



Equipment Loan Contract

between

Carl Zeiss Meditec AG
Göschwitzer Strasse 51-52
07745 Jena

- hereinafter called the "Zeiss"-

and

Company name
Street
Town/city and post code
Country

- hereinafter called the "Contractual Partner"

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1. Purpose of the Contract

1.1. The purpose of this contract – hereinafter referred to as “**Agreement**” - is the regulation of the ownership rights concerning the equipment loaned by Zeiss to the Contractual Partner and / or manufactured by the Contractual Partner for Zeiss, as well as the delivery for use and the care and maintenance of this equipment

2. Delivery for Use

2.1. The contractual provisions of this Agreement apply to all equipment delivered by Zeiss to the Contractual Partner in the past and all equipment to be delivered in future.

2.2. In the event that the equipment is still to be manufactured by the Contractual Partner based on a separate order by Zeiss, Zeiss will relinquish the equipment for Contractual Partner’s use upon completion by the Contractual Partner.

2.3. In the event that the equipment is still to be manufactured and the Contractual Partner instructs a third party with the manufacturing and delivery of the equipment, Zeiss will relinquish the equipment for Contractual Partner’s use upon completion and delivery of the equipment to the Contractual Partner. Before instruction of the third party, the Contractual Partner will inform Zeiss of the third party’s name and address.

2.4. Subcontractors may only be awarded with Zeiss's prior written approval. In the case of subcontracting the Contractual Partner is obliged to impose the same regulations in favor of Zeiss on the subcontractor and is obliged that the subcontractor fulfills its obligations accordingly.

3. Documentation

3.1. Upon signature of this Agreement, the Contractual Partner undertakes to record all equipment loaned to it by Zeiss so far and to deliver a written list to Zeiss (upon Zeiss’ request also as an Excel-file) within one month.

3.2. Both, Zeiss and the Contractual Partner must sign this written list. The list must be updated by the Contractual Partner with every additional piece of equipment loaned by Zeiss or manufactured by the Contractual Partner or a by a third party on the Contractual Partner’s behalf; both Zeiss and the Contractual Partner must sign the updated list.

3.3. Should some equipment not be registered and recorded in spite of the preceding regulations of Section 3.1 and 3.2, this does not change the fact

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that those pieces of equipment are also considered to be loaned by Zeiss to the Contractual Partner.

4. Access to the Equipment

- 4.1. Zeiss is entitled to inspect the loaned equipment on the Contractual Partner's premises at all times during regular business hours without prior notification and to make an inventory control on the Contractual Partner's premises. The Contractual Partner undertakes to grant Zeiss access to the premises where the loaned equipment is stored at all times.
- 4.2. In case the Contractual Partner outsources the manufacture of the equipment to a third party, the Contractual Partner undertakes to enter into an agreement with such third party, granting Zeiss access to the equipment pursuant to Section 4.1.

5. Use and Care

- 5.1. Zeiss loans the equipment to the Contractual Partner only for the manufacturing and / or for the processing of products that are intended for Zeiss.

The equipment may neither be loaned to third parties nor shall be granted access to third parties; the equipment may not be copied or reverse engineered for third party purposes.

- 5.2. The Contractual Partner undertakes to refrain from manufacturing products with Zeiss equipment and / or selling such products, which are not ordered by Zeiss and / or which are not intended for Zeiss.
- 5.3. The Contractual Partner covers the costs for the maintenance and care of the equipment according to a maintenance plan provided by Zeiss. Should Zeiss fail to provide a maintenance plan, maintenance and care shall be executed according to the Contractual Partner's maintenance plan; should no maintenance plan exist, maintenance and care shall be executed with ordinary care. Upon Zeiss' request, the Contractual Partner must immediately provide Zeiss with its maintenance plan.
- 5.4. The Contractual Partner undertakes to handle the equipment adequately and appropriately and to execute itself or by an authorized third party any necessary maintenance and repair work adequately and appropriately in a

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timely manner at its own expense. Should the equipment perish due to Contractual Partners' non-fulfillment of these obligations, the Contractual Partner must immediately re-manufacture the equipment at its own expense and / or have the equipment be re-manufactured by a third party at its own expense, in order to avoid any delay in production. Should the Contractual Partner not immediately fulfill this obligation, Zeiss is entitled to replace the equipment at the Contractual Partner's expense.

- 5.5. The Contractual Partner must immediately inform Zeiss of any damage to the equipment that renders it unfit for the intended contractual purpose or that reduces its fitness for the intended purpose according to the contract. Moreover, the Contractual Partner must inform Zeiss immediately as soon as it becomes obvious that the equipment is due to wear and tear about to cease to be fit for its intended purpose according to contract.
- 5.6. Necessary repairs due to wear and tear, ordinary use and/or maloperation, the specific characteristics of the equipment must be taken into consideration. Upon Contractual Partner's request, Zeiss will provide any necessary technical support at the Contractual Partner's expense.
- 5.7. The Contractual Partner may loan the equipment to third parties for the manufacture of products only with Zeiss' prior written approval.

6. Ownership and Protection of Ownership

- 6.1. The equipment loaned by Zeiss or to be loaned by Zeiss, remains Zeiss' property. The Contractual Partner must clearly mark the equipment as Zeiss' property, either by attaching a corresponding sign or labeling. Zeiss is entitled to determine the type, size and content, as well as the exact location of the sign or labeling. The Contractual Partner must keep the equipment in a separate location for Zeiss.
- 6.2. The Contractual Partner undertakes to protect Zeiss' ownership and right of disposal to the equipment and to refrain from any acts that may or possibly may prejudice the ownership and / or the right of disposal.
- 6.3. In the event that Contractual Partner assembles the equipment due to a separate order by Zeiss, Zeiss acquires ownership in the equipment with payment. The parties of this Agreement agree that in case the equipment is manufactured by Contractual Partner and immediately upon completion, it is lend to Contractual Partner by Zeiss, the ownership will be transferred to Zeiss by Zeiss' payment of the equipment. Section 6.1 and 6.2 apply

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accordingly.

In the event that due to a separate order, Zeiss' payment of the purchase price for the equipment is in instalments, Zeiss receives a pro rata co-ownership in the equipment according to its actual payment for the equipment. Section 6.1 Sentence 2 and 3 apply accordingly, whereat the Contractual Partner has to label the equipment as Zeiss-co-ownership.

In the following cases, which are only exemplary but not final, Zeiss is entitled to pay the remaining purchase price for the equipment immediately:

- Application and opening of bankruptcy of the Contractual Partner's assets;
- Liquidation of Contractual Partner's corporation;
- Beginning of garnishment of the equipment by foreclosure initiated by a third party;
- Termination or extraordinary termination of this Agreement;
- Violation of this Agreement by one of the parties of this Agreement;
- Delay of delivery or non-performance of delivery of the products to be manufactured by means of the equipment;

With the signature of this Agreement, the parties agree that ownership of the equipment already vests in Zeiss by now, conditional upon remaining payment of the purchase price as mentioned above.

6.4. If the Contractual Partner outsources the manufacture of the equipment to a third party or buys the equipment from a third party, and the third party is only prepared to transfer the ownership to the equipment to the Contractual Partner upon complete payment of the purchase price for the equipment, the Contractual Partner may only agree to this condition if the third party authorizes the Contractual Partner to transfer the ownership to the equipment, conditionally transferred to it, to Zeiss. The Contractual Partner may not request reimbursement of production costs and / or of the purchase price from Zeiss unless the above stated provisions have been effectively included in a contract with a third party. The Contractual Partner shall supply Zeiss with a copy of the contract with the third party as well as with the invoice of the third party and inform Zeiss immediately as soon as the third party effected delivery of the equipment to the Contractual Partner. Zeiss may also fulfill its obligation of reimbursing the costs of the equipment by settling the third party's invoice in an amount corresponding with the amount of the prices for the equipment agreed upon between Zeiss and the Contractual Partner.

If the Contractual Partner only acquired an expectant right, it shall transfer this right to Zeiss. Section 6.1 Sentence 2 applies accordingly.

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- 6.5. The Contractual Partner undertakes to protect Zeiss' ownership and right of disposal to the equipment and to refrain from any acts that may or possibly may prejudice the ownership and / or the right of disposal.
- 6.6. In case third parties access the property of Zeiss, the Contractual Partner shall point out Zeiss' ownership and inform Zeiss immediately. The same applies in case insolvency proceedings are filed concerning the Contractual Partner's assets. The Contractual Partner covers any expenses incurred to Zeiss concerning the protection of its rights in this context.

7. Acceptance

- 7.1 In the event that the equipment will be provided by Zeiss to the Contractual Partner the following provisions shall apply:

Before the use of the equipment by the Contractual Partner first samples have to be produced under the factors of production with a First Sample Test Report and delivered to Zeiss on request. After the approval of the first samples by Zeiss the equipment deemed to be accepted, too. If equipment shall be relocated by the Contractual Partner, final samples have to be delivered to Zeiss under the factors of production.

- 7.2 The following provisions shall apply in case that the equipment shall be produced by the Contractual Partner respectively by a third party assigned by the Contractual partner:

The equipment shall be accepted in the way that the ability of continuous manufacturing will be approved on the spot of the Contractual Partner, followed by the approval of the first samples produced by the Contractual Partner, which shall be provided by the Contractual Partner to Zeiss with a First Sample Test Report.

- 7.3 The cost and risk for the transportation of the equipment shall be borne by the Contractual Partner.

8. Warranty and Liability

- 8.1. Zeiss delivers the equipment excluding any warranty.

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- 8.2. Zeiss' liability for damages incurred by the Contractual Partner based on the use of the equipment is excluded, unless the damages are caused by willful or grossly negligent conduct of Zeiss.
- 8.3. The Contractual Partner is liable for claims for damages resulting from the delivery and use of the equipment. The Contractual Partner shall indemnify Zeiss from any third party claims for damages.

9. Safety, Accident Prevention, Insurance

- 9.1. The Contractual Partner undertakes to handle the equipment in such a manner that it does not pose a danger to third parties.
- 9.2. The Contractual Partner is liable for complying with the accident prevention regulations issued by the Accident Prevention & Insurance Association, with the Equipment Safety Act and with any other protective provisions. The Contractual Partner indemnifies Zeiss from any third party claims asserted against Zeiss based on a violation of these obligations.
- 9.3. Should the equipment have safety defects or should a reconfiguration of the equipment become necessary due to accident prevention provisions and / or legal provisions, the contractor must inform Zeiss immediately.
- 9.4. The Contractual Partner undertakes to insure the equipment immediately by taking out adequate insurance cover against any insurable risks, in particular theft, damage, water damage etc. as well as any interruption of operations resulting therefrom. The Contractual Partner undertakes to provide Zeiss with the corresponding insurance certificates upon request. In case the Contractual Partner fails to fulfill its obligation concerning insurance, Zeiss is entitled to take out adequate insurance cover for the equipment at the expense of the Contractual Partner or to request the return of the equipment. Once ownership to the equipment has passed to Zeiss according to no. 6, the equipment must only be insured against equipment breakage.

10. Term of Contract and Termination

- 10.1. The contract becomes effective upon both parties' signature and ends on one of the following incidents, whichever occurs first: (1) the date on which the contractual relationship between the parties existing according to Section 5.1 ends, or (2) the output quantity of equipment based on an individual order is achieved or a framework contract between the parties (if any) ends.

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- 10.2. Irrespective from the regulation in Section 9.1, Zeiss may terminate the contract within a notice period of 3 months as of the end of a calendar month.
- 10.3. Zeiss is entitled to extraordinary termination of the contract without due observance of the notice period, in case the production of products with the loaned equipment is stopped upon Zeiss' customer's request and / or Zeiss' customer reclaims the equipment, the production of products is stopped according to the supply agreement concluded in accordance with Section 3.1.
- 10.4. Furthermore, Zeiss is entitled to terminate the contract for good cause without prior notice. A good cause is given,
 - a) if the Contractual Partner becomes insolvent;
 - b) if insolvency proceedings are filed concerning the Contractual Partner's assets, the Contractual Partner's company is liquidated or if its business activities decisive for the fulfillment of the contract are discontinued in another manner. The Contractual Partner must immediately inform Zeiss accordingly;
 - c) if there are changes in the proprietorship of the Contractual Partners; in the case of a company, this is assumed if there are changes in the proprietorship exceeding 20 % of capital; Zeiss must be informed in a timely manner of any changes in proprietorship of the Contractual Partner;
 - d) if the Contractual Partner cooperates with one of Zeiss' competitors, rendering the continuation of the contract unacceptable for Zeiss;
 - e) if the Contractual Partner fails to fulfill a contractual obligation within 30 days in spite of a reminder, or if the Contractual Partner does not cease to behave contrary to contract within this period of time;
 - f) even without a reminder or another violation - if a continuation of the contractual relationship is rendered unacceptable due to the Contractual Partner's conduct.
- 10.5. Another reason for a termination without previous notice is, if the Contractual Partner violates its obligation of delivery to Zeiss by a delay in delivery exceeding one week and / or a delay in delivery exceeding one day in case of parts necessary for the continued production of Zeiss and / or for the avoidance of claims for damages based on production downtimes required in the short term, i.e. within one day upon expiration of the delivery period.

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11. Return of the Equipment

11.1. Upon termination of the contractual relationship, the Contractual Partner must return the equipment including accessories, manufacturing documentation as well as maintenance and instruction manuals to Zeiss at its own expense and risk in a timely manner.

The Contractual Partner does not have any right of retention.

11.2. In case this contract covers several individual pieces of equipment, section 9 applies, provided that this contract continues to remain in force for any equipment not reclaimed.

11.3. Before the return of the equipment takes place, the Contractual Partner's equipment must be accepted in the presence of a Zeiss employee. A corresponding acceptance protocol must be prepared. Any defects of the equipment determined during acceptance must be remedied by the Contractual Partner immediately and free of charge.

12. Final Provisions

12.1. The place of venue shall be the place of venue of the defendant.

12.2. This contract is subject to English Law.

12.3. Any changes and / or amendments to this contract must be in writing to become effective. This requirement of the written form can only be waived by an express written agreement.

12.4. Should individual provisions in this contract be or become ineffective partially or in their entirety, they shall not affect the effectiveness of the remaining provisions of the contract. The same applies in case it becomes evident that the contract contains an omission. The ineffective provision or the omission shall be replaced by a legally admissible provision closest to the economic intent of the ineffective provision or in the case of an omission, by a provision taking into consideration - based on the intention and the purpose of the contract - the contractual parties' initial desire, had they considered the issue when concluding the contract or at a later inclusion of a provision.

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Place, date

Carl Zeiss Meditec AG

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Place, date

Company name

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.....

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(Date)	(Purchaser)	(Date)	(Supplier)
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