1 Note: An offer or notice is deemed received (“zugegangen”) in terms of German law if and as soon as it has come into the recipient’s area of control in the way

that the recipient can reasonably be expected to take note of it.

1 General, Scope of application

1.1 These General Terms and Conditions of Sale (GTC Sale) apply to all our business relationships with entrepreneurs (§ 14 BGB – German Civil Code), legal persons under public law or special funds under public law (“öffentlich-rechtliches Sondervermögen”). The GTC Sale apply in particular to contracts for the sale and/or delivery of movables (also referred to hereinafter as “goods”), regardless of whether we manufacture the goods ourselves or purchase them from sub-suppliers (§§ 433, 651 BGB – German Civil Code). The GTC Sale as amended from time to time are deemed to constitute the framework agreement also for future contracts concluded with the same Buyer for the sale and/or delivery of movables with no obligation on our part to refer to these GTC Sale in each individual case; we will inform the Buyer of any changes or amendments to our GTC Sale without undue delay (“unverzüglich”). Our GTC Sale apply exclusively. Deviating, conflicting or supplementary General Terms and Conditions of Business of the Buyer will only become part of the contract if and to the extent that we have explicitly consented to their application. This requirement of consent applies in any case, for instance also in the case that we execute delivery to the customer without reservations even though we are aware of the Buyer’s GTC.

1.2 Any individual agreements made with the Buyer from time to time (including side agreements, changes and amendments) will in any case prevail over these GTC Sale. The content of any such agreement will be fixed in a written contract resp. in our written confirmation.

1.3 Legally relevant declarations and notifications which have to be given to us by the Buyer after contract conclusion (e.g. the fixing of a time limit, notice of defect, declaration of withdrawal, declaration for the reduction of the purchase price) must be in writing (“Schriftform”) to be valid.

1.4 Any confirmation of the applicability of statutory provisions only serves as a clarifying hint. Thus, the statutory provisions also apply in default of such a clarifying confirmation if and to the extent that they are not immediately changed or amended or explicitly excluded by these GTC Sale.

1.5 In the case of transactions concluded with customers abroad, unless otherwise agreed in the individual contract in question, the Buyer is responsible for ensuring compliance with the import regulations applicable in the country of destination.

2. Contract conclusion

2.1 All our offers are without engagement and subject to change. This also applies in the case that we have provided the Buyer with technical documentation (e.g. drawings, illustrations, calculations, references to DIN standards of technical data) and weight, measurement and performance specifications – including in electronic form – for which we reserve the corresponding property rights and copyrights and which must not be made available to third parties.

2.2 Any order of goods by the Buyer is deemed to constitute a binding offer for contract conclusion. Unless stated otherwise in the order, we are entitled to accept this offer for contract conclusion within 2 weeks from receipt (“Zugang”).

2.3 Acceptance of the offer can either be made in writing (e.g. by issue of an order confirmation) or through delivery of the goods to the Buyer.

3. Prices and terms of payment

3.1 Unless otherwise agreed from time to time, the applicable prices are those valid upon contract conclusion, including loading ex works or warehouse. All other costs such as packaging, freight, customs duties, assembly/ installation, insurance premiums etc. as well as the statutory value-added tax are charged separately; apart from that, sec. 5.4 applies.

3.2 Unless otherwise agreed in writing, payment is due and payable without deduction within 8 days from the invoice date and delivery resp. acceptance of the goods. In the case of contracts with a delivery value of more than EUR 30,000.00, we are however entitled to request a down-payment in the amount of 30 % of the purchase price. The down-payment is due and payable within 14 days from issue of the invoice.

3.3 The Buyer is deemed to be in default (“Verzug”) from the time of expiry of the aforesaid payment period. During the time of default, interest has to be paid on the purchase price at the statutory default interest rate valid at the time. We reserve the right to claim compensation of any further damage incurred by us as a result of the default (“Verzugs schaden”). As to our relationships with merchants (“Kaufleute” in terms of German law), our right to claim interest already from the due date (§ 353 HGB – German Commercial Code) remains unaffected.

3.4 If it becomes foreseeable after contract conclusion that the financial situation of the Buyer will worsen substantially (e.g. if a petition in insolvency is filed) and our purchase price claim is endangered as a result thereof, we will be entitled under the statutory provisions to refuse performance and withdraw from the contract (§ 321 BGB – German Civil Code).

3.5 The Buyer is only entitled to set-off or retention if and to the extent that the Buyer’s claim is undisputed or has been established by a final non-appealable court decision (res judicata).

4. Delivery dates and times, partial delivery

4.1 The delivery time is specifically agreed from time to time or is indicated by us upon acceptance of the order. Compliance with the delivery time is subject to the condition that all commercial and technical questions have been clarified between the parties, that the Buyer has fulfilled all obligations incumbent on him such as the procurement of the required permits to be issued by the competent authorities or, if so agreed upon, a down-payment and that the Buyer does not request in the course of the delivery period any changes to be made to the goods; in such cases, the delivery time is extended by a reasonable period. This does not apply if and to the extent that the reason for the delay is attributable to us.

4.2 If we are unable to comply with binding delivery times for reasons which are not attributable to us (non-availability of the goods or services to be provided), we will inform the Buyer without undue delay (“unverzüglich”) and at the same time indicate the estimated new delivery time. If the goods or services are not available within such new delivery time either, we will be entitled to withdraw from the contract in whole or in
part; any consideration already paid by the Buyer will be refunded without undue delay ("unverzüglich"). Non-availability of the goods or services in terms hereof includes but is not limited to the case of late delivery to us by our sub-suppliers, if we have concluded a congruent covering transaction, if no fault is attributable to us or our sub-suppliers or we are under no obligation to procure the goods or services in the specific case in question and further includes any circumstances which we are unable to prevent event though we exercise all diligence and care which can reasonably be expected under the given circumstances and we which we are unable to foresee upon contract conclusion such as war, currency-related and trade policy-related or other sovereign measures, civil commotion, terrorist acts, acts of God, fire, strike, lock-out, non-supply which is not caused by our fault of primary material, traffic blocks or operating failures as well as any other case of force majeure.

4.3 The occurrence of a delay in delivery ("Lieferverzug") is defined by the applicable statutory provisions. However, in any case, a reminder by the Buyer is required.

4.4 Partial deliveries are admissible, if such partial delivery is usable by the Buyer for the contractually agreed-upon purpose, if delivery of the remaining goods is ensured and the Buyer does not incur as a result thereof substantial additional work or expense (unless we agree to bear such costs).

5. Dispatch and passing of risk, transport and packaging regulations

5.1 Delivery is EX WORKS which is also the place of performance ("Einfüllungsort"). The goods will be delivered to another destination upon request and at the expense of the Buyer (sale by delivery to a place other than the place of performance – "Versendungskauf" in terms of German law). Unless otherwise agreed, we are entitled to choose the mode of dispatch (including but not limited to the carrier, dispatch route, packaging) in our sole discretion.

5.2 The risk of accidental perishing or loss or accidental deterioration of the goods passes to the Buyer no later than upon hand-over of the goods. However, in the case of sale by delivery to a place other than the place of performance ("Versendungskauf" in terms of German law), the risk of accidental perishing or loss or accidental deterioration of the goods passes to the Buyer already upon hand-over of the goods to the carrier, forwarder or other person or institution assigned to execute the dispatch. If formal acceptance and approval of the goods has been agreed upon, the risk will pass to the Buyer on such occasion. Also apart from that, in the case of an agreed-upon formal acceptance and approval of the goods, the statutory provisions of the law governing contracts for work and services ("Werkvertrag") apply accordingly. If the Buyer is in default of acceptance ("Annahmeverzug"), this situation will be treated as if the goods had been handed over or formally accepted and approved.

5.3 If the Buyer is in default of acceptance ("Annahmeverzug") or if the Buyer fails to cooperate or assist or if the delivery is delayed for any other reason attributable to the Buyer, we will be entitled to claim compensation of the damage incurred as a result, including any additional expenses (e.g. storage costs). For this, we will charge a lump-sum compensation amounting to 0.1 % per calendar day of the value of the non-accepted goods but not more than a maximum of 5% of such value, starting from the delivery date resp. – in default of a specific delivery date – from the notice of readiness of the goods for dispatch. This is without prejudice to our right to demonstrate that the damage incurred by us was higher and also to our statutory rights and claims (including but not limited to the right to reimbursement of additional expenses, adequate compensation, withdrawal); however, the aforesaid lump sum must be set off against any further monetary claims. The Buyer however is allowed to demonstrate that we did not incur any damage at all or that the damage incurred by us was much less than the aforesaid lump sum.

5.4 In the case of a sale by delivery to a place other than the place of performance ("Versendungskauf" in terms of German law) (section 5.1), the costs of transport ex warehouse are borne by the Buyer. Customs duties, if any, fees, taxes and other public charges are borne by the Buyer. Transport insurance is only taken out by us if specifically agreed-upon in writing, and is taken out on behalf and for the account of the Buyer. Unless specifically agreed otherwise in writing, the goods are delivered unpacked. If packaging has been agreed upon, such packaging will, as a rule, be made in a way usual in the trade, against surcharge. Any special packaging regulations or requirements have to be reported to us. We do not accept return of the transport packaging or any other packaging in terms of the "Verpackungsverordnung" (German Packaging Ordinance), the packaging becomes the property of the Buyer.

6. Reservation of title

6.1 We reserve title to the sold goods until all our current and future claims arising from the sales contract and a current business relationship (secured claims) have been paid in full.

6.2 The goods sold subject to reservation of title must neither be pledged in favour of third parties nor may title to them be transferred to a third party by way of security before the secured claims have been paid in full. The Buyer is obliged to inform us in writing without undue delay ("unverzüglich") of any seizure of, or any other interference with the goods. If the Buyer is in breach of the contract including the agreed-upon formal acceptance and approval of the goods, the statutory provisions of the law governing contracts for work and services ("Werkvertrag") apply accordingly. If the Buyer is in default of acceptance ("Annahmeverzug"), this situation will be treated as if the goods had been handed over or formally accepted and approved.

6.3 If the Buyer is in breach of the contract including but not limited to the case of non-payment of the purchase price due, we will be entitled to withdraw from the contract in accordance with the applicable statutory provisions and demand return of the goods by virtue of the agreed upon reservation of title and the withdrawal. If the Buyer fails to pay the purchase price due, we will only be entitled to assert these claims after we have granted to the Buyer a reasonable grace period for payment which has expired without result or if the statutory provisions provide for such a grace period to be dispensable.

6.4 The Buyer is entitled to resell and/or process the goods subject to reservation of title in the ordinary course of business. In this case, the following supplementary provisions apply.

(a) The reservation of title extends to the full value of the products generated through the processing, mixing or combination of our goods whereby we are deemed to be the producer. If, in the case that our goods are processed, mixed or combined with goods of third parties, the property rights of such third parties persist.
we will share title to, and become co-owner of the new products in the proportion commensurate with the invoice values of the processed, mixed or combined goods. Apart from that, the newly generated product is subject to the same provisions and regulations as the goods delivered subject to reservation of title.

(b) The Buyer already now assigns to us by way of security the claims against third parties arising from the resale of the goods or the newly generated product, and that in the full amount resp. in the amount corresponding to our co-ownership share, if any, as defined in the preceding paragraph. We hereby accept the assignment. The Buyer’s obligations under section 6.2 also apply with respect to the assigned claims.

(c) Besides us, the Buyer also continues to be entitled to collect the claims. We undertake not to collect the claims ourselves as long as the Buyer fulfills his payment obligations in the relationship with us and is not in default of payment and as long as no petition in insolvency is filed and no other failure exists as regards the Buyer’s ability to pay. However, if any of the aforesaid events should occur, we may request the Buyer to disclose to us the specific claims assigned as well as the identity of the debtors, to provide us with all information and data required for the collection, hand over to us the corresponding documents and notify the debtors (third parties) of the assignment.

(d) If the realizable value of the security exceeds the amount of our claims by more than 10% in total, we will upon the Buyer’s request release an appropriate portion of the security which we will choose in our sole discretion.

6.5 The preconditions and effects of the reservation of title in terms of section 6 are subject to the law of the place where the goods are located to the extent that the choice of German law is impermissible or ineffective thereunder. If, under the law of the country to which our goods are shipped, the reservation of title or the assignment of future claims in the context of the extended reservation of title (“verlängerter Eigentumsvorbehalt”) is not acknowledged or is deemed to be invalid, such security in terms of our law is deemed agreed upon for the protection of our rights as is the best possible security permitted under the law of that country. The Buyer is obliged to initiate and undertake any and all legal steps and all measures which are required to ensure the effectiveness of such security.

7. Notice of defect and Buyer’s claims for defects

7.1 Unless otherwise agree upon hereinafter, the Buyer’s rights in the case of a defect in quality or title (including wrong delivery (aliud delivery), short delivery as well as improper installation or faulty installation instructions) are governed by the statutory provisions.

7.2 The Buyers claims for defects are subject to the condition that the Buyer has duly fulfilled his statutory duty to inspect the goods and give notice of defect (§§ 377, 381 HGB – German Commercial Code). If a defect becomes apparent during the inspection or later, the Buyer is obliged to inform us in writing without undue delay (“unverzüglich”). Notice of defect is deemed given without undue delay (“unverzüglich”) if it is issued within two weeks whereby timeous dispatch of the notice is sufficient to comply with the time limit. Regardless of the said duty to inspect and give notice of defect, the Buyer is obliged to give written notice of obvious defects (including wrong delivery (aliud delivery) and short delivery) within two weeks from delivery whereby again timeous dispatch of the notice is sufficient to comply with the time limit. If the Buyer fails to duly inspect the goods and/or give notice of defect, our liability for the non-reported defect is excluded.

7.3 The Buyer’s claims for defects are also excluded in the case of failure or damage which is due to non-compliance with the operating instructions for our devices or any other improper use and treatment (e.g. improper current supply), interventions or changes which are not carried out by our expert staff, wear and tear of wear and tear parts caused by their specific use (e.g. drive belts, conveyor belts, thermal printers), early wear and tear of wear and tear parts, if this is due to the use of improper operating equipment or auxiliary material (e.g. inferior-quality paper in the case of thermal printers). If material is used which is not recommended by us, we reserve the right to check such material as to whether it is suitable, sale of used goods.

7.4 If the delivered item is defective, we may first choose either we will render subsequent performance (“Nachverrichtung”) by remediying the defect (“Nachbesserung”) or by delivery of a non-defective item (substitute delivery – “Ersatzleistung”). Our right to refuse subsequent performance on the conditions provided for by law remains unaffected.

7.5 We are entitled to make the subsequent performance dependent on the Buyer’s payment of the purchase price due. The realization is however entitled to withhold such portion of the purchase price as is reasonable with a view to the existing defect.

7.6 The Buyer is obliged to grant us the time and opportunity to render subsequent performance, in particular to hand over the goods which were complained about for inspection. In the case of substitute delivery, the Buyer is obliged to return the defective item to us as is provided for by the statutory provisions. Subsequent performance includes neither the de-installation of the defective item nor the re-installation if originally we were not obliged to install the item either.

7.7 The expenses required for the inspection and subsequent performance (“Nachverrichtung”) including but not limited to the cost of transport, tolls, labour and material costs (excluding de-installation and re-installation) are borne by us if the item is actually defective. If however the Buyer’s request for defect remedy proves to be unjustified, we are entitled to claim from the Buyer reimbursement of the costs incurred by us in this context.

7.8 In the case of urgency, e.g. in the case of an endangerment of the operating safety or to prevent unreasonable damage, the Buyer is entitled to remedy the defect himself and claim from us reimbursement of the expenses which are necessary for such remedy from an objective point of view. The Buyer is obliged to inform us without undue delay (“unverzüglich”), if possible in advance, of any such remedy carried out by the Buyer himself. The Buyer’s right to remedy the defect himself is excluded if otherwise we would be entitled to refuse subsequent performance under the applicable statutory provisions.

7.9 Buyer’s claims for damages resp. for reimbursement of futile expenses exist only within the limits of section 8; apart from that, they are excluded.

8. General limitation of liability

8.1 Unless otherwise stipulated in these GTC Sale including the following provisions, in the case of a breach of contractual and non-contractual duties, we will be liable as provided for by the applicable statutory provisions.
8.2 We will be liable for compensation of damage –
regardless of the legal cause of the claim – in the case
of intentional or grossly negligent conduct. In the case
of simple negligence we may only be held liable for
damage resulting from an injury of the life or limb or
health, for damage resulting from the breach of a
fundamental contractual duty (“wesentliche Vertrags-
pflicht”) (which is a duty the fulfilment of which is an
indispensable condition for the proper execution of the
contract and on the fulfilment of which the contractual
partner generally relies and is reasonably allowed to
rely); however, in this case, our liability is limited to the
compensation of the typical foreseeable damage.
8.3 The limitations of liability set out in section 8.2 do
not apply if and to the extent that we have fraudulently
concealed a defect or have given a guarantee for the
quality of the goods. The same applies to any claims of
the Buyer under the Produkthaftungsgesetz (German
Product Liability Act).

9. Limitation
9.1 The limitation period for any and all claims of the
Buyer including but not limited to claims for defects in
quality or title, is one year from delivery. If formal
acceptance and approval of the goods has been
agreed upon, the limitation period runs from the time of
such formal acceptance and approval.
9.2 This is without prejudice to special statutory
regulations which apply to third-party claims in rem for
surrender (§ 438 subs. 1 no. 1 BGB – German Civil
Code), in the case of fraudulent conduct of the Seller (§
438 subs. 3 BGB – German Civil Code) and in the case
of claims in the context of the Seller taking recourse
against his own (sub-) suppliers in any case where the
goods are ultimately delivered to a consumer (§ 479
BGB – German Civil Code).
9.3 The aforesaid limitation periods applicable under
sales law also apply to contractual and non-contractual
claims for damages of the Buyer which are based on a
defect of the goods unless the application of the
regular statutory limitation period (§§ 195, 199 BGB –
German Civil Code) would lead to a shorter limitation
period in the specific case in question. In any case, the
limitation periods stipulated by the Produkthaftungs-
gesetz (German Product Liability Act) remain
unaffected. Otherwise, claims for damages of the
Buyer in terms of section 8 are exclusively subject to
the statutory limitation periods.

10. Use of software
10.1 If and to the extent that the goods contain
software, the Buyer is granted a non-exclusive right to
use the delivered goods together with its
documentation. The latter is provided to the Buyer for
use together with the goods destined for it. It is
forbidden to use the software on more than one
system.
10.2 The Buyer is only allowed to copy, adapt or
translate the software or convert it from the object code
into the source code within the limits of the law (§§ 69a
et seqq. UrhG – German Copyright Act). The Buyer
undertakes not to remove or modify without our prior
explicit consent any information or notice applied by
the manufacturer including but not limited to copyright
notices.
10.3 All other rights in the software and the
documentation including any copies thereof remain the
property of the supplier resp. the software supplier. It is
not allowed to grant sub-licences.

11. Place of jurisdiction and applicable law