

# Terms and conditions of supply spare parts

## 1 Scope of Terms and Conditions, Exclusion of Conflicting Terms and Conditions

- 1.1 These Terms and conditions for supply of spare Parts and other components (hereinafter referred to as "SparePartTC") shall apply to all existing and future legal relationships between Mikron GmbH Rottweil (hereinafter referred to as "MIKRON") and the Customer (as defined in Sec.1.2 below), including any contracts, offers, order acknowledgment, order acceptances of sale, deliveries and any other services and performances, relating to the supply of standardized and customized spare parts for the Plant and any other components provided by MIKRON including – for the avoidance of doubt - MIKRON's service centres (hereinafter together referred to as "Spare Parts").
- 1.2 These Spare PartTC shall only apply to legal relationships with entrepreneurs according to Section 14 German Civil Code in the course of business, legal entities under public law or special assets under public law (hereinafter referred to as the "Customer").
- 1.3 These SparePartTC are also available on the website of MIKRON Group under <http://www.mikron.com/terms-and-conditions/>.
- 1.4 These SparePartTC shall apply exclusively, save as varied by explicit individual agreement accepted in writing by MIKRON and the Customer (hereinafter together referred to as the "Parties" and each individually a "Party").

Any general terms and conditions which deviate from, contradict or supplement these SparePartTC, in particular any Customer's terms and conditions of purchase, are objected to and will not be binding upon MIKRON, unless and insofar as their validity is explicitly agreed and confirmed by MIKRON in writing (if so, their validity is accepted for the current legal relationship or contract only); this requirement of confirmation by MIKRON applies in any case, even if MIKRON delivers supplies without reservation while being aware of any deviating, contradicting or supplementing general terms and conditions of the Customer.

- 1.5 Written form within the meaning of these SparePartTC shall also include text form (f.ex. telefax, E-Mail). This shall especially apply to legally relevant declarations and notifications of the Customer with regard to the Contract (f.ex. setting a deadline, notification of defects, withdrawal or reduction) for which text form shall be sufficient. Statutory provisions on form and further evidence, in particular in case of doubts concerning the legitimacy of the declaring person, remain unaffected.

## 2 Conclusion of Contract

- 2.1 All agreements and relevant declarations of the Parties, as well as any modifications thereof, must be in writing to be valid and binding upon MIKRON (hereinafter the "Contract").
- 2.2 Any offers of MIKRON are free of charge and non-binding, unless indicated therein or agreed upon otherwise in writing.
- 2.3 Unless agreed upon otherwise in writing, any conclusion of a Contract is subject to the condition of correct and timely self-supply by the suppliers of MIKRON. MIKRON is entitled to withdraw from the Contract in case of non-available self-supply provided that, in case that

Customer is not a merchant, MIKRON entered into a congruent supply agreement with such supplier. MIKRON shall immediately inform the Customer of the non-availability of any goods and services and, in case that MIKRON would like to withdraw from the Contract, declare the withdrawal from the Contract. Any goods and services already rendered as well as any compensation already received shall be immediately refunded.

## 3 Foreign trade law, Export control

- 3.1 The Customer recognizes that the delivery of the Spare Parts or Spare Parts items may be subject to foreign trade law (especially export control and/or customs regulations) imposed by the country of origin and/or European Union, including any official licensing requirements, and that an end-use certificate may be necessary.
- 3.2 The Customer shall support MIKRON to obtain all information and documents necessary to abide by such applicable foreign trade law or all information requested by authorities in that regard. Such obligation may especially include information on the end customer/user, the destination and the intended use of the Plant or Plant items, including any required end-use certificate in the requested form.
- 3.3 In case of delays with the fulfillment of the Parties' obligations under the Contract caused by licensing requirements, confirmation requirements or similar requirements or procedures of the foreign trade law imposed by the country of origin, the time of performance for such obligations, specifically the delivery milestone date, is extended accordingly. Claims for damages by a Party based on such delays are excluded insofar as the delay has not been negligently caused by the other Party.
- 3.4 If applicable foreign trade law imposed by the local authorities necessitates a license or a confirmation by authorities due to the Parties' obligations under the Contract for an act by a Party and such license/ confirmation is (i) denied or (ii) not issued by the competent authority within a period of 6 months after the application, each Party may declare the withdrawal of the Contract insofar as the act requires a license/ confirmation. However, a Party is not entitled to such right if such Party is to be held solely or predominantly responsible for the circumstances leading to the denial or delay.
- 3.5 In the event of withdrawal, irrespective of the responsibility as mentioned above, MIKRON shall be entitled to withhold the advance payment made by the Customer and to be paid by the Customer in full for work already done until date of withdrawal.

## 4 Delivery items, change requests

- 4.1 MIKRON shall be bound to supply Spare Parts only in accordance with the Contract including this SparePartTC.
- 4.2 Any requests by the Customer for changes of and/or additions relating to the ordered Spare Parts and their specifications subsequent to the conclusion of the Contract ("Change Requests") must be submitted to MIKRON in

writing. MIKRON reserves the right to either accept or turn down the Customer's requests after checking out the feasibility of such changes and/or additions. If the Change Request is accepted by MIKRON in writing, MIKRON and the Customer shall – prior to beginning its implementation- agree in writing on any consequences on the delivery deadline and on the costs.

The costs and charges required in order to implement such Change Requests shall be borne solely by the Customer and billed on the basis of MIKRON's rates as they apply from time to time.

## 5 Safety regulations

- 5.1 MIKRON's Spare Parts comply with applicable regulations in force in the country of origin and in the European Union. In the event of special (spare) parts and/ or supplies outside of the EU, the Customer shall inform MIKRON about any deviating standards and regulations of its country in writing at the latest until the time when the order is placed by the Customer or when the Contract is entered into, depending on which event occurs first. MIKRON will make the necessary changes within a commensurate time at the Customer's cost and risk, provided that the operational safety is preserved.
- 5.2 If the Customer fails to inform MIKRON of deviating rules and regulations in force or of the necessity to supply special (spare) parts or gives false information, the Customer must bear the costs of any adaptations, subsequent supplies or other corrective action that MIKRON may have to provide for.

## 6 Price of Spare Parts

- 6.1 Unless otherwise agreed, the price of the Spare Parts shall be MIKRON's quoted price or, where no price has been quoted, the price listed in MIKRON's price list or rates applicable at the time of entering into the Contract.
- 6.2 Unless agreed upon otherwise in writing, all prices shall be on the basis "Ex Works" MIKRON (Incoterms 2020) and are without costs for packing, assembly or installation or any other expenses of any kind.

All prices are net prices excluding any applicable value added tax which the Customer shall be additionally liable to pay to MIKRON.

The Customer shall be additionally liable to pay MIKRON's charges for packaging as well as any costs and expenses for transport, insurance, customs duties or taxes. The Customer must fully reimburse any advance payments made by MIKRON to this regard.

Furthermore, the Customer shall pay any additional costs and expenses such as any costs for bank or payment transactions, bank guarantees, money collection, collection of documents, bill stamps or postal charges.

- 6.3 Unless a fixed price is agreed upon, MIKRON reserves the right, by giving notice to the Customer at any time before delivery, to increase the price of the Spare Parts to reflect an increase in the costs to MIKRON which is due to any factor beyond the control of MIKRON (such as a significant increase of the costs of material or other costs of manufacture including energy, alteration of customs duties, currency

regulation or foreign exchange fluctuation) or any change in delivery dates.

## 7 Terms of Payment

7.1 Unless otherwise agreed in writing, invoicing of the price shall be made by MIKRON before shipment of the Spare Parts. Unless agreed otherwise in writing, MIKRON's invoices are due for payment within ten (10) calendar days upon receipt by Customer without any deduction.

Unless otherwise agreed, MIKRON is entitled to request an advance payment for the full or a partial amount of the price.

7.2 If it has been agreed in writing that the price is to be paid in instalments and if the Customer fails to pay any instalments of the price within the due dates, the remaining instalments will become due immediately.

7.3 Any payments shall be effected by bank transfer only; no cheque or bill of exchange will be considered as fulfilment of the payment obligation.

7.4 All payments by Customer shall be made exclusively in the EURO currency. Any exchange rate risks shall be borne by the Customer.

7.5 If any indications of a substantial deterioration of the Customer's economic situation occur, MIKRON may request that the Customer delivers a letter of credit issued by its bank (or any bank acceptable to MIKRON) or may withdraw from the Contract.

7.6 If the Customer fails to make any payment on the due date, then, without prejudice to any other right or remedy available to MIKRON, MIKRON shall at its discretion be entitled to

- cancel the Contract in accordance with legal requirements; or
- suspend or delay until payment in full any further work or deliveries to the Customer; and/or
- charge the Customer interest on the amount unpaid, at the rate of 8 per cent per annum above the base interest rate from then being valid, until payment in full is made. The Customer shall be entitled to prove that the delay of payment caused no or smaller damage only.

7.7 The Customer may only retain any payments or offset receivables due to MIKRON with counter claims only if such counter claims are undisputed or have been established in law in a binding and unappealable manner or are recognized by MIKRON in writing.

## 8 Delivery, Term of Delivery, Force Majeure

8.1 The term of delivery shall be deemed to be observed if, when it expires, notification has been given by MIKRON to the Customer that the Spare Parts are held available for the Customer for shipment "Free Carrier" MIKRON (FCA, Incoterms 2020) or, if some other place for delivery has been agreed in writing, for delivering the Spare Parts by MIKRON to that place or holding the Spare Parts available for collection by the Customer at that place.

8.2 The term of delivery shall be set forth in the Contract unless agreed upon otherwise. The term of delivery shall begin at the earliest on the date of conclusion of Contract, however not before all commercial, administrative and technical aspects having been defined and agreed upon by the Parties and the Customer

having complied with all obligations due at this time under the Contract, in particular the complete receipt by MIKRON from the Customer of (i) all information and documents necessary for the performance of the Contract (e.g. technical specifications, drawings), (ii) all required official documents such as approvals, authorizations and clearances, (iii) any necessary raw materials or other materials and (iv) any agreed advance or instalment payment or payment guarantee consistent with the Contract.

The observation of the delivery time is subject to the condition of correct and timely self-supply provided that, in case that Customer is not a merchant, MIKRON entered into a congruent supply agreement with such supplier.

8.3 Deliveries before the delivery date and partial deliveries are permitted to a reasonable extent.

8.4 Where delivery of Spare Parts is to be made by MIKRON in bulk, MIKRON reserves the right to deliver up to 3% more or 3% less than the quantity ordered without any adjustment in the price, and the quantity so delivered shall be deemed to be in the quantity ordered.

8.5 If either Party is prevented from, or delayed in, performing any duty under the Contract by any event beyond its reasonable control, then this event shall be deemed Force Majeure, and this Party shall not be considered in default and no remedy, be it under the Contract or otherwise, shall be available to the other Party. Force Majeure events include, but are not limited to, war (whether war is declared or not), riots, insurrections, piracy, acts of sabotage or similar occurrences, terrorism or justified fear of terrorism; strikes, lock-out or other labour unrest, newly introduced laws or government regulations or measures, statutory or official orders and constraints, bans on import, export or transit, delay due to action or inaction on the part of any government or government agency, fire, explosion or other unavoidable or unforeseen and extraordinary accidents, flood, storm, earthquake or other natural disasters, and epidemics.

If either Party is prevented from, or delayed in, performing any duty under this Contract, then this Party shall immediately notify the other Party of the event, of the duty affected and of the expected duration of the event. In such case, the term of delivery shall be extended by such time period in which the event of Force Majeure prevents or delays performance of any duty under the Contract. If any Force Majeure event prevents or delays the performance of any duty for more than sixty days, then either Party may on due notification to the other Party terminate the Contract unless an appropriate adaptation of the Contract was agreed upon in writing. If MIKRON has already performed in part or if partial performance of the Contract is possible, the Customer may only withdraw from the entire contract if the Customer can evidence that it has no interest in partial performance.

8.6 In the event of late delivery, the Customer shall have no entitlement to compensation or to terminate the Contract.

If the Customer can prove that it has suffered a loss as a result of the delay of MIKRON, the Customer shall be entitled to demand payment of liquidated damages for delay with exclusion of any other claim or damages. Such liquidated damages shall amount to 0.25% of the installation price for every full week of the delay, but not more than 5% in the aggregate amount, for delayed performance which shall be

calculated on the basis of the price of the relevant Spare Part which cannot be delivered in time. The first four (4) weeks of delay shall not, however, give any entitlement to such liquidated damages. The Customer shall forfeit these liquidated damages if not claimed in writing within two (2) weeks from the effective date of delivery.

Further claims arising from delay are determined exclusively according to sec. 12 herein.

8.7 If the Customer fails to accept delivery on due date, the Customer shall nevertheless make any payment conditional on delivery as if the Spare Parts had been delivered. MIKRON shall arrange for storage of the Spare Parts at the risk and cost of the Customer. If required by the Customer, MIKRON shall insure the Spare Parts at the cost of the Customer

## 9 Transfer of Risk

9.1 Risk of damage to or loss of the Spare Parts shall pass to the Customer in accordance with the clause "Free Carrier" MIKRON (FCA, Incoterms 2020) at the time of handing over the Spare Parts to the first carrier.

9.2 If some place for delivery other than "Free Carrier" MIKRON (FCA, Incoterms 2020) has been agreed in writing, the risk of damage to or loss of the Spare Parts shall pass to the Customer as follows:

- in the case of Spare Parts to be delivered otherwise than at MIKRON's premises, at the time of delivery or, if the Customer wrongfully fails to accept delivery, at the time when MIKRON has tendered delivery of the Spare Parts;
- in the case of Spare Parts to be delivered at MIKRON's premises ("ex works", Incoterms 2020) at that time when MIKRON notifies the Customer that the Spare Parts are available for collection.

## 10 Retention of title

10.1 Notwithstanding the delivery and the passing of risk in the Spare Parts, or any other provision of these SparePartTC, the property in the Spare Parts shall not pass to Customer until MIKRON has received payment in full of the price of the Spare Parts. By entering into the Contract, the Customer authorizes MIKRON to enter or notify the retention of title in the required form in public registers, books or similar records in accordance with any relevant national laws and to fulfil all corresponding formalities at Customer's costs.

10.2 After termination of or withdrawal from the Contract, MIKRON shall have absolute authority to retake, sell or deal with otherwise or dispose of all or any part of the Spare Parts.

10.3 Until such time as the property in the Spare Parts passes to Customer, the Customer shall hold the Spare Parts as MIKRON's fiduciary agent, shall hold the Spare Parts separate from its property and the property of third parties and shall keep the Spare Parts properly stored, protected, handled with care and insured as well as mark them as property of MIKRON.

10.4 Until such time as the property in the Spare Parts passes to the Customer, the Customer shall be entitled to use or resell the Spare Parts in the ordinary course of its business subject to extended retention of title. The Customer shall account to MIKRON for the proceeds of sale or otherwise of the Spare Parts including insurance

proceeds, and shall keep all such proceeds separate from any moneys or properties of the Customer or of third parties, and shall surrender such proceeds to MIKRON in the amount of the price of the Spare Parts.

10.5 If the Spare Parts are processed or reshaped by the Customer and if processing is done with goods that MIKRON has no property in, MIKRON shall become co-owner of the processed or reshaped product, thereby taking the value of the Spare Parts in proportion to the value of the processed or reshaped product into account. The same shall apply if MIKRON's Spare Parts are completely reshaped and mixed with goods of others.

10.6 If third parties take up steps to pledge or otherwise dispose of the Spare Parts, the Customer shall immediately notify MIKRON in order to enable MIKRON to seek legal defence such as a court injunction in accordance with § 771 of the German Code of Civil Procedure (ZPO). If the Customer fails to do so in due time, the Customer will be held liable for any damages caused.

10.7 MIKRON shall on demand of the Customer release any part of the collateral if the value of the collateral held in favour of MIKRON exceeds the value of the claims being secured. It is to MIKRON's decision to release those parts of the collateral suitable for MIKRON.

## 11 Warranties and Exclusion Clauses

11.1 Subject to sec. 11.4 herein, warranty claims shall be time-barred after twelve (12) months or 2500 hours of operation unless a longer warranty period applies by mandatory law. The warranty period shall begin on the day after the date of handing over of the Spare Parts by MIKRON to the first carrier or, if delivery has been agreed in writing to occur otherwise, on the day after the date of such delivery.

11.2 The Customer shall examine the Spare Parts as required by German Law (§ 377 German Commercial Code – HGB). The Customer and he shall immediately notify in writing to MIKRON any defects detected or discovered, including any defects in quality or condition of the Spare Parts, deviations in quantity and false deliveries or its failure to correspond with specifications.

11.3 MIKRON warrants that the Spare Parts delivered under the Contract will be free from defects in material and workmanship, conform to applicable specifications, and, to the extent that detailed designs have not been furnished by the Customer, will be free from design defects.

Unless agreed upon otherwise in writing, claims based on defects are excluded in the event of minor deviations from the agreed or usual characteristics or utility, e.g. minor deviations in colour, seizures and/or quality or performance characteristics.

MIKRON does not warrant the fitness of the Spare Parts for a specific purpose or a particular performance unless otherwise agreed in writing between MIKRON and the Customer.

11.4 The warranty set forth under sec.11.3 above is given by MIKRON subject to the following conditions:

(i) MIKRON shall not be liable in respect of any defect, lack of quality inefficiency or shortcoming of the Spare Parts arising from any design, specification (e.g. drawings, samples or other instructions),

material, semi-processed and/or accessory elements or instruments supplied and requested by Customer;

(ii) MIKRON shall not be liable if any price for the Spare Parts has not been paid by the due date for the payment;

(iii) the warranty becomes void and does not extend to parts, materials or equipment manufactured by the Customer or by third parties on behalf of the Customer unless and only to the extent (e.g. limits and timeframe, warranty terms) such warranty is given and assigned by the manufacturer to MIKRON;

(iv) the warranty becomes void and does not extend to supplies and services from any third parties, unless and only to the extent (e.g. limits and timeframe, warranty terms) such warranty is given and assigned by the third party to MIKRON;

11.5 The warranty set forth under sec. 11.3 above does not cover defects in or damage to the Spare Parts which are due to (i) fair wear and tear, (ii) incorrect installation or start-up by the Customer or a third party not authorized by MIKRON, (iii) mishandling, improper, incorrect or careless use, or misuse by the Customer or a third party, (iv) failure to comply with the instructions for use and safety rules, (v) lack of regular maintenance, careless treatment or neglect, (vi) mechanical, chemical, electronic, electric or comparable influences which do not correspond to the average standard influences, (vii) or any cause other than ordinary commercial application.

11.6 Where any valid claim in respect of any Spare Parts which is based on any defect in the quality or condition of the Spare Parts or their failure to meet specifications is notified to MIKRON in accordance with the provision set forth herein, the Customer is entitled to supplementary performance in the form of replacement or repair.

MIKRON shall, at its discretion and without undue delay, repair or replace the defective Spare Part at his own risk and cost. Replaced Spare Parts shall become or, as the case may be, remain the property of MIKRON and shall be handed over to MIKRON at its costs upon its request.

If MIKRON is neither ready nor able to either repair or replace the Spare Parts, the Customer shall be entitled at the Customer's sole discretion to claim for a reduction of price or the cancellation of the Contract.

11.7 The specific contract named 'Warranty extension to 24 months' does not entitle claims for defect in relation to parts subject to normal wear and tear such as, but not limited to, cam followers, belts, clamping jaws as well as collets, etc.

11.8 Spindles' right to claim defects is twelve (12) months or 2500 working hours, beginning from the date of shipment of the machine supplied by MIKRON or from the date of purchase of a new spindle.

11.9 Unless otherwise agreed, for the groups overhauled by MIKRON at his site or at the client, the customer's right to claim defect is six (6) months starting from the completion date of the overhauling or at the latest, from the date of shipment by MIKRON.

11.10 Further claims, in particular claims for reimbursement of expenses and claims for

damages, are excluded unless provided otherwise in sec. 12 herein.

## 12 Liability

12.1 Unless provided otherwise by mandatory law, MIKRON shall be liable only in accordance with the provisions set out in this section 12; any more extensive liability of MIKRON is excluded on the merits.

12.2 MIKRON shall be unrestricted liable for death, personal injury or damage to health caused by the intent or negligence of MIKRON, its legal representatives or assistants in performance.

12.3 MIKRON shall be liable in accordance with the German Product Liability Act in the event of product liability.

12.4 MIKRON shall be liable for breach of a guarantee given to Customer or in case of defects that MIKRON has kept maliciously silent.

12.5 MIKRON shall be unrestricted liable for losses caused intentionally or with gross negligence by MIKRON, its legal representatives or executives and other assistants in performance.

12.6 MIKRON shall be liable for losses caused by the breach of its primary obligations by MIKRON, its legal representatives or assistants in performance. Primary obligations are such basic duties which form the essence of the Contract, which were decisive for the conclusion of the Contract and on the performance of which the Customer may rely.

If MIKRON breaches its primary obligations through simple negligence, then its ensuing liability shall be limited to the loss which was reasonably foreseeable by MIKRON and typical for this kind of Contract at the time of performance. As far as legally permitted, the reasonably foreseeable loss and loss which is typical for this kind of Contract shall be the 10% (ten percent) of the contract value i.e the 10% (ten percent) price for the relevant Spare Parts.

12.7 MIKRON is not liable to the Customer or any third party for any indirect or consequential damages such as but not limited to the loss of productions, loss of use, loss of orders, loss of profits or revenues, loss of goodwill, special, incidental, punitive or exemplary damages any indemnification arising out of or resulting from the delivery of the Spare Parts and/or in relation to the Contract with the Customer.

12.8 MIKRON shall be liable for loss of data only up to the amount of typical recovery costs which would have arisen had proper and regular data backup measures been taken.

## 13 Intellectual property rights, Confidentiality

13.1 Nothing in the Contract or any relevant purchase order shall be construed, by implication or otherwise, as a transfer or assignment of either Party's intellectual property rights, whether patented, registered or not. Any knowledge of either Party relating to the Spare Parts, including, but not limited to any plans, drawings, designs, construction documents, specifications, calculations, documents containing data or test reports, computer systems and programs and any other related intellectual property rights created or used for or in connection with the Contract (together the "Intellectual Property") shall remain the sole and exclusive ownership of the disclosing Party

providing such Intellectual Property to the other Party.

Each disclosing Party grants to the other Party, during the term of such rights, a non-exclusive, non-transferable, worldwide, irrevocable (subject to sec. 13.3 herein), royalty-free license to use and exploit the Intellectual Property exclusively for and in connection with the design, manufacture, implementation, operating, use and maintenance of the Spare Parts.

13.2 MIKRON will provide the Customer, in electronic, paper or any other form, with relevant customized plans, drawings, designs, calculations or any other documents for agreeing on the Spare Parts' design, establishing, operating and maintaining the Spare Parts as far as necessary; any further manufacturing documentation or any further documents or know-how shall not be disclosed to the Customer.

13.3 Any Intellectual Property of MIKRON, whether disclosed or becoming accessible to the other Party or not, including any documents on which MIKRON offer is based, remain the sole and exclusive ownership of MIKRON or any nominated affiliated company thereof. Even if MIKRON leaves any such Intellectual Property to the Customer, MIKRON intellectual property rights remain unaffected.

Upon breach of Contract by Customer, MIKRON shall be entitled to require at Customer's expense the return of such Intellectual Property or its deletion, together with a written confirmation that no further copies were made, given to third parties and/or retained, without undue delay.

13.4 During the term of the Contract and without time limitation thereafter, the Customer shall keep the Intellectual Property strictly confidential and not (completely or partly) disclose or make accessible otherwise any part of the Intellectual Property to a person other than set forth in sec. 13.4.ii.

i. The Customer shall take adequate measures to protect the Intellectual Property (in electronic, printed or any other form) against disclosure, misuse, espionage, loss, unauthorized use or theft and shall not to use, reproduce, process or store the Intellectual Property on any computer or electronic information system which can be accessed remotely or transmit the Intellectual Property outside its business premises.

ii. The Customer shall not disclose or make accessible otherwise any part of the Intellectual Property to any person other than to those directors, employees and other personnel which have a need-to-know in order to achieve the purpose of the Contract and which are informed of the confidential nature of the Intellectual Property and are contractually or professionally obliged to keep the Intellectual Property secret.

In case that the Customer is legally compelled by court order, by administrative order or by a legal obligation to disclose any of the Intellectual Property, the Customer is obliged to inform MIKRON immediately and support MIKRON on its request as far as possible to protect the Intellectual Property or have the Intellectual Property protected by court order to the largest extent.

## 14 Use of Software

14.1 To the extent that any software is included in the supply of the Spare Parts, MIKRON grants, as far as entitled hereto, to the Customer the non-exclusive, non-transferable right to use and exploit the software, including the object code and any documentation supplied, (together the "Licensed Software") exclusively for and in connection with the Contract. The Licensed Software shall not be used on more than one system.

14.2 The Licensed Software shall be installed by MIKRON and the Customer shall not be entitled to install any other software in or relating to the Spare Parts. The Customer undertakes not to remove any manufacturer identification labels including, but not limited to copyright marks. As far as legally permitted, the Customer shall not and shall not allow any person or entity to remove, modify, copy, reverse engineer, merge, decompile or disassemble the Licensed Software.

14.3 MIKRON and its licensors, if any, shall retain sole title to all Licensed Software integrated in or relating to the Spare Parts. Upon breach of Contract by Customer, MIKRON shall be entitled to require at Customer's expense the return of all copies of the Licensed Software or, if applicable, to demand the assignment of Customer's right of return of third parties. In such case upon MIKRON's request, Customer shall confirm in writing that no copies of the Licensed Software or copies thereof were retained and that all installations of the Licensed Software have been irrevocably deleted from Customer's or third party's systems.

14.4 The Customer undertakes to allow MIKRON or an agent of MIKRON to audit whether Customer's use of the Licensed Software is consistent with the rights granted to Customer upon request of MIKRON and provided there is a legitimate interest therein and to give full cooperation to MIKRON or its agent carrying out such audit.

14.5 MIKRON shall be liable in accordance with the provisions under sec. 12 herein only.

## 15. Data Privacy

15.1 For the purpose of performing the Contract, personal data may be collected and processed. In order to ensure that such personal data are processed only in accordance with the applicable data protection laws,

i. the disclosing Party, as the case may be, shall use its best efforts to remove any personally identifiable information before it is made available and will only disclose personally identifiable information where it is absolutely necessary to do so;

ii. any Party shall ensure that all representatives who obtain access to personal data pursuant to, or in connection with, the Permitted Purpose have adequate knowledge of the provisions of the applicable data protection laws;

iii. any Party shall not transfer any personal data received by the other Party to any country outside EU or the EEA. Should any Party intend to transfer such data outside the EU or EEA, no such transfer shall be performed unless appropriate safeguards will be provided, as regulated by the applicable data protection legislation.

15.2 The Customer accepts that MIKRON transmits personal data pursuant to, or in connection with, the permitted Purpose to Group companies within Switzerland in Germany and, as the case may be, other countries such as Lithuania, Singapore, China and USA in accordance with any relevant applicable data protection laws.

15.3 The Customer is informed that the "Mikron Data Protection Policy" is available on the website of MIKRON Group under <https://www.mikron.com/data-privacy/>.

## 16 Compliance

In connection with performing the Contract, the Parties shall conduct business with the highest degree of ethics and integrity and shall comply with the wording and purpose of the law, including:

### 16.1 Compliance Policies and Guidelines

The Parties will (i) comply with their respective own policies and guidelines implemented in relation to Compliance (e.g. anti-corruption, competition law compliance and code of conduct), as amended from time to time, (ii) maintain adequate procedures to ensure compliance with any applicable laws, and (iii) enforce them where appropriate. In particular, any Party shall comply with the applicable laws regarding to anti-corruption and competition in the relevant market and immediately notify the other Party of any request or demand for any undue financial or other advantage of any kind received in connection with the performance of the Contract.

### 16.2 No unlawful payments

The Contract and any Party (including their directors, employees or any other representatives) may provide lawful, adequate, documented and transparent remuneration, gifts, hospitality, sponsoring and donations only.

### 16.3 Accurate Books and Records

Any Party will ensure that its books, accounts, and records precisely and fairly reflect, in sufficient detail, its transactions and dispositions of funds paid under the Contract.

## 17 Place of Performance, Place of Jurisdiction, Applicable Law

17.1 For all claims arising out of the business relationship between the Customer and MIKRON, the place of performance shall be Rottweil, a.N., Germany.

17.2 All disputes arising from Contracts to which these SparePartTC apply as well as all business relationships between MIKRON and the Customer shall exclusively be governed and construed by German law excluding the rules of the United Nations Convention on Contracts for the International Sale of Goods (CISG) and any rules on conflict of laws.

17.3 The exclusive place of jurisdiction for all claims resulting from the business relationship with the Customer including any claims from cheques and drafts shall be the place of performance if the Customer is an entrepreneur, a legal entity under public law or an asset under public law. MIKRON is also authorized, however, to sue its Customer at Customer's general place of jurisdiction.

## 18 Severability Clause

- 18.1 Should one or several provisions of these SparePartTC be or become fully or partly invalid, the validity of the remaining provisions shall remain unaffected.

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