

Quadoa Optical Systems GmbH Lease Agreement

The following terms and conditions (Lease Agreement) apply to the lease of software by Quadoa Optical Systems GmbH (hereinafter: Licensor) to its customers (Licensee). On the basis of the lease agreement, the Licensor grants the Licensee the use of its software products for a limited period of time and provides the Licensee with the latest available version of the software products for this purpose.

§ 1 Definitions

1.1 "Software" shall mean the program "Quadoa Optical CAD". A description of the Software's performance relevant to this Agreement is set forth in the manual (Quadoa Optical CAD Software Manual) that can be viewed and downloaded at the following link: www.quadoa.com/download#manuals.

1.2 "Confidential Information" shall mean all information and documents of the respective other party which are marked as confidential or which are to be regarded as confidential under the circumstances, in particular information about products of the respective party, including object codes, documentation and other documents, operational processes, business relationships and know-how.

§ 2 Subject matter of the Agreement

2.1 The Licensor shall make the Software available to the Licensee for download on its website. The Licensee shall be provided with the access information required for the use of the Software (in particular the license key or log-in data).

The Software is protected by security measures against unauthorized multiple usage and distribution. Therefore, the installation and use of third-party license software (Sentinel LDK by Thales S.A., registered in the Trade and Companies Register of Nanterre under number 552 059 024, with its registered office at 4 rue de la Verrerie, 92190 Meudon, France) is required for the use, activation, and unlocking of the Software.

The use of this third-party software is subject to the licensing and usage terms of Sentinel LDK, which the purchaser must accept before use. These terms are outlined in the Sentinel LDK End User License Agreement (EULA), available at the following link:

<https://docs.sentinel.thalesgroup.com/ldk/LDKdocs/Install/Installation%20Guide/Front/EULA2.htm>. The purchaser is obligated to review and comply with these terms regularly. The following options are available for activating the Software, and the preferred option must be specified at the time of contract conclusion. Depending on the chosen activation method, the activation process may technically vary. By entering into the contract for the use of the Software, the purchaser acknowledges the requirement for third-party software and accepts the third-party licensing terms.

a) Hardware-Key: In this case, the Software is unlocked by the Licensee connecting an USB dongle containing the license key to the computer. A commercially available USB port must be present and permanently available on the computer used. Restrictions regarding the required standard of the USB version may result from the Agreement. If a hardware key is used, the Licensee can migrate the Software independently to a new computer if the technical requirements are met on this computer.

b) Hardware key (network version): In this case, the Software is unlocked by the Licensee connecting an USB dongle containing the license key to the network server. The license key is provided within the network by connecting the USB dongle to the network

server, which allows the Software to be opened on computers connected to the network server. Since the licenses are concurrent licenses, the Software can be opened on one (1) computer at a time per purchased license. For the hardware key the same technical requirements apply as under a). The computers must be permanently connected to the functional network in order to use the Software. The requirements for the operating system versions and the hardware of the network server are specified in §2 2.4.

c) Software Key: In this case, the Software is unlocked by the Licensee reading in an encrypted license key into the computer. When the license key is read in, the license key is installed on the computer, which means that the Software can only be opened and used on this computer. It is not possible to migrate the license key to a new computer. A change in the hardware architecture of the computer used can lead to a total loss of the license key. Quadoa therefore strongly advises against changing the hardware architecture of the computer used and is not liable for any total loss of the license key.

d) Software key (network version): In this case, the Software is unlocked by the Licensee reading in an encrypted license key into the network server. When the license key is read in, the license key is installed on the network server, allowing the software to be opened on computers that are connected to the network server. As these are concurrent licenses, the Software can be opened simultaneously on one (1) computer per purchased license. It is not possible to migrate the license key to a new network server. A change in the hardware architecture of the network server used can lead to a total loss of the license key. Quadoa therefore strongly advises against changing the hardware architecture of the network server used and is not liable for any total loss of the license key. The requirements to the operating system versions as well as to the hardware of the network server result from § 2 2.4.

e) Software Key (Cloud License): With a cloud license, the Software is unlocked by entering a license key provided to the licensee. The license itself is stored on an external server in Germany. The licensing software Sentinel LDK is used for authentication and validation of the license. When you use the Software via cloud access, Sentinel LDK operates in the background to verify your license and ensure its validity. As part of this process, Sentinel LDK may collect and process certain technical data, including but not limited to: IP address, Computer name, Device identifiers, User session details, License-related metadata. These data are used exclusively for license verification, security purposes, and compliance with licensing terms. They are not used for tracking personal activities beyond what is necessary for license management. All data collected by Sentinel LDK is processed in accordance with our privacy policy and applicable data protection laws. By using the Software via cloud access, you acknowledge and agree to the collection of the aforementioned data for licensing purposes.

2.2 The Licensor shall provide the Licensee with the Software in executable form (as object programs) including an operating manual (user documentation or online help) and the installation instructions. The operating instructions and the installation instructions may also be made available to the Licensee electronically. Insofar as the Software contains interfaces to software not supplied by the Licensor, § 69 d of the German Copyright Act shall apply.

2.3 The owed quality of the Software is conclusively determined by the service description and the documentation contained therein.

2.4 The Software shall be installed and put into operation by the Licensee. Unless otherwise agreed, the Software is compatible with the following operating system versions and has the following requirements regarding the hardware to be used:

- Operating systems for Quadoa Optical CAD: Microsoft Windows 10 or higher (32-bit and 64-bit); Linux Debian or Ubuntu
- Operating systems for license software Sentinel LDK: Windows 10 or higher; Windows Server 2012 or higher; Linux Debian or Ubuntu
- Graphics card with OpenGL 3.3 or higher
- At least 4 GB RAM
- At least 200 MB of free hard disk space
- At least 1280 × 720 screen
- USB port for USB dongle (only relevant for hardware key)

2.5 Unless otherwise agreed, the Licensor shall provide maintenance of the purchased Software (hereinafter: Maintenance) free of charge to the Licensee during the term of this Agreement. Maintenance shall include the elimination of errors in the program, the updating or extension of programs and the replacement with improved Software including documentation (update). Maintenance also includes the documentation belonging to the programs as well as files or database material covered by the Description of Performance.

The elimination of malfunctions and damage caused by improper handling on the part of the Licensee, by the influence of third parties or by force majeure is not subject of the Maintenance, but can be agreed in individual cases against separate remuneration. The same applies to malfunctions and damage caused by environmental conditions at the installation site, by faults or non-performance of the power supply, faulty hardware or other influences for which the Licensor is not responsible.

Maintenance shall be performed by qualified personnel who are familiar with the programs designated in the Description of Performance. The Licensor shall provide suitable and state-of-the-art tools for the efficient execution of the Maintenance work, such as test programs, test data, compilation software ("compiler"), debugging programs ("debugger") and the like. When maintaining the Software provided by the Licensor, the Licensor shall regularly provide the latest program version. Only this

program version will be maintained. In the same way the Licensor will adapt the corresponding documentation.

During the Maintenance period, the person responsible for the system and his deputy, both named by the Licensee, shall receive assistance by e-mail from the Licensor in the event of faults in the Software and operator problems. Any further maintenance requires a special agreement.

The prerequisite for the Maintenance is the fulfillment of the following cooperation obligations of the Licensee:

- The Licensee shall notify the Licensor without delay of any errors that occur and shall assist the Licensor in investigating and eliminating the error within a reasonable scope. In particular, this includes submitting written defect reports to the Licensor upon request and providing other data and protocols suitable for analyzing the defect.
- The Licensee shall allow the Licensor's Maintenance personnel access to the data processing units on which the programs designated in the Description of Performance are installed. He shall also keep the technical facilities required for the performance of the Maintenance work, such as power supply, telephone connection and data transmission lines, ready for operation and shall make them available free of charge to a reasonable extent.
- The Licensee shall designate a competent employee to the Licensor who can provide the information required to perform the Agreement and who can make or initiate decisions to be made by the Licensee. The Licensee shall keep accurate records of the beginning and duration of downtimes for each program designated in the Description of Performance. It shall be the Licensee's responsibility to perform proper data backups and to properly

maintain and service the Software and hardware environment of the Software.

Additional services not covered by the Maintenance shall be taken over by the Licensor upon request of the Licensee and against separate payment, if sufficient Maintenance personnel are available at the time of the request. The calculation shall be based on the hourly rates of the Licensor valid at the time of performance, considering the time required.

§ 3 Granting of rights

3.1 In return for payment of the fee pursuant to § 5 of this Agreement, the Licensee shall receive the non-exclusive, non-transferable and non-sublicensable right to use the Software to the extent granted in this Agreement and the Description of Performance, limited in time to the term of the lease. The contractual use includes the installation as well as the loading, displaying and running of the installed Software. The type and scope of use shall otherwise be determined in accordance with the Description of Performance.

3.2 The Licensee is not entitled to duplicate or edit the license key or to decompile the Software.

3.3 The Licensee shall not be entitled to transfer the license key to third parties. In particular, he shall not be permitted to sell, lend, rent or otherwise sublicense the license key.

3.4 Excluded from the license is any use of the Software for products that are used exclusively for armaments or any direct military purposes and the use of the Software to develop such systems. In particular, the use of the Software for weapon guidance systems, laser weapons, military surveillance and the use of the Software to develop such systems are generally excluded from the license. The use of the Software for any weapon scopes or weapon accessories as well as the use of the Software to develop such systems are

excluded from the license unless it serves exclusively civilian purposes (e.g. sports optics, hunting optics).

3.5 Universities and research institutions can acquire a research license. The research must be carried out and accommodated on site at the university or research institution and must be funded by the institution itself. The use of a research license for projects funded by third-party funds is not permitted.

3.6 If the Licensee violates any of the above provisions, all rights of use granted under this Agreement shall immediately become invalid and shall automatically revert to the Licensor. In this case, the Licensee shall immediately and completely cease using the Software, delete all copies of the Software installed on its systems and delete or hand over to the Licensor any backup copy that may have been made.

§ 4 Duties of the Licensee

4.1 The Licensee shall appoint a responsible contact person. This contact person can and will make binding decisions for the Licensee or bring about such decisions without delay. The contact person shall be available to the Licensor for any necessary information.

4.2 Licensee shall ensure that competent personnel are available for the use of the Software at the latest at the time of delivery.

4.3 The Licensee shall report defects in writing in a comprehensible and detailed form, stating all information useful for the detection and analysis of the defects. In particular, the work steps that led to the occurrence of the defect, the form of appearance and the effects of the defect shall be stated.

4.4 The Licensee shall assist the Licensor to the extent necessary in remedying defects, in particular in accordance with Section 2.5.

4.5 The Licensee acknowledges that the Software including the operating instructions

and further documents - also in future versions - are protected by copyright. Source programs in particular are trade secrets of the Licensor.

4.6 The Licensee shall not do anything that could facilitate unauthorized use. In particular, he may not attempt to decompile the programs unless he is entitled to do so under this Agreement. The Licensee shall notify the Licensor without delay if he becomes aware that unauthorized access is imminent or has occurred in his area.

4.7 The Licensee shall appropriately secure work results and other files on the system used ("Backup"). The backup shall be made in accordance with the economic and ideal significance of the data concerned. As a guideline, a backup at least once every working day is customary.

§ 5 Fee, due date and default

5.1 The agreed remuneration is in each case exclusive of value added tax, as the change in the tax liability (reverse charge procedure) applies. The Licensor may change the remuneration for the Software Lease for each renewal term. The Licensor shall inform the Licensee of any change in remuneration at least with one month's notice to the end of each contractual year, whereby the Licensee shall have the option to terminate the contract in each case.

5.2 The rent of the Software is due in advance for the respective license year. In the first month of the rental period, the rent shall be due upon complete provision of the Software.

5.3 Interest on arrears shall be eight percent (8%) above the base interest rate applicable at the time.

5.4 Due to defects, the Licensee may withhold payments only to a proportionate extent taking into account the defect and only if the defect exists beyond doubt.

5.5 In the event of the economic inability of the Licensee to fulfill its obligations to the Licensor, the Licensor may terminate the Agreement without notice by giving notice of termination, including in the event of an application for insolvency by the customer. § 321 of the German Civil Code (BGB) and § 112 of the German Insolvency Code (InsO) shall remain unaffected. The Licensee shall inform the Licensor in good time and in writing of any impending insolvency.

§ 6 Protection of the Software / audit

The Licensee is obliged to take appropriate measures to secure the license key against access by unauthorized third parties.

§ 7 Term and termination

7.1 The Agreement shall commence upon its signing. It shall be limited to a period of one year and is extended by a further year if it is not terminated in writing by either party with a notice period of three months to the end of each contractual year.

7.2 Furthermore, the Lease Agreement may be terminated in writing by either party without notice for good cause. A good cause that entitles the Licensor to terminate the Agreement shall exist, in particular, if the Licensee infringes the Licensor's rights of use by using the Software beyond the scope permitted under this Agreement and fails to remedy the infringement within a reasonable period of time following a written warning by the Licensor.

7.3 Notice of termination must be given in writing by letter or email.

7.4 In the event of termination, the Licensee shall give up use of the Software at the time of expiration of the lease period and return all license keys without delay. Any use of the Software and the license key after termination of the lease is prohibited.

§ 8 Maintenance

8.1 In accordance with the provisions of § 2 Clause 2.5, the Licensor warrants that the condition/functions of the Software agreed in the Description of Performance will be maintained during the term of the Agreement and that no rights of third parties will prevent the use of the Software in accordance with the Agreement.

8.2 The Licensor shall remedy any material defects and defects of title in the leased property within a reasonable period of time. Within the scope of the rectification of defects, the Licensor shall have the right to choose between rectification and replacement. The costs of remedying the defect shall be borne by the Licensor.

8.3 In the event of failure to remedy the defect owed under Section 8.1, the Licensee shall be entitled to terminate this Software Lease Agreement for cause pursuant to § 543 (2) sentence 1 no. 1 of the German Civil Code (BGB). Failure to remedy the defect shall be deemed to have occurred in particular if the remedy of the defect is impossible for the Licensor, if the Licensor refuses to remedy the defect or if the remedy of the defect by the Licensor is unreasonable for the Licensee for other reasons.

8.4 Liability without fault according to § 536a German Civil Code (BGB) is excluded.

8.5 The Licensee shall not be entitled to claim a reduction in rent by independently deducting the amount of the reduction from the current rent. The Licensee's claim under the law of enrichment to reclaim the portion of the rent paid in excess due to a justified reduction shall remain unaffected.

§ 9 Liability

9.1 The Licensor shall be liable without limitation

- in the event of malice, intent or gross negligence;

- within the scope of a warranty expressly assumed by him;
- for damages resulting from injury to life, body or health;
- for the breach of a material contractual obligation, the fulfillment of which is a prerequisite for the proper performance of this Software Lease Agreement and on the observance of which the Licensee regularly relies and may rely ("Cardinal Obligation"), but limited to the damage reasonably to be expected at the time the Agreement is concluded;
- in accordance with the provisions of the German Product Liability Act (ProdhaftG).

9.2 Any further liability of the Licensor is excluded. In particular, the Licensor shall not be liable for defects already existing at the time of the conclusion of the Agreement, unless a case of Section 9.1 is given.

9.3 The above liability rules shall apply accordingly to the conduct of and claims against employees, legal representatives and vicarious agents of the Licensor.

9.4 The Licensor warrants to the Licensee that the Software does not infringe any third party rights ("Property Right Infringement"). The Licensor shall indemnify the Licensee upon first request against all claims of third parties due to infringements of property rights for which the Licensor is responsible in connection with the contractual use of the Software and shall also bear the reasonable costs of a legal defense for the Licensee. The Licensee shall inform the Licensor without undue delay of any claims asserted by third parties; the Licensee shall not be entitled to accept such claims in fact or in law unless the Licensor has given its prior written consent thereto. The right to indemnification under this Section 9.4 shall expire if the Licensee does not immediately inform the Licensor of the assertion of claims by third parties and unless

there is a case of unlimited liability under Section 9.1.

9.5 If a claim is made against the Licensee due to a defect in the Software pursuant to Section 8.1 of this Software Lease Agreement, Section 9.4 shall apply accordingly; if indemnification is not possible in the external relationship, the obligation shall apply in the internal relationship.

9.6 In the event of loss of data, the Lessor shall only be liable for the effort required to restore the data if the Licensee had properly backed up the data. In the event of slight negligence on the part of the Lessor, this liability shall only apply if the Licensee has carried out a proper data backup immediately prior to the measure leading to the loss of data.

§ 10 Confidentiality

10.1 The parties undertake to keep Confidential Information of the other party strictly and unconditionally secret and to protect it by appropriate technical and organizational precautions. This obligation shall continue for a period of two years after termination of the Agreement.

10.2 Excluded from this obligation are such Confidential Information,

- a) which were demonstrably already known to the recipient at the time the Agreement was concluded or subsequently became known from a third party without thereby violating a confidentiality agreement, statutory regulations or official orders;
- b) which are public knowledge at the time of the conclusion of the Agreement or are made public thereafter, unless this is due to a breach of this Agreement;
- c) which must be disclosed due to legal obligations or by order of a court or authority. To the extent permissible and possible, the recipient obligated to disclose shall inform the

other party in advance and give it the opportunity to object to the disclosure.

10.3 The parties shall only grant access to Confidential Information to those consultants who are subject to professional secrecy or who have previously been subject to obligations corresponding to the confidentiality obligations of this Agreement. Furthermore, the parties shall only disclose the Confidential Information to those employees who need to know it for the performance of this Agreement and shall also oblige such employees to maintain confidentiality to the extent permissible under employment law for the period after their departure.

10.4 Each culpable breach of the above confidentiality obligations shall result in a contractual penalty of EUR 5,000. Further claims of the parties shall remain unaffected.

§ 11 Data protection

11.1 The contractual partners shall observe the provisions of data protection law. Each contractual partner shall oblige the persons working on its side in writing to observe data protection and to maintain confidentiality and shall provide evidence this to the contractual partner upon request.

11.2 The contractual partners assume that the Lessor will not become aware of any personal data from the Licensee's vicinity in connection with the Lease Agreement. Should this change, the Lessor shall act on behalf of the Licensee within the meaning of Art. 28 GDPR (EU General Data Protection Regulation). The Lessor will therefore only use the personal data within the scope of this Agreement or other written instructions of the Licensee and in accordance with the data protection regulations; the involvement of subcontractors in areas in which personal data may be perceived requires the written consent of the client in each individual case. The contractual partners shall then be obliged to conclude an agreement on commissioned processing in accordance with Art. 28 GDPR (EU General Data Protection Regulation).

§ 12 Miscellaneous

12.1 The Licensee may transfer rights and obligations arising from or in connection with this Agreement to third parties only with the written consent of the Licensor.

12.2 Offsetting shall only be permitted against undisputed or legally established claims of the Licensor.

12.3 Amendments and supplements to the Agreement must be made in writing. This shall also apply to the amendment or cancellation of this clause.

12.4 General terms and conditions of the Licensee shall not apply.

12.5 This Agreement shall be governed exclusively by German law under exclusion of the United Nations Convention on Contracts for the International Sale of Goods dated April 11, 1980 (UN Sales Convention).

12.6 The parties are aware that the Software may be subject to export and import restrictions. In particular, there may be licensing requirements or the use of the Software or related technologies may be subject to restrictions abroad. The Licensee shall comply with the applicable export and import control regulations of the Federal Republic of Germany, the European Union and the United States of America, as well as all other relevant regulations. The fulfillment of the Agreement by the Licensor is subject to the proviso that no obstacles based on national and international regulations of export and import law as well as no other legal regulations prevent the fulfillment.

12.7 The place of performance shall be Berlin, Germany.

12.8 Exclusive place of jurisdiction is Berlin, Germany.

12.9 Should individual provisions of this Agreement be invalid, this shall not affect the validity of the remaining provisions in principle.

In place of the invalid provision, the parties shall endeavor to find a provision that comes closest to the contractual objective in legal and economic terms.