

## General terms and conditions of Labor LS SE & Co. KG

### 1 Applicability of these terms and conditions

- 1.1 For the purposes of these terms and conditions, Labor LS SE & Co. KG shall be referred to hereafter as "LS". A "customer" within the meaning of the following terms and conditions shall be that contractual party for which LS is carrying out services or making deliveries.
- 1.2 These terms and conditions shall apply to all services and deliveries rendered for the customer by LS. Deviating, contradictory or complementary general terms and conditions of the customer shall not apply, even if they are known, unless it is expressly agreed in writing that they shall apply.

### 2 Contractual terms

- 2.1 The contractual agreement comprises the schedule of services of LS, the detailed customer order and the terms and conditions below. In addition, the statutory provisions on contracts for work and services ("Werkvertragsrecht") shall apply.
- 2.2 Once the order has been received by LS, the order is accepted either in writing by LS or by implication on execution of the order. The customer shall be notified without delay if LS is unwilling to accept the order.
- 2.3 The contractual relationship is defined conclusively by the customer order. Any amendments or additions to the contract must be made in writing.
- 2.4 Declarations of intent shall also be effective if sent by facsimile or email.
- 2.5 The customer shall retain reference samples with a view to the possibility of subsequent remedial performance (clause 6.2).

### 3 Price and payment dates

- 3.1 Prices shall be due for payment in addition to the relevant current rate of value added tax. Unless other terms of payment have been individually agreed, payment shall be due within 2 weeks from the invoice date and shall be made without charges or other deductions into a bank account specified by LS. The deciding factor as regards punctual payment shall be the time at which payment is received by LS, not when payment was sent. Regardless of payment being due within 2 weeks, interest will be charged from the 31<sup>st</sup> day after the date on which the invoice was received at a rate of 9 percentage points above the relevant base rate ("Basiszinssatz") of the German Central Bank ("Deutsche Bundesbank"). If the customer is a consumer, the interest rate charged will be 5 percentage points above the relevant base rate.
- 3.2 In the case of urgent or special orders, an assurance as to defined lead times shall be given and, further to prior agreement, extra charges made in relation to the extraordinary or additional expenses incurred.
- 3.3 If LS has made an offer, or the schedule of services specifies a particular price for individual services, that price shall be deemed to apply up to the maximum number stated. Should an offer made by LS, or a schedule of services, refer to approximate prices only for particular services, then the following shall apply:
- In order to carry out the order as agreed, LS shall be permitted to take whatever measures are required;
  - LS is obliged to specify the total expenditure incurred on the relevant customer specific invoice, along with providing a detailed list of the actual measures taken, and shall invoice such expenditure such that the value of the order does not exceed the approximate price cap given by more than 50%;
  - Until an individual agreement on price has been reached, LS shall be entitled to temporarily suspend processing the order in the event that LS has realised, either at the beginning or in the process of dealing with the order, that in executing the customer's specific order the maximum price cap will be exceeded. If no agreement on price can be reached, the order shall be deemed to be terminated, in which case the customer will only be charged for the actual services rendered.
- 3.4 If it has been agreed that invoices be issued on a monthly basis, the relevant time period shall be a calendar month. In this instance interest as specified in clause 3.1 shall be charged from the 31<sup>st</sup> day after said calendar month.
- 3.5 Cheques or bills of exchange shall be accepted as payment, and any discount or collection charges arising in this respect shall be invoiced in writing.
- 3.6 A right of set off against claims against LS shall only exist if such claims are undisputed or such claims have determined by a court of law.

### 4 Execution of the order

- LS will execute orders with utmost care as swiftly as possible, depending on the technical requirements. Any deadlines relating to the order must be agreed separately in writing. Deadlines shall not commence prior to receipt of the order by LS or the date on which the test sample is received, as the case may be. Customers shall have no right to require that an order be executed if as a result of unforeseen circumstances for which LS is not responsible LS is either incapable of execution or such execution would be disproportionate from an economic point of view. If this is the case, the customer shall be entitled to withdraw from the contract but shall have no further rights to claim over and above this.

### 5 Assumption of risk

- 5.1 LS shall bear the risk for consignments from the time they are received in Bad Bocklet-Großenbrach and the

order is accepted. If for reasons for which LS is not responsible (e.g. climatic influences or other damage suffered in transport, inappropriate dispatch by the customer, incorrect description of samples, insufficient amounts, non-compliance with relevant safety provisions) the consignment proves to be unsuitable for executing the order, LS shall be released from the obligation to execute the order. LS shall nonetheless be entitled to invoice the customer for any services already carried out on the basis of the actual expenses incurred (including the costs of returning or disposing of a consignment, etc.), provided the unsuitability of the consignment was not obvious at the time the services were rendered.

- 5.2 Risk shall transfer to the customer from the moment the consignment that is due to be sent to the customer is duly submitted to the transport company (Deutsche Bundespost/DHL or any other carrier). LS shall not be liable for any subsequent delay, loss or deterioration of the goods.

### 6 Warranty and liability

- 6.1 LS provides a one year warranty. If clause 5.2 applies, the warranty period commences at the moment at which the consignment is submitted to the transport company. In all other instances the warranty period shall run from the time of receipt by the customer.

- 6.2 If a defect arises during the warranty period, the customer shall solely be entitled to demand subsequent remedial performance. It shall be within LS's discretion to decide whether to remedy the defect or carry out the services specified in the order anew. The costs of any subsequent remedial performance shall be borne by LS. Reference samples (see clause 2.5) retained by the customer shall be made available to LS free of charge. The customer shall be entitled to withdraw from the contract in the event of LS refusing to provide subsequent remedial performance or being delayed in doing so notwithstanding a reasonable deadline having been set by the customer. If this is the case, the customer will be reimbursed for any amounts already paid in respect of such services, which in the event of an ongoing business relationship shall be implemented by means of a credit note.

The customer shall have no right to demand a reduction in price unless the customer can prove unequivocally that poorly performed services meant that they were only suitable for use in a limited manner for the customer's purposes.

- 6.3 LS shall be liable for intent and gross negligence including that of his vicarious agents ("Erfüllungsgehilfen"), in accordance with the provisions of law. The same applies to negligently caused damages from injury to life, body or health.

In the case of negligently caused damage to property and financial losses, LS and his vicarious agents shall only be liable, irrespective of the legal grounds, in the event of a breach of an essential contractual obligation, but the amount of liability shall be limited to the damage foreseeable and typical for the contract at the time of conclusion of the contract; essential contractual obligations are those whose fulfillment characterizes the contract and on which the customer may rely.

- 6.4 By way of derogation from clause 6.1, statutory limitation periods shall apply to all claims for compensation not excluded under section 6.3.

- 6.5 If the services provided by LS for the customer form the main component or part of further services which the customer itself is due to provide to a third party, the customer shall be obliged to agree a provision with said third party (i.e. the party instructing the customer) which is identical to the above with regard to its scope and content. If the customer fails to do so and as a result thereof LS becomes liable to a third party (having regard to sections 241(2), 311(2), 280(1), 823 etc. of the German Civil Code (Bürgerliches Gesetzbuch (BGB)), for instance) to a greater extent than would have been the case under these terms and conditions, the customer shall on the basis of their internal relationship indemnify LS against any such further claims.

- 6.6 The provisions of the German Product Liability Act (Produkthaftungsgesetz) shall continue to apply.

- 6.7 LS shall be liable in accordance with statutory provisions for both delay and any impossibility to meet its performance obligations if LS or one of its representatives or vicarious agents acts with intent or in a grossly negligent manner. In the event of gross negligence, however, the liability of LS shall be limited to typical foreseeable contractual damage. Moreover, LS's liability to pay compensation in the event of delay or any impossibility to meet its performance obligations shall be limited to 10% of the value of the services. The customer shall have no further rights to claim against LS notwithstanding the expiry of any deadline imposed on LS for performance of the service in question.

The aforementioned exclusions do not apply in the event of liability on the grounds of injury to life, limb or health.

### 7 Data protection and confidential information

- 7.1 LS is entitled to store all order-related data on a company database. Customer data will be stored and processed in strict accordance to the General Data Protection Regulation (GDPR), the German Federal Data Protection Act (Bundesdatenschutzgesetz) for the purpose of processing the customer order.

Data will only be used by employees of LS and third party or associated organisations employed by LS in accordance with clause 9.4.

- 7.2 LS and the customer both covenant to treat as confidential all confidential information or knowledge which is either conveyed to them or acquired in connection with the assignment.
- 7.3 In relation hereto the parties covenant to use all data carriers, samples, messages, information, trade or business secrets etc., which have been provided to the other contractual party and to which access is not public, for the sole purpose of duly fulfilling their duties in relation to the order, and to maintain strict confidentiality in respect thereof.

### 8 Copyright

- 8.1 If LS has to compile an expert report as part of any special order, the customer shall pay special attention to any copyright provisions involved. The customer shall not use the expert report or any part thereof for any purpose other than as specified by the contract, unless the customer has obtained LS's prior written consent.

- 8.2 The obligation to observe the copyright provisions shall also apply for test reports of LS. Test reports may only be used in their complete form as part of the contractually agreed purpose thereof. Copying excerpts of and disseminating test reports and/or using excerpts thereof requires the prior written consent of LS.

### 9 Special individual provisions

- 9.1 Prices quoted apply to investigations carried out in accordance with the current edition of the German Pharmacopoeia (DAB) or European Pharmacopoeia, unless stated otherwise.

- 9.2 Methodology statements, special reports, statistical calculations, duplicates, certificates in other languages and any other services which the schedule of services does not refer to individually, may be carried out further to individual contractual negotiations and negotiations on price.

- 9.3 If target values have not been stated correctly, or the initial test has shown up significant deviances which therefore necessitate the carrying out of multiple tests, calculations shall be made according to the number of individual tests carried out.

- 9.4 LS delegates services to both independent and associated organisations. In delegating services, however, LS does not accept liability in respect of execution of the order nor its results. The independent service is specifically identified as such in the test or expert report.

If the customer order contains services which are not listed in LS's schedule of services, whether in part or in their entirety, and it is therefore clear that the services will be carried out by an independent organisation, the customer confirms that it is in agreement with the services being carried out by an independent organisation. LS will be liable for the proper despatch of samples, placing the order and labelling the samples. LS is also deemed to be authorised by the customer to assign the order if required, whether as a whole or in part only.

In the event of any defects which can without a doubt be attributed to the services provided by an independent organisation (i.e. subcontractors of LS), LS shall be entitled to assign its own warranty rights to the customer, and the customer shall be obliged to accept the assignment. LS's warranty obligation shall continue to exist as a subsidiary liability. Nevertheless, the customer must first make a claim against the third party, and shall not be entitled to pursue any claim against LS unless the customer can prove that prosecuting the third party would not be possible without instigating legal proceedings, and the customer is therefore reassigning the assigned rights back to LS.

Under no circumstances shall LS have any liability beyond that stated in clause 6 of these terms and conditions.

- 9.5 LS is under no obligation to retain test samples or documentation. In direct application or application mutatis mutandis of article 377 of the German Commercial Code (Handelsgesetzbuch (HGB)), the customer is therefore required and obliged to check the results provided by LS immediately and to notify LS without delay of any defects that have been found.

### 10 Place of performance, jurisdiction and partial invalidity

- 10.1 The place of performance shall be LS's headquarters.
- 10.2 These terms and conditions are exclusively governed by German law.

- 10.3 The relevant place of jurisdiction is Bad Kissingen's Local Court ("Amtsgericht") or Schweinfurt County Court ("Ländergericht"), as well as for disputes involving bills of exchange or cheque claims. If the customer is not a tradesperson within the meaning of the German Commercial Code (HGB), the competent jurisdiction is to be determined in accordance with the provisions of the German Code of Civil Procedure (Zivilprozessordnung).

- 10.4 If any provision of these terms and conditions is or becomes void, this shall not affect the validity of the remaining provisions. The void provision shall be replaced by a provision which is effective and which fulfils the same purpose.