

## General Terms and Conditions

of the 1zu1 Prototypen GmbH & Co KG, companies' register no. FN 267627w,  
Färbergasse 15, 6850 Dornbirn, Austria - in the following referred to as "1zu1"

### Preamble

1zu1 is one of Europe's leading companies in prototyping and modelling and produces prototypes, models and small series in plastic and metal as well as injection moulds and the requested plastic injection-moulded parts.

### A. Application

1. These General Terms and Conditions shall be applicable exclusively. Deviating or conflicting conditions are not acknowledged unless such have expressly been agreed upon by 1zu1 in writing.
2. These General Terms and Conditions shall also govern all future transactions between the parties.
3. The customer is an entrepreneur and the legal transaction which is the subject of the contract is part of his company's operations.

### B. Offers, Conclusion of the Contract, Cost Estimate

1. The offers of 1zu1 are non-binding if they are not explicitly referred to as binding and become invalid in any case after expiry of a time limit of 1 (one) month. The order placed by the customer shall only be considered accepted once the order is confirmed.
2. A cost estimate is made by 1zu1 to the best of its expert knowledge, however, it cannot be guaranteed that it is correct. Should there be an increase in costs of more than 15 % after the contract was awarded, 1zu1 shall inform the customer about it without delay. If the increase in costs is inevitable and less than 15 %, no individual notification is necessary and these costs can be invoiced without further notice. Unless otherwise agreed upon, order modifications or additional orders can be charged at reasonable prices.
3. The products which are to be manufactured due to the contract are referred to as the "workpiece" in the following.
4. 1zu1 reserves the title and copyrights as well as exploitation rights to all feasibility studies it has conducted as well as to the drawings, images and other documents and means which it has placed at the disposal of the customer. Without having received the express consent of 1zu1, it is not permitted to allow third persons access to the aforementioned either physically or in terms of content, to use them or to let them be reproduced by third persons.

### **C. 3D Data Sets, Suitability, Product Tests, Approval, Risk**

1. On the basis of the 3D data sets submitted by the customer, an offer is made and the order is carried out subsequently. To these data sets the dimensions and manufacturing tolerances are added which are included in the plans that might possibly also be submitted by the customer.  
With producing injection moulds and plastic injection-moulded parts, the customer aims at optimizing the features of the workpiece by several modifications of the original 3D data sets and/or plans that were commissioned by him.  
The customer alone shall therefore in all cases be responsible for the construction and functionality of the workpiece even if he was advised by 1zu1 in the course of its development.
2. The customer alone shall be obliged to examine whether the workpiece which has to be produced by 1zu1 is suitable for the purpose pursued by the customer as well as to conduct product tests (especially regarding the risks to people and property, tolerance of the workpiece when applied to or in the body) and to gain the approval to sell the workpiece in the intended distribution markets and countries.
3. The workpieces are – unless otherwise agreed upon expressly in writing – produced as prototypes and pre-series individual pieces respectively. The workpieces are intended for product tests and further developments and not for sale or even their use by the end customer. An inappropriate use can lead to damages to property and personal injuries.
4. The customer guarantees and is liable to ensure that (intellectual property) rights of third parties are not infringed due to the fulfilment of the order and the production of the workpiece and undertakes to hold 1zu1 harmless from third party claims.
5. If the contract includes producing an injection mould along with plastic injection-moulded parts, the customer shall have the right to be given a workpiece concept of the injection mould by 1zu1 in order to inspect and approve it. The approval has to be granted promptly by the customer so that no default on payment occurs. If the customer abstains from requesting a workpiece concept or from examining such or if he gives his consent to produce the workpiece, the injection mould shall be deemed accepted as free of defects and the production of the workpiece as well as the following sampling of the plastic pieces (workpieces) shall start.
6. The customer declares that he consents to the fact that the samples and work material provided by him as well as the material obtained on his behalf are destroyed upon expiry of a time limit of 12 (twelve) months from the date of the last use if he does not request to send them back to him at his expense before this date and renounces any claims that may arise in connection with the destruction.  
Production remedies (master samples, forms and other means) are not delivered to the customer and 1zu1 shall be entitled to dispose of them upon expiry of the aforementioned time limit.  
The only exception regarding the indicated time limit is the storage of injection moulds and of mould inserts for injection moulds respectively. In these cases, they are only disposed of upon expiry of 36 (thirty-six) months after the date of the last use.

#### **D. Prices, Payment**

1. Unless otherwise agreed upon in the individual case, the prices are ex works (INCOTERMS 2010) plus the corresponding statutory sales tax; not included in the prices are the shipping and packaging costs. In case of partial deliveries partial invoices shall always be permissible.
2. The purchase price is due for payment within 30 days after invoicing. As soon as the payment deadline is exceeded, statutory default interests are billed. Agreed advance payments are due for payment once the invoice is issued (what takes place at the same time as the sending of the order conformation). If the payment is not received within 5 (five) working days, 1zu1 shall be entitled to withdraw from the contract. Provided that 1zu1 does not exercise the withdrawal right, delivery periods that were possibly agreed upon only begin to run with the actual and complete receipt of the advance payment.
3. If partial payments are agreed, default on payment occurs even if only one partial payment is not made in due time or in full. In case of occurrence of default on payment, the entire remaining purchase price according to the confirmation of order that is still open (regardless of whether the parts have already been produced and/or delivered or not) becomes payable and due instantly. In the event that default on payment occurs, 1zu1 shall be entitled to store the workpieces that were delivered under reservation of title without withdrawing from the contract and to pause further production until the whole claim is entirely settled including additional costs.
4. In case of default in payment, 1zu1 shall have the right to charge the customer all appropriate expenses that are incurred by the failure of the customer to fulfil his contractual obligations, especially also the costs of the reminder and the intervention of a debt collection agency and/or an attorney-at-law as well as the storage costs.
5. Received payments are first used to cover the longest outstanding claims and the associated expenses and default interests.

#### **E. Setting-off (by way of compensation), Retention Right**

The customer shall only be entitled to set-off if his counter-claims are uncontested or legally and finally established. The customer shall only have the right to claim retention rights on the basis of counter-claims arising from the same contractual relationship.

#### **F. Delivery, Default in Delivery**

1. The delivery requires the customer to fulfil the agreed obligations to pay and co-operate in due time and form. The right to object to unfulfilled contract shall be reserved.
2. The customer shall be obliged to accept the deliveries provided by 1zu1. When the delivery ex works is completed, the delivered workpieces shall be deemed accepted. Deliveries can always be carried out in partial deliveries. In case of partial deliveries partial acceptances shall always be permissible.
3. When orders for injection moulds are received, under or over deliveries of up to 5 (five) % are permissible; in such a case the purchase price is adapted in an aliquot way in accordance with the actual quantity delivered.
4. In case of default of acceptance or another culpable violation of obligations to co-operate by the customer, 1zu1 shall be entitled to claim compensation for the thereby caused damage including possible extra costs. The risk of

accidental loss or deterioration of the workpieces shall in this case be transferred to the customer at the time of the default of acceptance or of the other violation of obligations to co-operate.

5. Delivery periods or dates are only binding if they have been agreed upon in the individual case as binding between the customer and 1zu1 in writing. In all other cases they are non-binding. The customer shall only have the right to withdraw from the contract because of default in delivery after having set an appropriate period of grace. The appropriateness of a period of grace depends on the ordered technology: 3D printing technologies = 3 working days

Reproduction technologies / vacuum moulding orders = 6 working days

Rapid tooling / workpiece and injection moulding orders = 2 working weeks per individual workpiece (per article)

The withdrawal has to be made in writing by post and/or fax and/or email. It is also permitted to send the message to the following email address:

[finanz@1zu1.eu](mailto:finanz@1zu1.eu); when choosing to send an email, it is necessary to request a reconfirmation of the receipt of the message. The right to withdraw from the contract does only refer to the part of the delivery which is in default.

#### **G. Place of Performance, Transfer of Risk, Default of Acceptance**

1. Place of performance for the delivery and the payment of the purchase price is A-6850 Dornbirn.
2. The risk of accidental loss or deterioration of the workpieces is transferred to the customer upon acceptance (clause F. 2.), in case of shipping of the workpieces upon request of the customer at the time of dispatch.
3. Workpieces which are not accepted at the agreed time are stored for a period of 6 (six) weeks at the risk and expense of the customer for what 1zu1 will invoice storage charges of EUR 20.00 per commenced calendar day and per entirely or partly used pallet space. Moreover, 1zu1 shall be entitled to either insist on fulfilling the contract or, after having set an appropriate period of grace, to withdraw from the contract and to exploit the workpieces otherwise.

#### **H. Reservation of Title**

1. Until full payment is received, the workpieces shall remain the property of 1zu1. If the contract is violated by the customer, also by default in payment, 1zu1 shall be entitled to take back and/or fetch back the workpieces.
2. The customer shall be obliged to handle the workpieces with care, to insure them appropriately and, if necessary, to carry out maintenance.
3. As far as the purchase price has not been fully paid, the customer has to notify 1zu1 about it in writing without delay if the workpieces are encumbered by third party rights or exposed to other interventions of third parties.
4. The customer shall have the right to resell the workpieces delivered under reservation of title in the ordinary course of business. In this case, however, already at this moment he assigns all claims arising from such a resale to 1zu1 regardless of whether these are resold before or after a possible processing of the workpieces that were delivered under reservation of title. The claim against the bank which issued or confirmed a letter of credit in favour of the customer in the course of the resale also belongs to the claims arising from a resale. The assignment is hereby accepted by 1zu1.

## **I. Warranty, Guarantee**

1. The warranty period is 6 (six) months.
2. If no tolerances are specified in the data submitted by the customer (clause C. 1.), the following principles apply:  
Tolerances differ from each other according to the 1zu1 manufacturing technology. Current tolerance specifications can be found on the website [www.1zu1.eu](http://www.1zu1.eu) and shall be deemed agreed. Given the case that no such specifications can be found on the website [www.1zu1.eu](http://www.1zu1.eu), in particular for rapid tooling projects the tolerances which were mutually agreed upon when the order was accepted apply. If no tolerances are defined, those tolerances will apply that can be achieved within the limits of the manufacturing technology (rapid tooling workpieces are exclusively produced by means of milling technology (status as of 2015)).
3. The workpiece that has to be produced is, unless otherwise agreed upon, a prototype and not determined or intended to be a final product to be used by end customers. The manufacturing of a prototype also serves to find out how a workpiece (depending on the design and work material) behaves. The circumstances described in clauses C.1. until C.3. have to be noticed and taken into consideration when evaluating the possible deficiency. A defect only exists if the tolerances indicated in clause I. 2. are not complied with when producing the workpiece.
4. If the customer himself supplies the work material which is used to manufacture the workpiece to 1zu1 or if he commissions 1zu1 to obtain the material according to his own specifications, 1zu1 shall not be obliged to check this work material for exact colouration and suitability, to examine the work material for other than obvious defects and for accordance with the description of the shipping documents of the supplier or to calculate and take into consideration the loss dependent on material and design. An obligation of 1zu1 to warn is explicitly excluded.
5. Provided that several workpieces are ordered as an assembly, 1zu1 shall not be liable if the individual workpieces do not fit together as an assembly.
6. The customer has to prove that defects exist and to notify 1zu1 in writing by specifying them within 14 (fourteen) days upon delivery at the latest.
7. In case of warranty, 1zu1 shall have the right to choose the type of warranty (improvement, replacement, price reduction or conversion) on his own. The customer has to acquiesce to at least two improvement attempts. The improvement attempts may respectively be made within a time limit which corresponds to the same time period agreed upon for the original delivery date.
8. A guarantee about the features of the workpieces or parts of them is only considered granted if it is agreed expressly and in writing before the contract is concluded.
9. Sec. 933b of the Austrian Civil Code (ABGB) does not apply.

## **J. Confidentiality**

1. The contractual parties mutually undertake to maintain silence regarding all trade and business secrets which they were allowed access to by one another, which were provided by one another or which became known to them otherwise in connection with or due to the business relationship or the contact and not to allow third parties access to them in no way whatsoever without the respective other contractual party consenting to it.
2. The confidentiality obligation shall be valid for 5 years after the business relationship was ended.

## **K. Liability**

1. 1zu1 shall be liable in case of intent or gross negligence; unless there is an intentional breach of contract, the liability for damages is limited to the amount of the contract value. 1zu1 shall not be liable for indirect damages, loss of profit, interest losses, missed savings, consequential and property damages, damages arising from third party claims.
2. The liability for damages resulting from tortious injury to life, body or health as well as the liability pursuant to the Austrian Product Liability Act remain unaffected by the aforementioned limitations.
3. Unless otherwise explicitly stipulated in the aforementioned clauses, liability is excluded.

## **L. Final Provisions, Applicable Law, Place of Jurisdiction**

1. The contractual parties waive their right to challenge the contract on the grounds of error, laesio enormis (concept of voidability of a contract if the consideration given in exchange for a certain thing is worth more than twice as much as the fair market price) or frustration of contract (concept that a contract ceases to be obligatory as soon as the state of facts out of which it arose has changed) or to claim them by way of objection or to demand a price reduction or a contractual adaptation due to one of these reasons.
2. Should a provision of the contract be or become ineffective, the validity of the remaining provisions shall not be affected thereby. In such a case the contractual parties undertake to replace the invalid provision by a provision which comes closest to its economic purpose.
3. Modifications of the contract require the written form to be valid; this does also apply if the contractual parties agree not to require the written form.
4. It shall always be permissible to employ subcontractors.
5. This contract shall be governed by the law of the Republic of Austria. The provisions of the United Nations Convention on the International Sales of Goods (CISG) are only applicable subsidiarily in relation to the present General Terms and Conditions, the Austrian Commercial Code (UGB) and the Austrian Civil Code (ABGB).
6. Place of performance for all disputes arising from or in connection with this contract shall be A-6850 Dornbirn, Austria. The contractual language is in any case German even if translations of these General Terms and Conditions exist in other languages.