



Standard Conditions of Sale

1.) Orders

The terms and conditions for sale, delivery and payment as stipulated below apply exclusively to all deliveries to the Buyer made by the Seller. If the Buyer's order was based on deviating terms and conditions, these apply only if there is written confirmation on the part of the Seller.

These conditions shall govern any future individual contract of sale between the Seller and the Buyer to the exclusion of any other terms and conditions unless both parties agree hereto in writing. Any typographical, clerical or other error or omission in any sales literature, quotation, price list, acceptance of offer, invoice or other document of information issued by the Seller shall be subject to correction without any liability on the part of the Seller.

2.) Offers and conclusion of contract

The Seller's offers are non binding unless explicitly termed binding. A Buyer's order constitutes the conclusion of a purchase contract only once the Seller issues a written order confirmation. The requirement for a written confirmation can only be waived in written form.

3.) Quotations, drawings and technical documents

Quotations, drawings and technical documents, etc. remain the property of the Seller, especially if they were delivered prior to a purchase order and constitute a proposed solution to a specific problem. Barring the Seller's express consent, Buyers are strictly forbidden to copy or reproduce such documents in any fashion or to bring them to the attention of a third party. Their internal use is limited to the restrictions as outlined in the agreement. All copyrights remain with the Seller.

4.) Delivery terms

4.1.) Delivery terms are specified in the order confirmation. Delivery dates are provided as precisely as possible. However, delivery dates are subject to change if the Seller is not supplied with the requested products on schedule. The Seller agrees to immediately inform the Buyer if a product is out of stock. Payments already made by the Buyer (advance payment, etc.) are reimbursed as soon as possible. The delivery term starts with the Buyer's receipt of the order confirmation, but not before the Buyer has furnished all necessary documents, authorizations, releases, and made the agreed-upon down payment.

4.2.) Delivery and service delays due to force majeure and events that significantly impede or prevent delivery, such as unforeseeable equipment or production failures or problems with obtaining materials, unforeseeable shortage of staff, strikes, riots and lockouts, or any such events occurring at our suppliers, will automatically extend the delivery term by a period of time that is deemed reasonable and necessary to correct the problem. This also applies in the case where the Seller's suppliers fail to supply him in whole or in part or not punctually despite the Seller's timely order. If the delay exceeds three months, both parties have the right to withdraw from that part of the purchase contract that has not yet been fulfilled. No further claims can be made beyond the terms specified under clause 9 (Liability).

4.3.) Should the Seller default with the supply, the Buyer is entitled to withdraw from the contract following a reasonable extension of time should the goods not be reported to be ready for dispatch by the end of this period. This extension goes into force upon receipt of the Buyer's written notification thereof. The Buyer is entitled to compensation on grounds of nonfulfillment, to be optionally asserted as the right to withdrawal, only if the default can be attributed to willful or negligent breach of duty on the part of the Seller or if the Buyer can prove that a default by the Seller will result in his having to pay compensation to a third party. Any compensation claim is limited to the amount stipulated under clause 9 (Liability).

4.4.) Should the Buyer default in accepting the goods, the Seller may put the goods into storage at the Buyer's risk. Any costs incurred from storage are borne by the Buyer. If the goods have still not been accepted by the Buyer after a reasonable grace period, the Seller is entitled to use the goods at his discretion.

4.5.) The Seller reserves the right to make partial deliveries.

5.) Prices

5.1.) The prices listed refer to delivery from the manufacturing site.

5.2.) No discounts will be granted if the Buyer is in arrears with payment for previous deliveries.

5.3.) Insofar as the interval between conclusion of the purchase contract and the contractually stipulated delivery date exceeds four months, after which there were increases in wages, material costs, energy, transport costs etc., which were unforeseeable at the time of the purchase contract, then these cost increases can be passed on to the Buyer. Also, the invoice total will reflect any increase in value-added tax (currently 19% in Germany). Given no such circumstances, our prices are as set down in the price list valid at the time of conclusion of the contract.

5.4.) If the Buyer is unable to pass on the risks resulting from a price increase to a third-party buyer through contractual arrangements and is able to prove this to the Seller, there will be no price adjustment due to increased costs.

5.5.) There will also be no price adjustment if the Seller is responsible for the aforementioned increase in costs or if the cost increase occurs during a default in supply.

5.6.) Shipment and transport insurance are charged separately by the Seller.

5.7.) The price is exclusive of any applicable value added tax, which the Buyer shall be additionally liable to pay to the Seller.

6.) Payment, offsetting, and rights of refusal

6.1.) Unless otherwise agreed, payment is to be made net without any discount within 30 days of the invoice date. The amount must be available for the Seller's use at the due date.

6.2.) Bills of exchange or checks are accepted only on account of performance, never in lieu of performance. Upon receiving a bill of exchange or check, the Seller becomes the owner of the bill or check. Costs for discounting and collection are borne by the Buyer. If the Buyer does not meet the deadline for payment or if payment is deferred, the Seller reserves the right to charge interest starting from the original deadline for payment. The interest is set at 8% above the base rate of the European Central Bank. If the Seller proves a higher interest damage, the Buyer will be charged with this higher interest amount. Further expenses in this regard arising to the Seller will be charged to the Buyer at least with 10,00 € The Seller reserves the right to institute legal collection proceedings.

6.3.) If the Buyer's financial situation dramatically worsens after conclusion of the contract or if insolvency or composition proceedings are initiated—or if such a worsening of the financial situation becomes known to the Seller through no fault of his own after conclusion of the contract—the Seller is entitled to withhold delivery until the Buyer has presented acceptable securities. If the Buyer fails to present such securities within a reasonable period of time, the Seller is entitled to withdraw from the contract. The Seller may also withdraw from the agreement if checks received from the Buyer bounce, if bills of exchange are protested, or if the property of the Buyer becomes the subject of insolvency or composition proceedings.

6.4.) Offsetting or withholding payment on the Seller's claims is permitted only in the case of legally founded counterclaims.

6.5.) Payments to the Seller's employees or travelling representatives can only count against settling the debt if such persons are authorized to collect.

7.) Passing of risks

- 7.1.) The Seller is responsible for the goods while on his premises. The goods are insured against transport damage at the Buyer's expense, unless the Buyer issues a written instruction to dispense with an insurance. The passing of risk occurs at the time of shipment from the Seller's site.
- 7.2.) If shipment is delayed without intention or negligence on the part of the Seller, the goods are stored at the Buyer's expense and risk.

8.) Notification of Defects and Warranty

- 8.1.) It is the responsibility of the Seller to ensure that the supplied hardware at the time of the passing of risks is free of material or manufacturing defects constituting a considerable reduction in the product's value or functionality, that the licensed software complies in essence with the functionality and features as described in the software manual or another written agreement valid at the time of granting the license, and that the goods are free of defects of title and material defects.
- 8.2.) The Seller accepts no responsibility for the resaleability of hard- or software products, for their suitability for a particular purpose, or for their profitability.
- 8.3.) If the event of default, the flawed product is repaired and/or replaced free of charge at the discretion of the Seller. If the Seller fails to repair or replace the flawed item within a reasonable period set by the Buyer, or if the subsequent delivery or repair fails entirely, the Buyer is entitled to demand a proportionate reduction in the purchase price (reduction) or may withdraw from the contract (cancellation).
- 8.4.) The warranty term for the products is one year unless otherwise agreed in individual contracts. The warranty term starts on the day of delivery or, if the Buyer is in default of acceptance, on the agreed date of delivery or the date notified in writing by the Seller.
- 8.5.) Any liability for material defects is void if the Buyer fails to inspect the goods immediately following receipt and does not write a notification of defects immediately, at the latest within one week's time of receipt. Defects that were not ascertainable upon close inspection within this period must be notified to the Seller immediately following discovery. All returned goods must be accompanied by the delivery note (packing slip).
- 8.6.) There is no liability for flaws or defects due to events occurring after the passing of risks that are beyond the Seller's control, excluding damages resulting from bodily injury or death due to negligent breach of duty by the Seller or willful or negligent breach of duty by one of his legal representatives or vicarious agents. In particular, warranty is invalidated for products (including software) that
 - a) following the passing of risks have been exposed beyond the usual limits to fluctuations in temperature, moisture, dust, gas, magnetism, or other environmental conditions in contradiction to the instructions by the Seller;
 - b) are operated, modified or upgraded by the Buyer in violation of specifications and instructions by the Seller;
 - c) are repaired or serviced improperly, in violation of the Seller's instructions, or by persons other than the Seller, his staff or his agent;
 - d) are subject to any interventions by the Buyer or a third party that are not authorized by the Seller;
 - e) are damaged as a result of their connection with other devices, unless the Buyer can prove that the actions or events described in clause 8.6 a) through e) were not causative factors in the defect reported.
- 8.7.) If investigation of a reported defect finds no grounds for a warranty claim, then the Buyer bears the costs of inspection and repair at the Seller's rates effective at that time, as well as any shipping charges.

9.) Liability

- 9.1.) The Seller is liable for damages if

- a) the contractual liability is proven pursuant to the German Product Liability Act (Produkthaftungsgesetz);
 - b) they result from a gross fault on the part of the Seller or to a willful or gross fault on the part of the Seller's legal representative or his vicarious agents.
- 9.2.) In case of a violation of material contractual obligations (cardinal obligations) that are neither grossly negligent nor willful, or in the case of willful or gross fault on the part of the Seller's employees who are neither agents nor managerial staff, the following indemnity limits apply: 500,000 EUR for damages to persons or property and 125,000 EUR for financial loss.
- 9.3.) The Seller is not liable for indirect damages, consequential damages or loss of profits, insofar as this liability is not expressly stipulated by law or agreement.
- 9.4.) Unless stated otherwise under any above provision, neither the Seller nor his staff or contractors can be held liable for simple negligence, irrespective of the legal grounds, including default, impossibility of performance, negligence in contracting, positive breach of contract, culpable violation of obligations to repair and tortious act.

10.) Repairs after end of warranty term

- 10.1.) If a quotation is desired before repair work commences, the Buyer must explicitly state this. The Buyer bears the cost of the quotation.
- 10.2.) Liability for damages resulting from repair work is as detailed in clause 9 of these terms and conditions. The Seller may use its discretion whether to make repairs on site or whether to commission such work.
- 10.3.) All incidental costs of repair, such as shipment, are borne by the Buyer. All other issues are handled according to the provisions of these terms and conditions.
- 10.4.) The handing over and delivery of repaired products takes place only following immediate payment.

11.) Export

- 11.1.) The delivered goods are subject to German export controls and embargo regulations. The Buyer is advised that the re-export from the Federal Republic of Germany must be authorized by the Federal Office of Economics and Export Control (Bundesamt für gewerbliche Wirtschaft). The Buyer is also advised that any products for which embargo regulations apply may under no circumstances be exported. Violation of these regulations is punishable by law.

12.) Retention of Title

- 12.1.) Notwithstanding delivery and the passing of risks in the goods, or any other provision of these conditions, the Seller retains title to all delivery items until the Buyer has settled his account arising from his business connection with the Seller. Title to the goods shall also remain with the Seller if the Buyer has made partial payments for the goods. In this case the retained title serves as a security for the balance claims of the Seller.
- 12.2.) The goods delivered by the Seller to the Buyer may be resold in regular business transactions as long as the Buyer is not in default.
- 12.3.) Should the goods to which the Seller retains title accrue claims arising from resale, further processing or other legal reason, the Buyer assigns in advance these claims irreversibly and fully to the Seller as security. Such assignments of claims to the Seller include the Buyer's claims to the closing balance of an open account agreed between the Buyer and his customer.
- 12.4.) The Buyer is obligated to reveal the assignments of claim upon demand and to provide information as regards the claims assigned to the Seller, including documents.
- 12.5.) The Buyer must immediately inform the Seller of any damages or losses to the goods to which the Seller retains title, also of any claims or other interference by third parties with respect to the goods to which the Seller retains title. In the case of the attachment of a claim or other legal measures, the Buyer must make available to the Seller all documents and information required for or facilitating the

protection of the Seller's claims. At the same time the Buyer must inform any third parties in writing about the Seller's rights and claims.

- 12.6.) If the Buyer remains in arrears with payment after receiving a reminder and after expiry of a grace period, the Seller is entitled to cancel the contract and repossess the goods to which he retains title. In this case, the Buyer is obligated to assign to the Seller any existing rights to recovery against third parties. If the goods to which the Seller retains title are still in the Buyer's possession, the Buyer irrevocably grants the Seller the right to enter the premises where the goods are stored, so as to enable the Seller to repossess them. The Buyer irrevocably grants the Seller the right to enter and inspect, at any time, the facilities where the goods to which the Seller retains title are stored.
- 12.7.) If the value of the securities given to the Seller (including assignments in advance) exceed his claims by 10%, he is obligated, at the Buyer's request, to release securities exceeding this percentage at his discretion.
- 12.8.) The Buyer remains obligated to immediately inform the Seller about damages or losses to the goods to which the Seller retains title. If the Buyer sells the goods to which the Seller retains title together with other goods at a single price in a legal transaction, then the Buyer assigns in advance to the Seller the portion of the invoice value that covers the goods to which the Seller retains title. Such a partial assignment of claim also includes the Buyer's claims to the closing balance of an open account agreed between the Buyer and his customer.

13.) Special conditions regarding delivery and use of software

- 13.1.) With the purchase of software, the Buyer obtains the right to use the coded program (excluding the source code) when he pays the license fee, in the form of a single payment or regular installments depending on the written agreement.
- 13.2.) The creation of copies—even if only in coded form—is only permissible within the scope of what is absolutely necessary for internal use, with the exception of making backup copies. The exact number of copies is to be communicated to the Seller. Additional license fees for copies are detailed in writing as part of the license agreement. The Buyer must ensure that all copies (including partial ones) contain the Seller's copyright notice and/or ownership information that exists on the original software.
- 13.3.) The software license is not transferable unless otherwise agreed. The Buyer is not permitted to grant sublicenses or otherwise make the software available to a third party, with the exception of his employees and agents, whose use of the software must remain within the limits as outlined within the license. The Buyer shall ensure that classified and/or confidential information including the software source code is made available to no parties other than his employees or agents. The Buyer may use the software exclusively for business operations and on or with products that are explicitly termed "permissible hardware" in the Seller's order confirmation. Permissible hardware includes future replacement of hardware as well as any upgrades.
- 13.4.) Commercial IT retailers may be granted the right to resell software to end customers subject to the above conditions. This necessitates a separate written agreement.
- 13.5.) Unless otherwise agreed, the software license is granted for an indefinite period. The Seller is entitled to withdraw any software license for serious reasons. One such serious reason lies in the failure to pay license fees within two weeks of receiving a reminder, or the violation of any provision under clause 13. In case of termination of the software license, the Buyer is obligated to immediately return to the Seller the licensed software as well as all copies, including partial copies and modifications. He is further obligated to delete the software from all media or, if this is not possible, to destroy the media in question and to notify the Seller thereof in writing. Terminations always refer to all versions of the software made available to the Buyer, including any copies and partial copies.

14.) Special provisions concerning software protection

- 14.1.) The parties hereby agree to give the objects of the agreement the same protection granted to copyright and commercial protection, insofar as these protective rights do not apply automatically. Such copyright protection applies especially to the supplied software.

- 14.2.) Decompilation of the program code or other types of reverse engineering are only permitted if they are indispensable for the creation, maintenance or operation of an independently created interoperable program and the information needed for this task has not yet been published or is unavailable elsewhere, e.g. from the manufacturer. The manufacturer's address is listed on the front cover of the user manual.
- 14.3.) Copies and partial copies must include the same protective right notices (copyright, etc.) as the original. Software may not be made available to third parties. Every loss, even if only temporary, of programs, partial programs or program carriers must be reported to the Seller immediately.
- 14.4.) If a violation of these duties of care occurring during storage or use of his program renders the Seller unable to exercise his protective rights in time, the Buyer is obligated to compensate the Seller.
- 14.5.) If a third party claims an infringement of protective rights, the Seller may at his discretion make the necessary rights available to the Buyer or exchange or modify the supplied products on a reasonable scale at the Seller's expense, such that the infringement no longer exists.
- 14.6.) If the Buyer trades in software and resells the supplied software, the Buyer shall pass on to his customers the obligations stipulated in clauses 14.1 through 14.6 correspondingly. In case the Buyer's customers should violate these obligations, the Buyer assigns in advance to the Seller any resulting compensation or other claims insofar as the Seller has suffered direct damages from this violation.

15.) Miscellaneous

- 15.1) The Seller reserves the right to improve or modify any of the products without prior notice, provided that such improvement or modification shall not affect the form and function of the product.
- 15.2.) Should one or more provisions of these terms and conditions become void or impracticable, this shall not affect the validity of the remaining provisions. The void or impracticable provision shall be replaced with an effective and workable provision that conforms as far as possible to the economic purpose of the void provision.
- 15.3.) All agreements that modify, amend or specify the contractual relationship between Seller and Buyer, as well as special assurances and agreements, must be set down in writing. This provision also applies for modification, amendments, etc. of the foregoing clause.
- 15.4.) All parts of this agreement are subject to German law and the EU guidelines, excluding the UN Convention on International Sale of Goods (CISG). The same applies for all legal activities between Seller and Buyer resulting from this agreement or associated with it.
- 15.5.) If the Buyer is considered a merchant according to the German Commercial Code, a legal entity under public law or a separate estate under public law, Frankfurt am Main shall be the place of jurisdiction for all legal proceedings concerning this agreement or associated with it. Nevertheless, the Seller is entitled to initiate a lawsuit or other court proceedings at the Buyer's general place of jurisdiction.