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Bystronic Laser AG
Industriestrasse 21
3362 Niederönz
Switzerland

Att: Bastian Widenmayer

Date 3 May 2016
Your ref.
Our ref. P41601860WWW00L HHF/PETSTO

Re: Alleged risk for infringement

Dear Dr. Widenmayer,

We have recently been appointed by Tomologic AB (“Tomologic”) to represent them in this matter. There has been some exchange of letters, emails and technical information between Tomologic and Bystronic Laser AG (“Bystronic”) in the past, information of which we are aware. Appointing us is not necessarily to be seen as an escalation of the matter, the intention is rather to provide Tomologic’s team with a professional structure and assistance in managing the matter, potentially of contentious nature.

Tomologic prefers to find an amicable resolution to this matter. Our instructions are very clear on this point, which I hope you will appreciate.

Below, we briefly address a number of topics related to the present situation. It may not be a complete record, but should contain the most relevant events:

Facts:

- On 22 July 2008, Bystronic enters into a confidentiality agreement with Magnus Norberg Ohlsson, founder and managing director of Tomologic. After having entered into the agreement, confidential information is disclosed during a physical meeting in Niederönz, Switzerland. Additional information is provided to Bystronic via email on 25 August 2008.
- On 8 October 2009, a European patent application is filed, corresponding international patent application published in April 2011 (WO 2011/042058). The European patent application is granted on 30 July 2014 (EP 2485864 B1). Later on, the European patent is opposed, and opposition proceedings are presently pending. To date, the family of patents originating from, and claiming priority from the originally filed European patent application, includes all major markets (USA, China, Japan, South Korea, India, Russia and Canada etc.) having a substantial

industry for machining operations, such as laser and water-jet cutting processes.

- In addition to the mentioned European patent application, a handful of additional patent applications have been filed, one of which has presently been published (WO 2012/136262). The sought protection of all those additional patent applications covers different aspects of computer-controlled methods for enhancing performance and productivity in machining operations.
- On 21 September 2012, Bystronic enters into a second confidentiality agreement with Tomologic, the agreement replacing the former confidentiality agreement of 22 July 2008.
- On 1 October 2012, Bystronic enters into a service agreement with Tomologic, in which Bystronic is obliged to market and sell to its customers an automatic software service developed by Tomologic, which software service helps Bystronic's customers to optimise its machining operations (such as reducing waste and process time). In return, Tomologic is compensated according to a schedule of fixed and variable remuneration, the latter related to the sales of the software service.
- At least from 2012, Tomologic has noticed market activities emanating from Bystronic, such as the introduction of the software product BySoft 7 on Euroblech 2012. Bystronic's co-operation with Alma Group and its nesting software library is also closely monitored.
- Bystronic's products currently on the market, such as BySoft 7, are available to us. Thus, any information necessary for conducting detailed infringement analyses of Bystronic's products vs. Tomologics patent protection and pending patent protection is available.

Assessments:

- None of the above mentioned agreements gives Bystronic any rights to develop and/or market software products within the framework of the agreed field of confidentiality or within the scope of protection of any patent rights.
- The European patent EP 2485864 B1 contains a scope of protection that appears to cover at least several of the software enabled functions provided by BySoft 7. Having assessed the probable result of the previously mentioned pending opposition proceedings before the European Patent Office, also a conservative view establishes that the product will infringe, also if the scope of the claims needs to be amended as a result of the opposition.
- The same as above relating to infringement of software enabled functions applies to a large number of jurisdictions outside of Europe, where patents have been obtained, and where pending patents with time will further strengthen Tomologic's protection and position.

- The sought protection of previously mentioned additional patent applications is believed to cover aspects of computer-controlled methods for enhancing performance and productivity in machining operations, of particular interest to Bystronic and its comparable competitors.

Concluding remarks

The value of Bystronics software products (both already sold and future), which appear to infringe Tomologic's present and future patent rights, is very high. We realize that you and your superiors are aware of this, and trust that you will use all efforts available in order to resolve the matter.

Based on the above facts and assessments, we ask you to return with a proposal on how to resolve the matter. Although Mr. Waser has orally demanded us to present the basis for any assertions, we believe that the European patent, including its defensible fall back-positions, speaks for itself.

As a last inquiry, we respectfully ask you to present, at your earliest convenience, any information you may have that could possibly challenge the validity of Tomologic's patent rights. This to avoid that considerable resources are spent unnecessarily during negotiations, in terms of management attention, time and money, from our respective organisations.

In the absence of such information, we see no alternative other than to recommend Tomologic, its board of directors and owners to continue their efforts and seriously consider legal actions in order to protect their business interests.

We expect you to respond to this letter on **10 May 2016**. For questions of any kind, please do not hesitate to contact me at any time.

Yours faithfully,
Zacco Sweden AB



Henrik Hägglöf