

**General terms & conditions of Lion Laser Systems BV, located in Breda, The Netherlands.**

**1. Applicable law**

On all contracts with Lion Laser Systems BV the Dutch law is applicable.

**2. General terms & conditions**

- a. These terms & conditions are applicable on all quotations, sales, deliveries and services by Lion Laser Systems BV to a third party.
- b. The scope of these terms & conditions also include all assignments and orders placed by Lion Laser Systems BV at any third party, unless agreed otherwise.
- c. Terms & conditions stated by a third party need to be accepted and confirmed in writing by Lion Laser Systems BV to be applicable.

**3. Order**

Lion Laser Systems BV considers any order as legally binding when it is confirmed in writing by Lion Laser Systems BV.

**4. Property rights**

- a. All goods delivered by Lion Laser Systems BV remain property of Lion Laser Systems BV until agreed payment is received.
- b. All goods provided by Lion Laser Systems BV, as agreed per lease contract, remain property of Lion Laser Systems BV also after stated lease contract has ended.

**5. Production**

- a. Lion Laser Productions is a trade name of Lion Laser Systems BV.
- b. In case of a production series a sample can be produced for approval, if desired by the client. When client renounces a sample to be made, the risk of mistakes or differences in the endresult will be borne by the client.

**6. Liability**

- a. Any goods delivered by Lion Laser Systems become property of the client from the moment of acceptance and from then on the risk attached to the goods passes on to the client. Lion Laser Systems BV can not be held accountable for damages to or by goods or installations as delivered to the client.
- b. In addition, from the moment of acceptance the client becomes liable for damages or devaluation of any delivered or leased goods which are property of Lion Laser Systems BV.
- c. If lease contracts are arranged via a financial third party, Lion Laser Systems BV will take no liability or responsibility for the financial part of that agreement.

**7. Copyright**

- a. Any designs made or developed by Lion Laser Systems BV remain property of Lion Laser Systems BV at all times.
- b. Any consequences conflicted to a third party by means of infringement of copyright, because of used designs that are provided by the client, are at the risk of the client.

**8. Delivery**

- a. Delivery commences from where Lion Laser Systems BV is located.
- b. Any transport costs will be passed onto client
- c. Delivery can only take place after a signed quotation from client has been received by Lion Laser Systems BV.
- d. If the order can not be delivered in one go, all deliveries will be seen as separate transactions.
- e. Failure to make payment on a partial delivery by client suspends the responsibility of Lion Lasers to perform any following deliveries.
- f. In a case of force majeure Lion Laser Systems BV cannot be held accountable to deliver.

**9. Delivery Time**

- a. The delivery time as stated starts when the payment of the first invoice is received by Lion Laser Systems BV.
- b. All delivery times and further agreements on delivery are given by Lion Laser Systems BV to their best knowledge; delivery time as stated by Lion Laser Systems BV must be seen as a target date.
- c. Exceedance of the stated delivery time by Lion Laser Systems BV does not obligate Lion Lasers to any form of compensation.

#### **10. Lease**

- a. Maintenance of the machine is mandatory under a lease contract. The terms and conditions of service and maintenance are applicable to all lease contracts.
- b. The duration of a lease contract is documented. In case no time period is mentioned, it is set at 36 months.
- c. Client is obligated to indicate a desire to continue or discontinue the lease contract or purchase the machine at least 3 months before end of the contract. If failing to do so, Lion Laser Systems BV cannot guarantee the continuation of the lease contract or the availability of the machine.
- d. Client must have an insurance against all external influences that can cause damage to the machine. This includes operating errors. When damage has occurred, the insurance company must pay out to Lion Laser Systems BV, so that they in turn can either fix the machine or be compensated for the loss.

#### **11. Maintenance of the machine**

- a. Client is obligated to keep the machine in optimal operating condition and is required to follow the instructions for maintenance as provided by Lion Laser Systems BV.
- b. Primary maintenance and the accompanying costs are the responsibility of client; this includes: All lubrication work and cleaning and simple adjustments, except when these need specialized tools to do so.
- c. All machines under maintenance contract by Lion Laser Systems will receive one or more maintenance visits per calendar year, conducted by Lion Laser Systems BV.
- d. The machine needs to be at full disposal of Lion Laser Systems BV at time of the maintenance. Free space of at least 50 cm around the machine should be present for conducting the maintenance.
- e. Duration of a maintenance contract is one calendar year when the machine is purchased. Duration of a maintenance contract in case of a lease contract is equal to the lease period.
- f. All maintenance contracts are automatically renewed every year. Termination of the contract should be received in writing by Lion Laser Systems BV at least one month before the end of the contract.

#### **12. Price**

- a. A price quotation as stated by Lion Laser Systems BV has a validity of 2 months, unless agreed otherwise. Stated price is subjected to external factors including, but not limited to, increased taxes, transport costs, fluctuations in exchange rates, increased pricing by suppliers, etc.
- b. The price of a maintenance contract is set for the duration of the contract, external factors as stated above excluded, and can only be raised during the yearly cost indexation.
- c. Lion Laser Systems can not be obligated to follow its price quotation if client can reasonable assume that stated price is an obvious mistake or slip of the pen.
- d. Mid-term adjustments or additions to the placed order need to be set in writing and can bring additional costs with them.
- e. Any travel fees, travel time and use of materials out of warranty will be billed on top of the maintenance costs per machine.
- f. Client has a right to a 10% discount on machine part for the entire duration of the maintenance contract. Accessories, extraction filters and laser paste are excluded.

#### **13. Terms of payment**

- a. Invoices need to be paid in full within 30 days after the invoice date.
- b. Unless explicitly agreed otherwise in writing, payment of purchased machines should be as follows:  
50% of total order value with placement of the order,  
50% of total order value before delivery of the machine.
- c. The preventive maintenance contract is billed beforehand per calendar year or in instalments.
- d. With the first payment of the lease contract in addition a deposit needs to be made, the height of which is equal to the quarterly amount as agreed in the lease contract. Payment of the lease contract has a quarterly interval and must be paid within 30 days after invoice date.
- e. If a client fails payment, Lion Laser Systems BV is entitled to an interest rate of 1% over the amount due per month, starting from the moment of expiration of the invoice.
- f. Besides these interest rates Lion Laser Systems BV is entitled to increase this amount with a collection fee of at least 15% of the amount due, with a minimum of € 750.
- g. If the term of payment for a lease contract is exceeded, Lion Laser Systems has the right to switch off the machine under contract. After payment is received, the machine will be reinstated by Lion Laser Systems BV. Therefore a track & trace system may be present inside the machine.
- h. Objections about the height of the amount on an invoice does not give the right to postpone payment.
- i. If client fails payment, he is obligated to immediately make any delivered goods available for pick-up by Lion Laser Systems BV.
- j. Any costs made for recovery, transport or otherwise will be borne by the client.

#### **14. Warranty**

##### *Delivered machines*

- a. Unless agreed otherwise, Lion Laser Systems BV guarantees correct operation by delivered machines for the duration of one year. Optical defects and corrosion are not covered by warranty, as are defects that do not or barely affect the correct working of the machine.
- b. Travel expenses will be passed on to the client, also if the machine is under warranty.
- c. An extended warranty can be agreed to with a signed quotation. This warranty is applicable when the following terms are met:
  - i. Exclusively manufacturing errors are covered by warranty
  - ii. Warranty period is only valid for the first owner of the machine and is non-transferable.
  - iii. All repairs and maintenance to the machine should be conducted by Lion Laser Systems BV. This will be conducted by means of a warranty maintenance contract with yearly maintenance.
  - iv. The following points are excluded from warranty: defects due to normal wear and tear, defects in optics, software issues, accessories such as computers and extraction units, defects due to use of the machine outside of temperatures between 10 °C and 35 °C, and any defects that do not or barely affect the correct working of the machine.
- d. Warranty expires if within warranty period any motion or tracking sensors inside of the machine are switched off or removed.
- e. Warranty expires with improper use, when the machine does not receive timely and proper maintenance, wear and tear, damage afflicted by client or any third party, when repairs or maintenance is conducted by anyone other than Lion Laser Systems BV, if the machine has made over 15.000 production hours, when the machine has endured a shock of over 10G or if the life expectancy of (any parts of the) machine has expired. In case of the 5-year warranty, a maximum of 5000 production hours is covered by warranty.

##### *Delivered laser processed products*

- f. Any defects to the base material or corrosion are not covered by warranty.

##### *In general*

- g. To claim warranty, client needs to notify Lion Laser Systems BV as soon as possible after finding the defects and must provide the opportunity to Lion Lasers BV to fix stated defects.
- h. Lion Laser Systems BV will do their best to fix any known defects as soon as possible. However, Lion Laser Systems BV can never be obligated to make restitutions following any damages caused by defects of the delivered goods.

#### **15. Complaints**

- a. Complaints of any meaning about the delivered goods or services need to be announced to Lion Laser Systems BV by a written statement within 8 days.
- b. Only functional differences between designs, images, versions, sizes and all specifications and quality listings on one hand and the actual execution of the delivered goods on the other hand give the client the right to reinstatement, as far as Lion Laser Systems BV is responsible for these differences.
- c. In the case of laser engraved products this gives the client the right to a repair of the engraving or to receive a new engraving, as far as Lion Laser Systems BV is responsible for these differences.
- d. The failure of products or other objects by a purchased or leased machine is never ground for claims of any sort.
- e. If client offers a product of inferior quality or undefined material, or material of which the result with laser is unknown or with a wrong description of the material, to Lion Laser Productions for engraving or cutting purposes, the risk of failure will be borne by the client.
- f. If there are any discrepancies between the Dutch and English version, the Dutch version will be leading.

Latest version of these terms & conditions are made in Breda on 21-10-2016.