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PHOTRON Deutschland GmbH, Ziegelweg 3, 72764 Reutlingen

General Terms and Conditions of Delivery of PHOTRON Deutschland GmbH domiciled in Reutlingen, GERMANY

Version: December 2020

1. Recitals

1.1. These Standard Terms and Conditions for the Sale of Export Goods of PHOTRON Deutschland GmbH (hereinafter referred to as **PHOTRON GERMANY**) shall apply exclusively, unless modified by express written agreement between the Parties.

1.2. These Terms and Conditions shall apply to quotations, acceptance of quotations, confirmation of orders or the sale of any products.

1.3. Any terms or conditions of the buyer modifying the contract shall not apply; they will only become effective for PHOTRON GERMANY if PHOTRON GERMANY has agreed to these modifications in writing.

1.4. These Terms and Conditions are the basis for all future purchase transactions between the buyer and PHOTRON GERMANY and exclude any other agreements in this respect.

1.5. Any errors in sales brochures, price lists, quotation documents or other documentation of PHOTRON GERMANY caused by mistake may be corrected by PHOTRON GERMANY without it being held liable for damages resulting from such errors.

1.6. These Terms and Conditions of Sales apply only to merchants and entrepreneurs.

2. Ordering and quotation documents

2.1. The quantity, quality, description as well as any specification of the goods shall correspond to those included in the quotation of PHOTRON GERMANY (if accepted by the buyer) or the purchase order of the buyer (if accepted by PHOTRON GERMANY).

All sales documents, specifications and price lists shall be treated as strictly confidential and must not be made available to any third parties.

2.3. The ordering party is responsible for the accuracy of the purchase order. The ordering party is responsible for providing PHOTRON GERMANY with all necessary information regarding the goods being ordered, with that information being final already at the stage of submitting the purchase order.

2.4. If the goods are to be manufactured or otherwise treated or processed by PHOTRON GERMANY and the ordering party has submitted specifications for that, the ordering party shall indemnify and hold PHOTRON GERMANY harmless from any loss, damage, costs or other expenses suffered by PHOTRON GERMANY which PHOTRON GERMANY has to pay or is ready to pay because the treatment or processing of the goods under the contract has been found to infringe a patent, copyright, trademark or other proprietary right of a third party due to the ordering party's specifications.

2.5. PHOTRON GERMANY reserves the right to modify the description of the goods with regard to the specifications in order to take into account legal requirements, provided that

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this modification does not deteriorate the quality or usability of items being ordered under the purchase order.

3. Purchase Price

3.1. The purchase price is the price indicated by PHOTRON GERMANY.

3.2. PHOTRON GERMANY reserves the right, after due notice to the buyer and before delivery of the goods, to increase the price of the goods as necessary due to general external price increases beyond its control (such as exchange rate fluctuations, currency regulations, changes in customs fees, significant increases in costs of materials or manufacturing costs) or due to changes of suppliers, and promises to reduce prices if external costs (such as customs duties) decrease or are no longer payable.

3.3. Unless otherwise stated in the quotation or the sales price lists or unless otherwise agreed in writing between PHOTRON GERMANY and the buyer, all prices indicated by PHOTRON GERMANY are on an "ex works" basis (Incoterms 2020). Where PHOTRON GERMANY is prepared to deliver the goods to other locations, the buyer shall bear the costs of transport, packaging and insurance.

3.4. Prices are net of taxes; any VAT payable is to be paid by the buyer.

4. Payment terms

4.1. Unless otherwise stated in the quotation or the sales price list or unless otherwise agreed in writing between PHOTRON GERMANY and the buyer, the buyer shall pay the purchase price within 30 days after receipt of the invoice.

Payments shall only be made by bank transfer; payments by bill of exchange or cheque shall not be accepted.

4.2. It may be agreed between the Parties that the buyer shall open a documentary letter of credit through his bank (or a [different] bank acceptable to PHOTRON GERMANY). In this individual case, the Parties agree that the letter of credit shall be opened in accordance with the Uniform Customs & Practice for Documentary Credits 600, 2007 Revision, published by ICC.

4.3. If the buyer does not fulfil his payment obligation on the due date, PHOTRON GERMANY may, without waiving any other rights and claims to which it may be entitled, at its discretion:

- terminate the contract or suspend further deliveries to the buyer; or
- charge the buyer interest on the unpaid amount at the rate of 9 percentage points above the base rate, until the final and full payment has been made. The buyer is entitled to evidence that no or only minor damage has been caused by the delay in payment.

5. Supply of goods

5.1. Unless otherwise stated in the quotation or unless otherwise agreed in writing between PHOTRON GERMANY and the buyer, the goods shall be delivered in such a way that the buyer shall accept delivery of the goods at the premises of PHOTRON GERMANY at any time after PHOTRON GERMANY has notified the buyer that the goods are ready for

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collection or, if another place of delivery has been agreed with PHOTRON GERMANY, the goods shall be delivered to that other place of delivery.

52. In the event that a specific delivery date has been agreed in the contract, and PHOTRON GERMANY does not deliver the goods within the agreed (or extended) delivery deadline, the buyer may, after prior written notice, claim a price reduction of 0.5 % per week (up to a maximum of 5 %) of the purchase price, unless it is evident from the circumstances of the case that the buyer has not suffered any prejudice thereby. The limitation shall not apply if a drop dead date for delivery was agreed, if the delay was attributable to intent or gross negligence on the part of the supplier, its representatives or vicarious agents or if the supplier violated any other essential contractual obligation.

5.3. If PHOTRON GERMANY fails to deliver the goods in time, the buyer shall set PHOTRON GERMANY an additional deadline in writing, after the expiry of which the buyer may terminate the contract.

5.4. Instead of the delivery, the buyer may demand damages.

5.5. If the buyer defaults on accepting the goods on the due date, he shall nevertheless be obliged to pay the purchase price. In such cases, PHOTRON GERMANY will store the goods at the risk and expense of the buyer. At the express request of the buyer, PHOTRON GERMANY will insure the goods at the buyer's expense.

5.6. PHOTRON GERMANY shall not be liable for the consequences of delayed delivery if the delay is attributable to circumstances beyond PHOTRON GERMANY's control and which PHOTRON GERMANY could not overcome even by using reasonable efforts, in particular in case of natural disasters, wars, pandemics and similar cases of force majeure, due to government intervention or due to labour disputes. This provision does not affect the buyer's right to terminate the contract.

6. Transfer of risk

6.1. The risk of damage to or loss of the goods shall pass to the buyer as follows:

– if the goods are not delivered at the premises of PHOTRON GERMANY, then the risk passes to the buyer at the time of the handover of the goods or, if the buyer defaults on accepting the goods, then the risk passes to the buyer at the time PHOTRON GERMANY offers to hand over the goods.

– if the goods are delivered at the premises of PHOTRON GERMANY ("ex works Incoterms®2020"), then the risk passes to the buyer at the time when PHOTRON GERMANY informs the buyer that the goods are ready for collection.

7. Retention of title

7.1. Irrespective of the delivery and the passing of risk or any other provision of these Terms and Conditions of Delivery, the title to the goods shall not pass to the buyer until the full purchase price has been paid.

7.2. After withdrawal from the contract, if any, PHOTRON GERMANY shall have the right to demand the return of the goods, to sell them otherwise or to dispose of them in any other way.

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7.3. As long as the goods have not been paid for in full, the buyer shall hold the goods in trust for PHOTRON GERMANY and keep the goods separate from his property and that of third parties and shall properly store, secure and insure the goods subject to retention of title and mark them as the property of PHOTRON GERMANY.

7.4. Until full payment has been made, the buyer may use or resell the goods in the ordinary course of business, but he shall keep any consideration (including any insurance payments) for PHOTRON GERMANY and keep the funds separate from his own assets and those of third parties.

7.5. If the goods have been further processed and such further processing has been carried out also using parts not owned by PHOTRON GERMANY, PHOTRON GERMANY shall acquire corresponding partial ownership. The same shall apply in case of combining goods of PHOTRON GERMANY with those of others.

7.6. In the event that the goods are seized or other interventions are made by third parties, the buyer shall immediately inform PHOTRON GERMANY thereof, so that PHOTRON GERMANY can file a complaint as per Article 771 of the German Code of Civil Procedure (ZPO). In the event that the buyer fails to meet this obligation, he shall be liable for the loss caused.

7.7. At the buyer's request, PHOTRON GERMANY shall release the securities to which it is entitled to the extent to which the realisable value of the securities exceeds the claims to which PHOTRON GERMANY is entitled. PHOTRON GERMANY shall choose at its own discretion which securities to release in such case.

8. Warranty and limitation of liability

8.1. The buyer shall inspect the goods as per Article 377 of the German Commercial Code (HGB) and immediately report any complaints.

8.2. PHOTRON GERMANY warrants, to the extent possible for it as the supplier of the goods, that the goods delivered are free of defects in material and workmanship and that they comply with the agreed specifications.

8.3. PHOTRON GERMANY shall not be held liable for ensuring that the goods are fit for a particular purpose, unless it has expressly agreed to assume such liability in writing.

8.4. PHOTRON GERMANY shall assume liability on the following conditions:

- PHOTRON GERMANY will not be held liable for defects in goods arising from the buyer's description or specification of the goods;
- PHOTRON GERMANY will not be held liable for defective goods if the payable purchase price has not been paid by the due date;
- PHOTRON GERMANY's liability will not extend to parts, materials or other equipment manufactured by or on behalf of the buyer, unless the manufacturer of such parts assumes liability vis-à-vis PHOTRON GERMANY.

8.5. This warranty does not cover product defects resulting from improper installation or use, misuse, negligence or other grounds.

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8.6. PHOTRON GERMANY's release from liability does not apply if a defect arises from intent or gross negligence or if other essential contractual obligations have been violated.

If the violation of the contract is not caused by intentional acts, the liability of PHOTRON GERMANY is limited to typically predictable damage. Liability for culpable injury to life, limb or health and liability under the German Product Liability Act [Produkthaftungsgesetz] remain unaffected.

Unless expressly agreed otherwise above, liability of PHOTRON GERMANY is excluded.

8.6. The buyer shall inspect the purchased item for any defects once delivered and shall immediately notify PHOTRON GERMANY of any defects identified.

8.7. If the purchased item is defective, the buyer may demand, at his discretion, the removal of the defect or the delivery of goods free of defects as the cure of the defect.

In the event of a defect in the purchased item for which PHOTRON GERMANY is responsible and of which PHOTRON GERMANY is informed, PHOTRON GERMANY is entitled to replace the defective item free of charge or to remedy the defect. If PHOTRON GERMANY is not willing or able to remedy the defect or to replace the defective item, the buyer is entitled to choose between rescission of the contract or reduction of the purchase price.

8.8. The aforementioned warranty claims can be asserted within 12 months after the transfer of risk; after that period, all claims are excluded.

9. Miscellaneous

9.1. PHOTRON GERMANY is entitled to modify and improve the goods without having to inform the buyer thereof in advance, as far as the modification or improvement does not permanently affect or deteriorate either the form or the function of the goods.

9.2. These Terms and Conditions supersede and replace all other agreements previously made in writing or orally by the Parties which become ineffective upon signing of these Terms and Conditions.

9.3. Individual goods of PHOTRON GERMANY may be dual-use goods (Council Regulation (EC) No. 428/2009 of 5 May 2009). Dual-use goods are suitable for both civil and military use and may therefore be subject to authorisation should they be exported from the European Union. It is the responsibility of the buyer to apply for and obtain an export authorisation should such goods be exported.

9.4. These Terms and Conditions may not be made available to any third party unless with written consent of the other Parties.

9.5. Each Party shall cover its own costs related to implementing this contract.

10. Choice of law; place of jurisdiction

10.1. This contract shall be governed by German law and both Parties consent to the exclusive jurisdiction of the courts at PHOTRON GERMANY's place of business.

10.2. PHOTRON GERMANY has the right to bring suits also in the court having jurisdiction over the buyer or in any other court which may have jurisdiction over the place of performance of the obligation.

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