expense of the Supplier. We shall inform the Supplier without delay, if possible before such replacement is carried out. All expenses necessary to remove the defects, including dismantlement or installation costs, shall be borne by the Supplier. The statutory claims due to defects shall remain unaffected thereby.
- 7.4 The warranty period amounts to 36 months, starting from the handover of the Deliveries to us at the place of performance, the acceptance/delivery by us in accordance with section 3 or upon completion of the Services (the later date is decisive) as far as a longer warranty period is not stipulated by law, in other regulations or in agreements.
- 7.5 In any case upon receipt of our written notification of defects by the Supplier, the limitation period will be suspended until the Supplier (a) finally refuses our claims or (b) the continuation of negotiations in this respect or (c) declares the defect to be finally remedied. Sentence 1 shall not prevent the possibility of renewed suspensions. Upon remedy of a defect or subsequent delivery of a defect-free product, the limitation period for our warranty claims with regard to the repaired or replaced parts shall recommence, unless we had to assume on the basis of the Supplier's conduct that the Supplier did not consider himself obligated to eliminate the defect or to make a subsequent delivery, but only did so as a gesture of goodwill or for similar reasons. Statutory elements of the suspension of the limitation period and recommencement thereof shall remain unaffected by this section.

8. QUALITY, PRODUCT LIABILITY

- 8.1 The Supplier shall carry out Services according to the stipulated specifications, the state of science and technology and the agreed dates. The Services shall be documented by the Supplier and the documents provided to us upon our request, but at the latest upon delivery of the Service results.
- 8.2 Objects, documents and auxiliary resources of all types which we provide to the Supplier to carry out the Services shall be used by the Supplier exclusively to perform the Services and be returned to us without delay after provision of the Services or other termination of the Services.
- 8.3 The Supplier shall provide products of high quality. He is responsible for the compliance with the applicable statutory provisions and the state of science and technology and shall develop, manufacture and test the items to be delivered such that they are in accordance therewith and with the quality/specifications stipulated by us. Insofar as the Deliveries are products for use in medical devices, the Supplier shall comply with the requirements of Good Manufacturing Practice (GMP). Together with Deliveries, the Supplier shall provide us with all information, warnings, instructions and documents relevant for the use, storage, operation, consumption, transport and disposal of the Deliveries.
- 8.4 If the Supplier becomes aware that the products or services delivered by him do not comply with the quality requirements and/or he has legitimate doubts as to the compliance with the quality requirements, the Supplier shall inform us thereof without delay. As soon as the Supplier becomes aware of property rights of third parties which conflict with the unrestricted use of the Delivery or Service by us, he shall inform us thereof without delay.
- 8.5 The Supplier declares that he is prepared to allow inspections by us or persons engaged by us of his production facilities or locations where the Services are provided for quality control. In addition to announced audits, we can in the case of justified grounds, in particular in the case of doubts as to the compliance with the necessary quality, also carry out unannounced quality control checks at the Supplier. We are further entitled to inspect the Deliveries or Services at the Supplier's location or at other locations prior to the delivery or performance. Such inspection by us shall not release Supplier from its responsibility or liability for the Deliveries or Services and shall not constitute acceptance of the Deliveries or Services by us. The right of inspection prior to delivery shall not affect our right to refuse acceptance of Deliveries after delivery.
- 8.6 If a claim is made against us due to violation of public authority safety regulations or due to German or foreign product liability regulations based on a defectiveness of our products which is due to defective goods or services of the Supplier, we are entitled to claim indemnification of the entire damages from the Supplier unless the Supplier proves that the defects do not originate from his sphere of responsibility. The duty of

indemnification covers all costs and expenses, including the costs of pursuit of legal rights or recall measures. In the case of fault-based liability this however only applies if the Supplier does not prove that he is not at fault. Additional claims by us shall remain unaffected.

- 8.7 The Supplier is liable for the fault of the subcontractor engaged by him as well as the manufacturer and sub-supplier of components, parts or materials which the Supplier uses in his product or in his Service as if it were his own fault.

9. RIGHTS TO DEVELOPMENT RESULTS

If our order includes a development service, the following applies for the development results arising from the ordered development, i.e. results which can be protected by patent and utility patterns, copyrightable results, technical developments, documentation (e.g. reports, notes, illustrations, formulas, files, etc.) in written, electronic or other form, know-how, software and other technical processes and all information and documents as well as distinguish marks arising from the development (hereinafter "Development Results") as far as not agreed otherwise between the parties:

- 9.1 We are entitled to all rights to development results without additional compensation. For this purpose the Supplier assigns to us all rights to the Development Results (including any ownership rights) as they respectively arise (without the requirement of any separate additional declaration in this connection). As far as this is not legally possible, the Supplier grants to us an exclusive, transferable, sublicenceable right of use to the Development Results for all types of use without limitation as to territory, time and content. In the case of goods protected by copyright, this right of use in particular also includes the right to processing, rearrangement, translation, publication, adaptation, reproduction and exhibition. Only we have the authorization to apply for industrial property rights for the above mentioned Development Results in Germany or abroad (in particular patents, utility patterns, design patterns, trademarks) in our own name or on behalf of others. We furthermore have the right to change the Development Results and to use them in the changed form in the same scope as in the original form.
- 9.2 If the Development Results contain inventions (irrespective of whether they can be protected by patent or utility patterns) the Supplier shall inform us in writing thereof without delay and - as far as employee inventions are involved - claim the results in full timely and in a formally correct manner. Within three (3) months after receipt of the written notification by the Supplier, we will decide if we intend to file the invention in our own name or on behalf of others and for our own account with the assumption of all costs for the filing and maintenance of the property right. If we decide against an application and if we release the result in writing, the Supplier can pursue the filing at his own expense. In this case we however keep a non-exclusive, transferable right of use free-of-charge for all types of use without restriction as to territory, time and content and with the right to grant sublicenses. The Supplier shall in any case bear costs due to claims based on employee invention regulations.
- 9.3 The Supplier shall support us in the filing and maintenance as well as if appropriate with the enforcement of the property rights to the Development Results which have been or will be applied for, in particular provide all necessary declarations in this regard.
- 9.4 The Supplier will in addition undertake all acts which secure our abovementioned rights to the Development Results. In particular, as far as he engages third parties for the fulfillment of his duties he will enter into contractual arrangements which ensure that we are entitled to the rights to the Development Results described here.
- 9.5 As far as for the use of the development results by us in accordance with their purpose rights of use to technologies, information, documents, intellectual property rights, software or other know-how created outside of the development order are necessary (e.g. because the service result is manufactured by us, is used in products manufactured by us or the development service is part of a development service to be provided by us to a third party), the Supplier grants to us a non-exclusive, transferable right of use free-of-charge for all types of use without restriction as to territory, time and content with the right to grant sublicenses for such rights. The compensation therefor is settled through the compensation for the development service. In the case of doubts as to such necessity, such rights of use shall be granted to us.

10. INSURANCE

The Supplier shall arrange and maintain, at its own cost, insurance customary and on terms common in the industry and satisfactory to us. The Supplier shall provide us with evidence of such insurance upon request. For the avoidance of doubt, insurance coverage shall not limit the Supplier's responsibility and liability for the Deliveries and Services performed.

11. SPARE PARTS

To the extent applicable to the Deliveries, the Supplier shall keep available for a period of seven (7) years after the last delivery of the Deliveries compatible spare parts which are substantially equal to the parts contained in the Deliveries with regard to function and quality, or the Supplier shall provide us with equal solutions on economically reasonable terms.

12. FORCE MAJEURE

Natural disasters, epidemics, pandemics, unrest and other unforeseeable, unpreventable and serious events shall release for the duration of the disruption and in the scope of their effect from the performance obligations. Both the occurrence as well as the end of such an event shall be notified to the other party without delay. If the disruption lasts for longer than one (1) month, the parties shall adjust the obligations on either side to the changed circumstances according to the principles of good faith. The Supplier agrees to support us upon request in procuring an alternative source for the purchase of the Goods and Services in a reasonable scope. The reasonable scope also covers the granting or transfer of rights of use, as far as necessary. If the disruption lasts longer than three (3) months, we shall be entitled to withdraw from the contract or to terminate the performance order.

13. SUBCONTRACTORS

The Supplier is only entitled to engage subcontractors with our prior written consent. The Supplier shall impose obligations on the engaged subcontractors in accordance with its own obligations towards us, in particular with respect to secrecy.

14. SECRECY

- 14.1 The Supplier is obligated to keep strictly secret all documents and information from or concerning us or our customers of which he obtains knowledge in connection with the order, and not to use them for purposes outside the contract and not to make them accessible to third parties without our express written consent, as far as this is not necessary for the fulfillment of the contract. The access thereto shall be restricted to the employees assigned to the fulfillment of the order who are subject to comparable confidentiality obligations. This obligation also applies after completion of this contract. It expires if and to the extent the information and documents have become generally known or have become known to the Supplier without a legal violation. The above obligation applies in particular for business and trade secrets. We will also keep business and trade secrets of the Supplier secret as far as the disclosure must not be permitted based on the purpose of the contract.
- 14.2 We reserve the rights of ownership and copyrights to all depictions, illustrations, calculations and other documents, in particular documents involving business and trade secrets of ours. After fulfillment of the order they shall be returned without any further request together with any copies which have been made. If such data are electronically recorded, the Supplier shall delete them after fulfillment of the order of his own initiative and confirm to us the deletion.

15. RESERVATION OF TITLE, TOOLS AND THEIR PROVISION

- 15.1 As far as we provide tools to the Supplier, we reserve ownership thereto. Adaptation or reshaping by the Supplier shall be undertaken on our behalf. If our goods which are subject to a reservation of title are adapted together with other items not belonging to us, we acquire the joint ownership to the new item in the ratio of the value of our object (purchase price plus VAT) to the other adapted objects at the time of the adaptation.
- 15.2 Tools provided by us remain our property and may only be used in accordance with their purpose. It is agreed that the ownership to all tools which are paid for by us is transferred to us by the Supplier at the date of the acquisition of the tool by the Supplier, or in the case of tools manufactured by the Supplier, at the date of the completion by the Supplier, and at the date of the acquisition or the completion of the tool we obtain indirect possession of the tool. The Supplier shall mark such tools directly after the provision or directly after the acquisition by the Supplier or the completion as being our property. Upon request the Supplier shall prove the marking through photos, etc. The Supplier is obligated to use the tools exclusively for the manufacturing of the Deliveries/Services ordered by us.
- 15.3 The Supplier is obligated to insure the tools belonging to us at the replacement value at his own expense on reasonable terms. The Supplier is obligated to carry out timely inspection, servicing, maintenance and repair work at his own expense. Corresponding tool lease contracts shall replace section 15.2. and 15.3.

15.4 Tool costs shall, depending on the agreement, only become due after approval of the samples or the tools by us.

16. COMPLIANCE

16.1 The Supplier and the persons employed by the Supplier are generally and for the duration of the business relationship obligated to comply with all laws, regulations and provisions concerning the Supplier and business relationship with us, including (but not limited to) anti-corruption laws, data protection laws, labour laws and antitrust and competition laws.

16.2 The Supplier, its management and employees will not (i) promise, hold out the prospect or grant any unlawful benefits to officials, potential customers or their employees or third parties and (ii) accept any unlawful benefits from potential customers, their employees or third parties.

16.3 The Supplier shall always ensure a safe working environment, comply with all applicable regulations regarding quality, health and safety, and take appropriate account of environmental protection requirements. He will not use any prohibited or unsafe materials or components and will always ensure that waste is disposed of in an environmentally sound and safe manner.

16.4 The Supplier shall inform us immediately in writing of any breach of one of the aforementioned obligations and explain how the breach was remedied and what measures he has taken to ensure that the breach does not recur.

17. GENERAL PROVISIONS

17.1 The Supplier is only entitled to assign the claims against us to third parties with our written consent.

17.2 The Supplier is (a) only entitled to set-off if his counterclaim is either (aa) undisputed or (bb) subject to a final decision of a competent court or (cc) is synallagmatic (i.e. interdependence of performance and consideration in a reciprocal contract) (b) only entitled to assert a right of retention if his counterclaim is either (aa) undisputed or (bb) subject to a final decision of a competent court or (cc) is based on the same contractual relationship as our claim against which the Supplier asserts its right.

17.3 German law shall be applicable to the business relationship. The UN law on the sale of goods is excluded.

17.4 The place of jurisdiction for all disputes arising from and in connection with the business relationship is Nördlingen. We are however entitled to initiate court proceedings at the company seat of the Supplier.

17.5 As far as nothing else is indicated in the order, place of performance is our place of business.

17.6 If a provision in this agreement should be or become invalid this shall not affect the validity of the remaining provisions. The parties shall replace the invalid provision by a valid provision which comes as close as possible to the sense and purpose of the invalid provision. The above applies accordingly in the case of lacunae.