

Standard Terms of Sale of LRE

§ 1 APPLICATION, INDIVIDUAL AGREEMENTS, FORMATION OF CONTRACT

1.1 The present standard terms of sale (hereinafter "STS") apply for the sale of goods ("Delivery") as well as the provision of services or work services ("Service"). Our STS apply for all - including future - business relations with our customers (hereinafter "Purchaser") and irrespective of whether we produce the subject matter ourselves or through third parties or purchase them from suppliers or provide the service or work service ourselves or through third parties. We do not accept terms standard business terms of the Purchaser and object to the application thereof. The STS also apply if we in knowledge of conflicting standard business terms of the Purchaser carry out Deliveries without reservation.

1.2 As far as not otherwise indicated in an offer, our offers are subject to change and non-binding. An order of a Purchaser shall be deemed to be a binding offer of contract. If the order does not indicate otherwise, we are entitled to expect this order within three (3) calendar weeks after receipt. The acceptance shall occur through confirmation or through delivery of the order to the Purchaser.

1.3 Legal declarations or notices of the Purchaser after formation of the contract (e.g. setting of time limits, notice of defects, declaration of rescission or reduction of price) must be made in writing.

1.4 If the term "in writing" or similar is used in these STS, this shall also include communication via e-mail, fax or other means of electronic communication.

§ 2 SERVICES

2.1 We provide Services within the framework of our existing technical and operational possibilities.

With respect to Services to be provided by us, including (but not limited to) development services and/or analysis services, in general no particular result is owed. In connection with the provision of Services we do not assume responsibility for a particular result and are entitled to provide the Services through sub-agents (subcontractors). This can be different in the case of a separate contractual agreement.

2.2 If for our Service exceptionally it is stipulated that an acceptance must occur, the Purchaser is obligated to accept the work services made available by us, including partial work services, without delay and to declare the acceptance or partial acceptance, as the case may be, as far as they do not have any defects which materially impair the suitability or the function.

2.3 If within ten (10) calendar days after being provided for acceptance or partial acceptance, as the case may be, there is no objection as to substantial defects or if the Purchaser uses the provided work services or partial work services as intended, as the case may be, the acceptance (partial acceptance) is deemed to have occurred.

2.4 If a development is the subject of the contractual relationship and it turns out that the development (i) cannot be realized technically or physically, (ii) can only be realized with disproportionately high economic effort or (iii) rights of third parties substantially prevent the use of such developments, we will inform the Purchaser of this. In this case, we will coordinate with the Purchaser on how to proceed. If the Purchaser does not agree to bear the additional costs associated with this circumstance and if the parties cannot agree on an alternative solution, both parties are entitled to terminate this agreement with immediate effect.

2.5 In the event of premature termination under clause 2.4 or under the applicable law, the Purchaser shall reimburse us for the remuneration accruing up to the time of termination on a time basis at the hourly rates applicable at that time, including external costs, as well as for those costs incurred beyond the termination date for equipment, personnel, materials or costs of third parties in connection with the development or production which cannot be used for other purposes and cannot be avoided.

§ 3 INDUSTRIAL PROPERTY RIGHTS; KNOW-HOW

The Purchaser recognizes our know-how as well as our industrial property rights. As far as not stipulated otherwise, we reserve ownership and copyright to reproductions, illustrations, calculations and other documents. As far as it is not expressly agreed otherwise, e.g. in the order, we do not grant to the Purchaser any rights of use to the know-how or industrial property rights created in the course of our Services. Reverse engineering is prohibited. The Purchaser may not use commercially, reproduce or alter the above mentioned items – either the items themselves or their content – or disclose or make

them accessible to third parties. He must treat them confidential, use them solely for the contractual purposes and shall return them to us in full at our request and destroy or erase any copies whether physical or electronic to the extent that he no longer needs them in the proper course of business or in order to comply with statutory archiving requirements. At our request, the Purchaser shall confirm or prove that the above documents, materials or items have been returned and destroyed/erased in full or provide evidence as to which of them it claims to still need and for what reasons.

§ 4 DELIVERY, TIME LIMITS, SCOPE OF SERVICE, DELAY

4.1 A Delivery shall be EX WORKS (INCOTERMS 2020). The place of performance for all Deliveries is our registered office. Unless otherwise agreed, the place of performance for Services is our registered office. At the request of the Purchaser the Deliveries shall be sent to a different destination. If not otherwise agreed, we are entitled to ourselves determine the manner of shipment (in particular transportation companies, shipping route, packaging). 4.2 We will only insure the goods if this is expressly agreed with the customer, and then solely at customer's cost against theft, breakage, transport, fire or water damage or other insurable risks.

4.3 Delivery and service periods are non-binding, unless if their bindingness is expressly agreed.

4.4 We shall not be responsible for delivery delays which arise through the fact that they are not timely or properly delivered by our supplier if we have carefully selected the supplier and have timely placed an order with him such that the timely delivery was to be expected. The same shall apply accordingly in the case of service delays if we have carefully selected the subcontractor and timely engaged him such that timely service was to be expected.

4.5 The compliance with deadlines for our Services requires the timely receipt of all documents to be provided by the Purchaser, the performance of the co-operation services as well as the compliance with the agreed payment terms and other obligations. If these requirements are not timely fulfilled, the delivery deadline for the Services shall be reasonably extended.

4.6 As far as we cannot comply with delivery or service deadlines or dates, we shall inform the Purchaser thereof without delay and at the same time indicate the probable new deadline or new date.

4.7 Any rights which may exist due to delayed Delivery or Services can only be asserted by the Purchaser after issuance of an unsuccessful demand notice setting a reasonable deadline.

4.8 Partial Deliveries and partial Services are permissible in a reasonable scope and can be invoiced as such. We are entitled to make available partial Services for acceptance (hereinafter "partial acceptance"). These include self-contained phases to fulfill the contractually agreed Services and self-contained, functioning parts.

§ 5 PRICES

5.1 As far as not otherwise stipulated, our prices for Deliveries are ex works, including packaging and plus applicable value added tax as well as other taxes, customs duties, levies and charges, unless otherwise agreed. Additional costs such as transport, insurance, freight, special packaging, travel costs and other expenses will be charged separately to the Purchaser. Partial deliveries made at the Purchaser's request may be invoiced separately.

5.2 As far as not otherwise agreed, Services shall be invoiced according to the time spent at our respectively current applicable hourly rates and material costs plus a handling fee of 10 %. Invoices shall be issued on a weekly basis. If fixed price compensation is agreed, we are entitled to reasonable down payments for self-contained portions of the Service or after the end of a project phase (e.g. contract commencement, first partial delivery, making available for acceptance, acceptance).

5.3 If VAT applies, it shall be separately stated in the invoice at the rate applicable at the time of Delivery.

5.4 We are entitled to increase the prices if there are at least four (4) weeks between the conclusion of the contract and the first Delivery or provision of the Service and our costs for the provision of the Service, production (in particular for raw materials), packaging and shipment of the Delivery have increased and we are not responsible for the cost increase. In this case the price increase may not exceed the cost increase. If the costs decrease, we shall reduce the prices accordingly.

§ 6 TERMS OF PAYMENT

6.1 If nothing is agreed otherwise the payment shall occur without deduction in EURO to the account stated in our invoice.

6.2 If the Purchaser does not comply with the agreed payment terms despite a warning notice or if the financial circumstances of the Purchaser deteriorate such that there is a justified doubt as to his ability to pay or creditworthiness, we can make further Deliveries/Services dependent on the Purchaser providing reasonable security. If the Purchaser is not in a position to do so, we are entitled - if appropriate after setting of a deadline - to rescind the agreement. We are not obliged to accept securities or advance payments if there is reason to believe that such payments or securities of the customer can be contested in the event of the Purchaser's insolvency or similar proceedings.

6.3 The Purchaser 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. independence 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 Purchaser asserts its right of retention.

§ 7 PROVIDED INFORMATION, WARRANTY

7.1 The information in our catalogues, brochures, lists of types, data sheets and other advertising documents, in specifications, performance specifications and other technical supply terms, in certificates (e.g. certificate of compliance) and other forms or documents are not guarantees extending beyond the normal warranty.

7.2 As far as information on reliability is provided (useful life, long-term stability, etc.) statistically determined average values are involved. They are made according to best knowledge and belief, but in a particular case values can exceed or fall below them.

7.3 The Purchaser remains exclusively responsible for the suitability of our Deliveries for the respective purpose of use, even if we advise him in this connection. Samples are not determinative for the scope of our warranty.

7.4 As far as not provided otherwise below, the statutory provisions apply for the rights of the Purchaser relating to warranty against physical defects and warranty of title (including incorrect delivery and delivery of insufficient quantity as well as improper assembly or deficient assembly instructions).

7.5 The Purchaser shall after the receipt of the Delivery or Service inspect them or have them inspected as to proper Delivery or Service, completeness and defects.

7.6 The Purchaser loses the right to claim that a defect exists if he does not give notice thereof to the seller within two weeks after the date on which he observed the defect or should have observed it and exactly describes the nature of the non-conformance with the contract. The timely sending of the notice shall be sufficient to comply with the time limit.

7.7 If the Purchaser objects to a defect then he shall either provide to us the alleged defective parts or devices or allow us to inspect such parts at his premises during usual business hours and provide us with the necessary time and opportunity for replacement performance.

7.8 If the delivered item or provided Service is defective, we can initially choose within a reasonable period whether we provide replacement performance through elimination of the defect (improvement) or through delivery of a defect-free good (replacement delivery). After consultation, the Purchaser shall give us the necessary time and opportunity to carry out the repairs and replacement deliveries which we deem necessary at our reasonable discretion. This also includes that the objected Deliveries are made available to us for examination purposes.

7.9 If a third party raises justified claims based on a patent, other industrial property rights or know-how against our Deliveries or Services, the replacement performance shall be made at our election through a workaround solution of equivalent value, through the acquisition of a licence for the relevant objects or the supply of objects free of property rights with a workaround solution of equivalent value.

7.10 After unsuccessful replacement performance the Purchaser reserves the right with respect to the defect elimination to at his option rescind the contract or reduce the agreed compensation. This shall not affect the claim to indemnification of the damage in place of the performance.

§ 8 RETURNS

Exported goods shall only be taken back, provided that the other conditions are met if the following information is indicated to us:

1. Original LRE invoice number
2. Exact value of the goods in EUR for the purpose of customs duties on imports
3. Exact country of origin (Germany, USA, EU)
4. Declaration: "Returned goods for repair/replacement"

§ 9 LIABILITY

9.1 Unless otherwise provided for in these STS (including this § 9), we shall be liable for a breach of contractual and non-contractual obligations as provided for by statute.

9.2 We have unlimited liability - for whatever reason - for compensation for losses based on willful or grossly negligent breach of duty on our part or any of our legal representatives or vicarious agents.

9.3 In the event of a simple or slightly negligent breach of duty on our part or by one of our legal representatives or vicarious agents, we shall be liable only (subject to a more lenient liability standard in accordance with statutory provisions)

- a) - but without limitation - for resultant losses arising from injury to life, limb or health
- b) for losses arising from a breach of material contractual duties. Material contractual duties are those duties that are material to proper performance of the contract and on whose fulfilment the Purchaser generally relies or is entitled to rely. In this case, however, the amount of our liability is limited to losses which are typical of this type of contract and which were foreseeable at the time the contract was concluded.

9.4 The liability limitations arising from paragraph (3) of this section do not apply where we have maliciously failed to disclose a defect or where we have assumed a warranty in respect of the attributes of the Deliveries or a procurement risk. Any mandatory statutory liability, in particular under the Product Liability Act (*Produkthaftungsgesetz*), shall remain unaffected.

9.5 Where our liability is excluded or limited, this also applies to the personal liability of our directors and officers, legal representatives, employees, staff and other vicarious agents.

§10 FORCE MAJEURE

10.1 We are not liable for events of force majeure which render more difficult for us the performance of the contractual services, which temporarily hinder the proper performance of the contract or make it impossible. Force majeure shall be deemed to be all circumstances arising after conclusion of the contract which are not foreseeable and which cannot be influenced by us and the Purchaser, including without limitation catastrophes of nature, epidemics, pandemics, blockades, war and other military conflicts, mobilization, strikes or lock-outs. Force majeure includes, in particular, restrictions in the ability of us or our suppliers to deliver for reasons beyond our responsibility, caused by or in connection with the Corona virus or a comparable epidemic or pandemic, including, for example, border closures, shortage of goods, shortage of personnel, export restrictions, plant closures and business interruptions.

10.2 As far as we are not hindered in the fulfillment of the contractually agreed obligations through force majeure, this shall be deemed not to be a contract violation and the contractually agreed deadlines shall be reasonably extended in accordance with the duration of the hindrance. The same applies as far as certain services are provided by third parties and they make delayed performance due to force majeure. We are also entitled to withdraw from the contract if such events considerably impede or prevent us from deliver the Deliveries or provide the Services and are not only of a temporary nature.

§11 LIMITATION PERIOD

The general limitation period for all claims based on warranties against defects and warranties of title is one year after Delivery and/or completion of Services. As far as acceptance has been stipulated, the limitation period shall begin with the acceptance. However, this shall not apply in the case of intentional or grossly negligent breach of duty (§ 9.2), for damages resulting from injury to life, limb or health (§ 9 (3)a)), in the case of malicious concealment of a defect and/or mandatory statutory liability (§ 9.4 sentence 1, alt. 1 or sentence 2). In the aforementioned cases, the statutory limitation period shall apply.

§ 12 RETENTION OF TITLE

12.1 Up to full payment of all our current and future claims arising from the purchase agreement and an on-going business relationship (secured claims), we reserve the ownership to the sold goods.

12.2 Goods which are subject to the reservation of title may neither be pledged to third parties nor transferred by way of security. The Purchaser shall inform us in writing without delay if and to the extent goods belonging to us are seized by third parties. The goods which are subject to our reservation of title shall be held in trust for us by the Purchaser.

12.3 The Purchaser is authorized to resell and/or adapt the objects which are subject to retention of title in the ordinary course of business.

12.4 In the event of a material breach of contract of the Purchaser, in particular if the Purchaser is in default with payment, we shall be entitled in accordance with the statutory provisions to withdraw from the contract and take back the reserved goods. The costs of such return shall be borne by the Purchaser. After taking back the reserved goods, we are entitled to exploit them; the proceeds of the sale, less reasonable selling costs, shall be set off against the Purchaser's accounts.

12.5 If there are justified doubts as to the ability of the Purchaser to make payment or as to his creditworthiness, we are entitled to prohibit the resale or the processing of the goods which are subject to a reservation of title and to request their return at the expense of the Purchaser.

12.6 Processing and adaptation of the goods which are subject to retention of title shall always occur for us as owners, however without any obligation for us. If the goods processed in this manner are combined by the Purchaser with other works or other services or other goods, we have a right of joint ownership to the new object in the ratio of the invoice value of the goods which are subject to a retention of title to the value of the other goods and the processing value.

12.7 The claims against third parties arising from the resale of the goods are hereby assigned to us by way of security in advance by the Purchaser in full or in the amount of our respective co-ownership share in accordance with the previous paragraph. We accept the assignment. If the Purchaser requests so, we shall release goods subject to retention of title and any items and claims by which they have been replaced to the extent that their estimated value exceeds the amount of the secured claims by more than 50 %. The selection of the items to be released is at our discretion.

12.8 The Purchaser remains authorized to collect payment in addition to ourselves. We agree not to collect the claim as long as the Purchaser complies with his payment obligations towards us, does not default on payment, no application for opening of an insolvency proceeding has been filed and there is otherwise no deficiency in his performance capacity. If this is however the case, we can request that the Purchaser discloses to us the assigned claims and the debtors thereof, provides all information necessary for the collection, provides the relevant documents and gives notice of the assignment to the debtors (third parties).

§ 13 DUTY TO INFORM

In the event that the Purchaser becomes aware of circumstances which indicate that hazards and/or risks emanate from the Deliveries (e.g. problems in application; initiation of official measures), the Purchaser shall provide the relevant information to us at stephan.m@lre.de [e-mail] without delay. If the Purchaser intends to take his own measures with regard to the Deliveries (in particular notifications to authorities), he shall inform us immediately and await our instructions, unless the legal requirements do not permit such waiting. Furthermore, the Purchaser must ensure compliance with his legal obligations when handling medical products.

§ 14 PLACE OF JURISDICTION, APPLICABLE LAW

14.1 The exclusive - and international - place of jurisdiction for all disputes arising directly or indirectly from the contract relationship is Munich (Germany). We are nevertheless entitled to select the place of the company seat of the Purchaser as place of jurisdiction.

14.2 The law of the Federal Republic of Germany shall apply subject to exclusion of UN sale of goods law.

§15 SEVERABILITY

If a contractual provision should be or become invalid it shall be replaced by a valid provision coming as close as possible to its purpose. The above applies accordingly in the case of gaps.