



General Terms and Conditions of Contracts and Delivery of Products and Services in Business Transactions with Companies of LAP of America Laser Applications, L.L.C.

Status March 2021

1. Scope

LAP OF AMERICA LASER APPLICATIONS, L.L.C. ("LAP of America") agrees to sell and the purchaser indicated in the Sales Proposal attached hereto ("Purchaser") agrees to purchase from LAP of America, the products described in the Sales Proposal (the "Ordered Products"), for the prices and on all the other terms and conditions stated in the Sales Proposal, these general terms and conditions, and, if applicable, the license conditions attached hereto (the "License Conditions") for the use of any software supplied with the Ordered Products (collectively, the "Agreement" or the "Purchase Agreement"). Acceptance is limited to the terms of the Purchase Agreement. LAP of America objects to any different or additional terms contained in any purchase order, offer or confirmation sent or to be sent by Purchaser, which are expressly rejected.

2. Effective Date; Title; Risk of Loss

The Agreement will be effective on the date of acceptance of the Sales Proposal by Purchaser. Title to the Ordered Products will pass to Purchaser upon full payment by Purchaser of purchase price, freight, insurance costs (if Purchaser elected and paid for insurance), taxes and other costs related to the sale by and delivery of the Ordered Products from LAP of America. Until such time, Purchaser grants a security interest in accordance with Section 9 hereof. All risk of damage to or loss of the Ordered Products shall pass to Purchaser when the Ordered Products are tendered to a carrier in Boynton Beach, Florida as set forth below. LAP of America does not provide insurance for the Ordered Products. If Purchaser elects to purchase insurance, then Purchaser shall bear complete and exclusive responsibility for promptly advising the carrier and insurer of any loss or damage and for filing claims against, and recovery of any sums owed by, the carrier or the insurer.

3. Terms of Shipment/Services

All products will be shipped F.C.A. (INCOTERMS 2010) Boynton Beach, Florida, unless the Sales Proposal stipulates otherwise. For purposes of the Agreement, F.C.A. Boynton Beach, Florida shall mean that: (i) LAP of America must at its own expense and risk, transport the Ordered Products to a location in Boynton Beach, Florida where LAP of America tenders the Ordered Products to a carrier for shipment to Purchaser's final destination; (ii) Purchaser must, at its own expense and risk, load and transport the Ordered Products from Boynton Beach, Florida to its final destination. Purchaser may elect to obtain insurance for the Ordered Products as set forth in Section 2 above. In the absence of specific instructions, LAP of America will select a carrier to make delivery to Purchaser's final destination, but the carrier will not be construed to be an agent of LAP of America.

The timing of shipments and services are stated in the Sales Proposal. In the event, for reasons for which LAP of America is not responsible, LAP of America does not receive a delivery or service from its subcontractors to allow for the delivery or service under the Purchase Agreement or if the delivery or service is incorrect or not as ordered or is not received in due time or where LAP of America or its subcontractors experience force majeure events for more than fourteen (14) calendar days, LAP of America will notify Purchaser in writing. In such event, LAP of America may postpone the delivery accordingly, or terminate the Purchase Agreement in whole or in part for the unfulfilled portion of the Purchase Agreement. Force majeure events include events arising out of or caused by, directly or indirectly, forces beyond the control of LAP of America, including, without limitation, strikes, lockouts, interventions of public authorities, a shortage of energy or raw materials, transport constraints, pandemics, epidemics, unforeseeable export/import bans, embargoes, partial embargoes, regulatory requirements or restrictions preventing LAP of America from performing its obligations under the Purchase Agreement without commercially unreasonable efforts, unforeseeable delays in customs clearance, delays in the issuance of, or the denial of, any applicable export licenses, or operational impairments not caused by LAP of America's negligence.

If a delivery of the Ordered Products or the service date is delayed as a result of the foregoing, Purchaser may, following a reasonable extension, terminate the unfulfilled portion of the Purchase Agreement, but shall have no further claims, especially claims for damages.

4. Pricing; Terms of Payment and Additional Charges

The purchase price for the Ordered Products is specified in Purchase Agreement and, unless otherwise agreed by the parties in writing, the price does not include any shipping, insurance, taxes, duties or any other charges which may be applicable to or incurred in connection with the sale, delivery and installation of the Ordered Products.

Payment of the Purchase Price and costs of freight, shipping, handling and other costs related to delivery of the Ordered Products shall be payable as set forth in the Purchase Agreement.

The total unpaid purchase price for the Ordered Products and costs of freight, shipping, handling and other costs not previously paid will be due thirty (30) days following shipment F.C.A. Boynton Beach, FL, as set forth in Section 3, unless the Sales Proposal stipulates otherwise. Installation charges shall be paid within thirty (30) days following the date the Ordered Products are accepted or deemed to have been accepted in accordance with Section 8. If Purchaser fails to pay any amounts owed to LAP of America pursuant to the Purchase Agreement when due and payable, Purchaser agrees to pay all costs, including reasonable attorneys' fees expended in efforts to collect these amounts and, in addition, Purchaser shall pay to LAP of America a monthly late payment charge equal to one percent (1%) of Purchaser's outstanding balance owed.

5. Storage

If LAP of America is properly notified by Purchaser of a requested delay in the shipping date within seven (7) days prior to the previously scheduled shipping date (which date is set forth on the Sales Proposal and identified as "Req Ship Date"), then LAP of America will store the Ordered Products for a period of thirty (30) days free of charge to Purchaser. All storage costs and related charges incurred after the expiration of said 30-day period shall be paid by Purchaser.

If any payments to be made by Purchaser are required to be made on or before the original shipping date, then the notification by Purchaser of a delay in the original shipping date shall not relieve Purchaser of its obligation to make payments to LAP of America on or before said original shipping date in the amount(s) and for the costs and services specified in the Agreement. Additionally, the notification by Purchaser of a delay in the original shipping date shall not delay payments to be made by Purchaser within thirty (30) days of the original shipping date in accordance with Section 4.

6. Installation

LAP of America will advise Purchaser of the scheduled delivery date of the Ordered Products. Installation of the Ordered Products is optional with any costs of installation to be borne by Purchaser. If Purchaser elects to have LAP of America install any of the Ordered Products, then, prior to shipment, Purchaser, at its own expense, will prepare its premises for installation of the Ordered Products and will provide all installation facilities, including space, electrical power, other utilities, services, lighting, air conditioning, ventilation, and the like in accordance with LAP of America's site preparation specifications. The initial installation may be performed by LAP of America or its authorized agent during LAP of America's normal working hours and such installation shall be at Purchaser's expense. Purchaser will provide the necessary labor for unpacking and placement of the Ordered Products when necessary and only when directed to do so by LAP of America. Purchaser shall not unpack the Ordered Products outside of LAP of America's supervision. If installation or removal of the Ordered Products by LAP of America or its authorized agent is precluded by local law, any agreement, or otherwise, LAP of America will supervise the installation or removal and Purchaser will bear any additional costs caused thereby. If Purchaser installs any of the Ordered Products, then Purchaser assumes all risks associated with such installation. Purchaser shall also pay for any additional costs incurred by LAP of America or its authorized agent as a result of any installation rescheduling or alteration of original installation plans, design, or layout. In the event that Purchaser elects to have LAP of America install any of the Ordered Products, pays for such installation, and fails to schedule the installation for a date that is less than twelve (12) months from the actual date that the Ordered Products are delivered to Purchaser, then (i) LAP of America shall not be required to refund the monies paid for installation, (ii) LAP of America shall be relieved of any duty to install the Ordered Products, and (iii) Purchaser hereby agrees to forfeit said monies to LAP of America as consideration for LAP of America devoting its resources to the planned and never scheduled installation. LAP of America will provide procedures for the testing and operation of the Ordered Products.

7. Compliance With Laws and Ordinances/Export Control

Compliance with Laws. Purchaser shall be responsible for compliance with local laws, rules, codes, registration, regulations and ordinances, including, but not limited to obtaining any permits or approvals necessary for such compliance. LAP of America provides no warranty regarding compliance of its product with any such laws, rules, codes, registration, regulation or ordinances.



Export Control. Any export of the Ordered Products and crossborder provision of our services may be governed by foreign trade law and may be subject to restrictions and prohibitions under export control law, in particular with respect to arms and dual-use goods, including potential national embargoes directed against certain countries, individuals, companies and organizations.

Accordingly, Purchaser will provide LAP of America with complete information on the intended use, the enduser and the ultimate destination of the Ordered Products and, as applicable, provide the required documentary evidence. In particular, Purchaser shall notify LAP of America promptly if the Ordered Products are intended for nuclear technology or armament related applications or for military recipients.

Purchaser must comply with all applicable regulations of national and international export law. Purchaser undertakes to neither directly nor indirectly sell, export, re-export, deliver, or otherwise provide access to the Ordered Products to individuals, companies, institutions, organizations or to countries in cases where these actions violate United States, European, German or other applicable export regulations or embargo regulations. In particular, Purchaser will ensure that

- Goods originating from the U.S., U.S. software and U.S. technology are not delivered to companies or individuals on the U.S. Denied Persons List (DPL);
- Goods originating from the U.S. are not delivered to companies or individuals on the U.S. Warning List, the U.S. Entity List or the U.S. Specially Designated Nationals List or other applicable U.S. lists of prohibitions without the appropriate permit;
- Goods are not delivered to companies or individuals on the list of the Specially Designated Terrorists, Foreign Terrorist Organizations, Specially Designated Global Terrorists, the terrorist list of the EU or another applicable terrorist list;
- Goods are not delivered to recipients that are violating other export control regulations, in particular of the EU or the ASEAN countries;
- Chinese export control law is complied with if goods originating from China are subsequently delivered to other countries;
- All early warnings from the competent national authorities of the relevant country of origin are adhered to.

If the Ordered Products are exported to a country other than the country of first delivery agreed in the Purchase Agreement, Purchaser will also comply with all required national product authorisations or registrations and with all legal requirements of the relevant country regarding the provision of user information in the national language.

If the delivery to Purchaser requires an export license or any other permit under foreign trade law, Purchaser shall make all related required information available to LAP of America. If the information is not made available promptly or is incomplete, the application for, and processing of, the export license may be delayed and LAP of America does not assume any liability for such delay.

If the issuance of the export license or any other permit required under foreign trade law is delayed by the competent authorities, the delivery periods agreed with the Purchaser will be extended for the duration of such a delay, and LAP of America will not be liable for any delayed delivery as a result thereof.

If the competent authorities do not issue the export license for reasons not attributable to LAP of America or if there are other foreign trade law impediments that prevent LAP of America from delivering the Ordered Products to the Purchaser, LAP of America may terminate the Purchase Agreement and will not be liable for any damages of the Purchaser.

8. Acceptance

When LAP of America installs the Ordered Products, the Ordered Products shall be considered accepted by Purchaser upon Purchaser's execution of LAP of America's standard acceptance documentation (the "Product Acceptance Documentation") which will be presented by LAP of America and shall be executed by Purchaser upon completion of applicable start-up and acceptance testing. Use of the Ordered Products by Purchaser, its agents, employees or licensees for whatever reason without written release from LAP of America shall also constitute Purchaser's acceptance of the product. Purchaser's refusal or delay for more than two weeks to accept the shipment or installation of, or to sign the Product Acceptance Documentation for, the Ordered Products, to the extent not caused by LAP of America, shall also constitute Purchaser's acceptance of the Ordered Products.

When LAP of America is not the installer of the Ordered Products, no Product Acceptance Documentation is required and the Ordered Products are deemed accepted by Purchaser when they are tendered by LAP of America to the carrier for shipment to Purchaser.

Prior to execution of the Product Acceptance Documentation by Purchaser, LAP of America may, at its option, repair or replace any defective or non-conforming parts.

9. Security Interest

Purchaser hereby grants to LAP of America and LAP of America reserves unto itself, a security interest in the Ordered Products to secure payment of the purchase price stated in the Sales Proposal. Such security interest shall be deemed satisfied only upon Purchaser's payment of such purchase price in full. Purchaser hereby appoints LAP of America as its attorney in fact to sign and file UCC financing statements on Purchaser's behalf with appropriate state authorities in order to protect LAP of Amer-

ica's security interest. Purchaser agrees, upon request of LAP of America, to execute and deliver to LAP of America one or more financing statements and/or such other documents as LAP of America may deem necessary to evidence the security interest granted by Purchaser to LAP of America in a form satisfactory for filing with appropriate state authorities.

10. Limited Warranty

The Ordered Products furnished hereunder are warranted to be free from defects in material and workmanship for twelve (12) months from shipment F.C.A. Boynton Beach, FL, as set forth in Section 3. LAP of America will, at its own expense and option, either repair or replace the defective Ordered Products, or any part thereof, as necessary, provided that Purchaser has notified LAP of America promptly following the shipment under Section 3 of such defect and, upon inspection, LAP of America, in its sole discretion, has found such Ordered Products to be defective in material or workmanship only. Purchaser's sole and exclusive remedy hereunder will be limited to such repair or replacement.

The foregoing warranties are contingent upon the proper use of the Ordered Products in accordance with LAP of America's published instructions and specifications and may not apply to any Ordered Products or any part thereof which have been improperly installed, repaired or modified by persons other than LAP of America or which have been subjected to accident, abuse, incorrect use, neglect or alteration.

THE WARRANTIES SET FORTH HEREIN ARE LIMITED WARRANTIES AND ARE THE ONLY WARRANTIES MADE BY LAP OF AMERICA.

LAP OF AMERICA EXPRESSLY DISCLAIMS, AND PURCHASER HEREBY EXPRESSLY WAIVES, ALL OTHER EXPRESS WARRANTIES AND ALL DUTIES, OBLIGATIONS AND WARRANTIES IMPLIED IN LAW, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

11. Limitation of Remedies

The sole remedies for breach of any and all warranties shall be limited to the remedies provided in Section 10.

LAP of America's liability of any kind with respect to (i) the Ordered Products or (ii) the services provided hereunder in connection with the installation, or otherwise, shall be limited as follows: Except in the event of death of personal injury, LAP of America shall only be liable for gross negligence or willful misconduct. In no event shall LAP of America's liability to Purchaser for damages of any nature exceed (i) the purchase price of the Ordered Products if the liability results therefrom, or (ii) the total charges paid or payable for services performed under the Agreement if the liability arises from services provided by LAP of America hereunder.

Purchaser agrees that LAP of America shall not be liable for any special, incidental, indirect, punitive or consequential damages or for the loss of profit, production, revenue or data even if LAP of America shall have been advised of the possibility of such potential loss or damage.

12. Code of Conduct

We have committed to complying with the rules and principles established under the Global Compact Initiative of the United Nations in the areas of human rights, labour, environment and anti-corruption in our Code of Conduct (see LAP Code of Conduct at <https://www.lap-laser.com/legal/code-of-conduct/>) and expect that all of our business partners comply with them as well.

13. Indemnity

Purchaser shall indemnify and hold harmless LAP of America its employees, agents, officers and directors from and against third party suits, claims, demands, liabilities, costs or expenses, losses, settlements, judgments and awards, and actions, including reasonable attorneys' fees, costs, and damages, that may at any time be incurred by any of them by reason of any claims, suits, administrative proceedings or criminal investigations arising from, related to, or pertaining to (i) the use of the Ordered Products, their installation, maintenance or any other assistance furnished by LAP of America or its agents with respect to the Ordered Products, to the extent not caused by the negligence or intentional misconduct of LAP of America, or (ii) a breach by Purchaser of any of its obligations under the Purchase Agreement.

14. Terminations or Assignment

Purchaser may cancel the Agreement until six (6) weeks prior to the scheduled date of delivery without any charge. If Purchaser elects to cancel the Agreement with less than six (6) weeks remaining until delivery, then Purchaser shall pay a restocking charge of 15%. Notwithstanding anything set forth herein, NO refunds will be permitted on orders for custom-built products regardless of when cancellation is requested. Following acceptance of the Agreement by Purchaser, the Agreement including the order in the Sales Proposal, may only be assigned by Purchaser with LAP of America's prior written consent. In the event that Purchaser defaults under any of the provisions hereof, LAP of America shall have the right to terminate the Agreement. Any assignment by Purchaser without LAP of America's prior written consent shall be void and of no force and effect.



USA, March 2021

LAP of America Laser Applications, L.L.C.
161 Commerce Rd., Suite 3
Boynton Beach, FL 33426
USA

15. Default

If Purchaser defaults hereunder or if a petition under any bankruptcy or insolvency law is filed by or against Purchaser:

- (a) All payments due under the Purchase Agreement shall become due immediately;
- (b) LAP of America, in addition to other remedies, may repossess any Ordered Products previously delivered hereunder for which payment in full has not been received by LAP of America;
- (c) At LAP of America's option, LAP of America shall be relieved of all further obligations hereunder or may delay further shipments of Ordered Products; and
- (d) Purchaser shall be liable to LAP of America for all of LAP of America's costs of collection and repossession, including LAP of America's attorneys' fees incurred in connection therewith.

16. General

The Agreement shall not constitute the grant of any right or license to use or reproduce any computer software portions of the Ordered Products and any license granted by LAP of America to Purchaser shall be governed by the License Conditions. The Agreement may not be amended or modified except as agreed in writing (including by electronic communication) between Purchaser and LAP of America. If any term or provision, or any portion thereof, of the Agreement, to any extent, be invalid or unenforceable, the remainder of the Agreement shall not be affected thereby, and each term and provision of the Agreement shall be valid and enforceable to the fullest extent permitted by law. Acceptance is limited to terms of this Agreement. LAP of America objects to any different or additional terms contained in any purchase order, offer or confirmation sent or to be sent by Purchaser, which are expressly rejected. This Purchase Agreement is conditional on Purchaser's agreement to all terms, and LAP of America is otherwise unwilling to proceed with this transaction. This is the final expression of the Agreement and there will be no waiver or modification of any of these terms unless agreed in writing (including by electronic communication) between Purchaser and LAP of America. The performance by LAP of America under the Agreement shall be governed, and the Agreement shall be construed and interpreted in accordance with, the laws of the State of Florida and the Uniform Commercial Code as adopted in Florida. Any dispute arising out of or relating to the Agreement shall be brought only in a court of competent jurisdiction located in Broward County, Florida. LAP of America's rights as provided for herein are in addition to any other rights which may be provided by law.

17. Confidential Information

Purchaser agrees to maintain in confidence and not to disclose, reproduce or copy any materials, documents or specifications provided by LAP of America to Purchaser hereunder. Purchaser acknowledges that any unauthorized disclosure or use of such confidential information would cause LAP of America imminent irreparable injury and that LAP of America shall be entitled to, in addition to any other remedies available at law or in equity, injunctive relief in the event the other party breaches or threatens to breach its obligations under this Section. Purchaser will not use such confidential information for its own economic interests or those of a third party. In particular, it will not examine, disassemble, reverse-engineer, convert, decompile or apply confidential information of LAP of America, including the products, prototypes, samples and software of LAP of America for its own or any third party uses.

18. Notices

Unless otherwise provided in the Agreement, any notice requirement hereunder to the parties hereto will be deemed to have been duly given if in writing and delivered personally or mailed by first class, registered or certified mail, postage prepaid, and if intended to be given to Purchaser at the address of Purchaser set forth in the Purchase Agreement, and if intended to be given to LAP of America, at the address of LAP of America as set forth in the Purchase Agreement (on the first page of the Sales Proposal).