

General Terms and Conditions of Purchase

Docter Optics SE (position as per 07/2015)

1. Scope

- 1.1. Unless otherwise agreed upon either in writing or by individual contracts, the legal relations between contractor and Docter Optics SE shall be exclusively subject to the conditions set out hereunder. Contractor's conditions which would be contrary or complementary thereto or deviating therefrom shall be ineffective even when Docter Optics SE, in individual cases, would not expressly object, particularly in cases where goods ordered are accepted without objection.
- 1.2. This also applies to terms and conditions that are specified in this contract or other provisions of the contractor. The receipt of goods/services does not constitute acceptance of conditions of the contractor.

2. Orders

- 2.1. All orders and any changes and additions to the orders must be made in writing or text form.
- 2.2. If the contractor does not confirm the order within two weeks of receipt, Docter Optics SE is entitled to revoke the order for free.

3. Time-limits, consequences of delay

- 3.1. Agreed time-limits for supplies and services shall be binding since they are designed according to the purposes of Docter Optics SE. If delays are expected or occur you shall directly notify Docter Optics SE in writing. Decisive for the compliance of the delivery date or period is the receipt of the goods by Docter Optics SE.
- 3.2. Should the contractor after the delay still fail to deliver or perform within a reasonable time period set by Docter Optics SE, Docter Optics SE is entitled, without prior notice, to refuse acceptance, rescind the contract or demand compensation for non-performance. After expiry of such time period, the contractor's right to perform and the Docter Optics SE obligation to accept performance shall be excluded with expiration of the grace period.
- 3.3. In the case of contractor's default, Docter Optics SE shall be entitled to claim per day a contractual penalty amounting to 0.2% of the value of the delayed supply/service, the maximum however being 5% of the order's value. The contractual penalty shall be counted against the total amount claimed for damage caused by the delay.

4. Prices

- 4.1. Prices shall be fixed prices. They shall include all expenses in connection with the goods and services provided by you.
- 4.2. Demands for higher or lower quantities, whenever occurring, as well as supplies of small consignments shall be subject to the same prices, discounts and terms.
- 4.3. Prices shall be free on place of dispatch, including proper commercial packaging, however without including turnover tax, which shall be reimbursed at the applicable legal rate.

5. Execution, delivery

- 5.1. The contractor may only give out sub-contracts subject to prior written consent by Docter Optics SE unless merely supplies of merchantable parts are involved. Call-forward notices for supplies shall be binding with regard to the type and the quantity as well as the time of delivery of the ordered goods. Partial supplies shall require consent by Docter Optics SE.
- 5.2. Each delivery shall be accompanied by a delivery note indicating the order number of Docter Optics SE as well as specifying the kind and quantity of articles.
- 5.3. In the case of appliances, a delivery shall be accompanied by technical specifications and instructions for use. With regard to software products, an obligation for delivery shall only be deemed fulfilled if and when the complete set of documentation (system specifications and technical user instructions) was actually handed over. In the case of programs specifically developed for Docter Optics SE, also the landscape has to be handed over.

6. Invoices, payments

- 6.1. Any invoice shall be submitted to Docter Optics SE in duplicate and separately from the delivery, the text thereof being identical with the terminology Docter Optics SE of orders and containing the order ID. Invoices shall also specify the exact designation of the ordering department as well as the ordering date. Any invoice, not containing the complete set of these data shall be returned and treated as not received, and therefore shall not establish a due date for Docter Optics SE.
- 6.2. The period of payment shall be 30 days with a 3 per cent discount, or up to 90 days at net prices. The time limit for payment of an invoice starts on the working day following receipt of a duly prepared and verifiable invoice (date of receipt stamp of Docter Optics SE) or following the taking of the delivery or service, whatever date comes later.
- 6.3. Payments shall not constitute acceptance of a being in conformity with a contract.

7. Legal provisions

- 7.1. With regard to all supplies and services, the provisions of the Decree on dangerous Substances as well as the safety recommendations of the competent German expert bodies or associations are to be observed specifically. Pertinent attestations, testing certificates and supporting documents shall be enclosed free of charge.
- 7.2. In the case of supplies or deliveries and the performance with regulations contractor shall be solely responsible for compliance with regulations concerning industrial safety. Protective devices required thereunder as well as instruction by a manufacturer, if any, shall be enclosed free of charge.

8. Import and export provisions, customs

- 8.1. For goods and services from a country (other than Germany) that is within the EU, the EU value added tax identification number shall be quoted by the contractor.
- 8.2. Imported goods shall be delivered duty paid. The contractor shall be obliged to provide at its own expense the required declarations and information under Regulation (EC) No. 1207 / 2001, allow reviews to be performed by customs officials and furnish the requisite official letters of confirmation.
- 8.3. The contractor shall be obliged to inform Docter Optics SE in writing and detail about any (re-) export license obligations pursuant to German, EU and US export and customs regulations as well as export and customs regulations of the country of origin of the goods and services.

- 8.4. The home country's customs tariffs numbers are to be stated for all supplied goods. For goods listed according to Regulation (EC) No 1857/2006 (Dual Use Regulation), the export list number and, in case the goods are subject to U.S. re-export regulations, the ECCN is to be stated. Separate suppliers' declarations are to be declared upon request by the Docter Optics SE for products under the Regulation (EC), indicating the country of origin and the custom tariff number. In case long-term suppliers' declarations are used, Docter Optics SE has to be informed about changes of statements given therein without delay and a new long-term suppliers' declaration has to be sent to Docter Optics SE.

- 8.5. The data mentioned before has to be communicated directly to the customs department of Docter Optics SE.

- 8.6. All adverse consequences due to an incomplete or a non-communication are to be borne by the contractor.

9. Passage of risk, taking delivery, property rights

- 9.1. Independently of a price setting agreed upon, the risk in the case of a delivery without mounting or assembly work shall pass to Docter Optics SE upon receipt at the delivery address given by Docter Optics SE, while in the case of delivery including mounting or assembly it shall pass to Docter Optics SE upon successful performance to be documented through a protocol of acceptance. The mere act of commissioning or use on the part of Docter Optics SE shall on no account be a substitute for formal acceptance.

- 9.2. If goods are delivered with reservation of title, Docter Optics SE shall be entitled to sell such goods in the framework of regular business operations. Docter Optics SE shall acquire ownership, at the latest, with full payment of agreed consideration.

10. Duty of inspection and complaint, inspection expenses

- 10.1. Supplies or services having evident defects shall immediately be notified by Docter Optics SE to the contractor as soon as they are detected under the conditions of regular business operations. With regard to defects notified by Docter Optics SE within two weeks after receipt of goods, the contractor shall waive an objection for delay in giving notice of defects. In case of defects arising from improper packaging, liability shall exclusively be taken by the contractor.

- 10.2. Incoming goods shall be checked by sampling. If in the course of such sampling Docter Optics SE should detect deviations from agreed quality or tolerance limits or deviations from the quality management systems under ISO 9000, UDA 6.1, OS 9000 or comparable certifications guiding the contractor's work, Docter Optics SE shall be entitled to bring warranty claims for defects regarding the entire delivery.

- 10.3. If defective goods are returned to the contractor by Docter Optics SE the lower shall have the right to invoice the contractor apart from dispatch costs with lump-sum expenditures worth 5 per cent of the price of the defective article, the maximum amount not exceeding € 500.00 for each case of goods returned. Docter Optics SE expressly reserves to right to furnish proof in case of higher expenditures. The contractor shall have the right to proof that the expenses of Docter Optics SE were lower.

11. Warranty of defects of quality and title

- 11.1. Defective deliveries shall be replaced without delay by a delivery free of defects or defective services shall be repeated free of defects (subsequent performance). In case of replacement or repetition, subsequent performance shall be deemed to have failed (§§ 440, 636 of German Civil Code) if the redhibitory defect should not have been remedied even after the second attempt at subsequent performance. If there are defects regarding development or designing work, subsequent performance shall be deemed unreasonable (§ 440 of German Civil Code) entitling Docter Optics SE to immediately invoke the rights set out under subs.
- 11.2. During the time, when the subject of a delivery or service is not in the custody of Docter Optics SE, the obtaining risks shall be borne by the contractor.
- 11.3. In urgent cases, particularly when operational safety should be endangered or if damage of exceptional dimensions is to be averted or in cases where minor defects are to be removed, Docter Optics SE shall have the right to redress such defect and any damage ensuing therefrom on its own and at the expense of the contractor or to assign such work to a third party. This shall also apply to any other case in so far as a reasonable time limit set by Docter Optics SE for subsequent performance would have expired. Furthermore, this provision shall also be applicable if the contractor's delivery or service should be delayed thus prompting Docter Optics SE to remove the defect immediately in order to avert a delay in its own deliveries.
- 11.4. In so far as Docter Optics SE would not choose to remedy a defect itself, it shall be entitled - after expiry of a reasonable time limit which it may set for subsequent performance - to opt either for withdrawal from a relevant contract or for reducing the contractual amount (reduction in price). Apart from these two options, Docter Optics SE still reserves the right to claim damages.
- 11.5. Delivered goods shall have to be free of third-party rights. As far as the delivery of data processing programs is concerned, the contractor shall ensure, and be liable for it, that the latter is in possession of all requisite rights, particularly property rights, for passing on such programs to third parties.
- 11.6. Unless otherwise agreed in individual contracts, the warranty period for defects shall be 24 months as from the time of passing of risks pursuant to subs. 9.1 The running of the warranty period shall be suspended during the time starting with dispatch of the notice of defect by Docter Optics SE and ending with Docter Optics SE receiving the contractor's rejection of its warranty claims. For part of a delivery or service, where a defect was redressed or where a replacement was made, or for a repeated delivery or service the time limit described under sent. 1 shall start again upon receipt of the delivery of faultless goods or services.
- 11.7. In other respects, any legal claims or rights to which Docter Optics SE is entitled as the party ordering shall remain unaffected.
- 11.8. The contractor shall guarantee vis-à-vis Docter Optics SE that the former's supplies and services are corresponding to the state-of-the-art in safety technology prevalent in the European Union. If a court or an authority should rule, rejudge, vis-à-vis Docter Optics SE or third parties that the deliveries or services in question were not in line with these requirements this ruling shall also be applicable to the contractor. The contractor shall exempt Docter Optics SE from third-party claims that are based thereupon. The contractor shall exempt Docter Optics SE from manufacturer's liability even if, and to the extent that, the latter is responsible for a defect entailing the ability.
- 11.9. The contractor shall assure that the goods delivered to Docter Optics SE as well as their packaging are free from harmful substances pursuant to the actually valid texts of
- the decree on the prohibition of dangerous chemical substances
 - the decree on consumer goods
 - the decree on the prohibition of CFC and halon.
- 11.10. If the maximum quantities specified therein are not observed in connection with goods delivered to Docter Optics SE and/or in their packaging, Docter Optics SE shall be entitled to demand imperatively that data be provided on the relevant quantities actually contained in such goods or packaging.

12. Repeated default

If, after receipt of a warning letter, you are again late in supplying essentially identical or similar goods or services, or such goods or services are again defective, we shall immediately be entitled to rescind the contract. In this case we shall be entitled to rescind contracts with regards to future delivery of goods and services on basis of this or another contractual relationship, too.

13. Indemnification in the event of defects

The contractor shall release Docter Optics SE from each and every claim made against the latter by third parties – irrespective of the underlying legal reason – because of a redhibitory defect or legal deficiency or any other defect in a product delivered by the contractor and shall reimburse Docter Optics SE for the expenses necessarily arising in connection with legal action caused by such claim.

14. Technical documentation, tools, means of production

- 14.1. Any technical documentation, tools, drawings, company standard specification sheets etc. devised by Docter Optics SE shall constitute items of intellectual property and shall be subject of the property rights held by Docter Optics SE. To the extent necessary for execution of an order, Docter Optics SE shall vest the contractor with a right of utilization, for a limited period of time and not exclusive, with regard to the above-mentioned property right. That right of utilization shall expire as soon as an order will have been executed. Any technical documentation, tools, company standard specification sheets, manufacturing equipment and other items shall remain the exclusive property of Docter Optics SE; any property rights shall also remain with Docter Optics SE. The above-mentioned items shall be returned unsolicited to Docter Optics SE together with all duplicates, if any, immediately after execution of an order; in so far the, contractor shall not be entitled to claim a right of retention vis-à-vis Docter Optics SE. The contractor shall only be allowed to use the items mentioned above solely for execution of an order and shall be bound neither to leave these items to unauthorized third parties nor to make them otherwise available to such parties. Any copying or duplication of the above-mentioned items shall only be permitted to the extent to which this will be essential for executing an order by Docter Optics SE.
- 14.2. If the contractor manufactures the items mentioned under subs. 14.1 partly or entirely at the cost of Docter Optics SE, subs. 14.1 shall be applicable accordingly. In such case, Docter Optics SE shall share in manufacturing costs and, in return, shall acquire co-ownership rights regarding the items. The contractor shall keep these items free of charge for Docter Optics SE. However, Docter Optics SE shall have the right to acquire, at any time, the rights with regard to a specific item while compensating for expenses that would not have been amortized yet and to demand from the contractor that the item in question be surrendered.

15. Provision of materials

- 15.1. Any materials provided by Docter Optics SE shall remain the property of the latter, to be kept by the contractor free of charge and with the diligence of a prudent businessman separately from any other item of the contractor and to be marked as property of Docter Optics SE. Such materials may only be used for execution of an order placed by Docter Optics SE.
- 15.2. If the contractor processes or transforms materials provided by Docter Optics SE, such processing or transformation shall be exclusively made for Docter Optics SE. Docter Optics SE shall directly become owner of the new physical good created thereby. If the materials provided would only constitute part of the new physical good, Docter Optics SE shall acquire co-ownership rights regarding the new good proportionate to the value of the materials provided by Docter Optics SE.

16. Confidentiality

- 16.1. The contractor shall be bound to keep any information or knowledge which it may obtain in connection with submission of an offer or bid or with placing of an order by Docter Optics SE as confidential as a business secret and not to disclose such information or knowledge to third parties, unless the contractor proves to Docter Optics SE that this information was already known to the contractor at the time when the offer or bid was submitted or subsequently made available to the latter by an authorized third party not bound by secrecy, or that the information in question had been or subsequently was made available to the general public through no fault of the contractor and without giving rise to any kind of responsibility for it on the part of the latter.
- 16.2. The production for third parties, the display of products specifically made for Docter Optics SE - particularly such products based on Docter Optics SE drawings or specifications - publications on the subject of deliveries and services ordered by Docter Optics SE as well as any mentioning of an order placed by Docter Optics SE vis-à-vis third parties shall require the prior written consent on the part of Docter Optics SE.

17. Miscellaneous

- 17.1. The place of performance shall be the delivery address given in a relevant order, in other respects it shall be: 07806 Neustadt an der Orla.
- 17.2. The venue shall be the court competent for the head office of Docter Optics SE. However, Docter Optics SE shall have the right to bring an action at the contractor's head office.
- 17.3. The laws of the Federal Republic of Germany shall exclusively be applicable, excluding the provisions of the UN Sales Convention (United Nations Convention on Contracts for the International Sale of Goods - CISG).
- 17.4. If individual provisions of this instrument should be or become inoperative, this shall not affect in other respects the effectiveness of the present terms of purchase.

Neustadt an der Orla, July 2015