GENERAL TERMS & CONDITIONS OF DELIVERY GERNEP GMBH ETIKETTIERTECHNIK

GERNEP
More than Labelling

I. Contract content, scope, offer

1. All our goods and services are delivered exclusively on the basis of the General Terms & Conditions of Delivery described here. We do not recognise deviating terms & conditions of the Customer (client, buyer) unless we have explicitly agreed to their application in writing. Our General Terms & Conditions shall also apply even if we perform the delivery unconditionally in knowledge of terms & conditions of the Customer that contradict or differ from our General Terms & Conditions of Delivery.

2. These General Terms & Conditions shall apply to all our services regardless of the legal nature of the contract underlying the service. They thus apply to purchase contracts, work contracts, work delivery contracts and to combined contracts alike.

3. Individual agreements made with the Customer in individual cases (including sideagreements, addenda and amendments) shall in any event take precedence over these General Terms & Conditions of Delivery. A written contract and/or our written confirmation shall be definitive to the content of any such agreements.

4. These Terms & Conditions shall apply only vis-à-vis entrepreneurs, legal entities under public law and separate assets under public law (in each case within the meaning of § 310 German Civil Code - BGB).

5. These Terms & Conditions shall also apply to all future business between us and the Customer.

6. If the order can be qualified as an offer in accordance with § 145 BGB, we shall be entitled to accept same within four weeks of receipt.

7. Our information on the object of the delivery or service (e.g. weights, dimensions, consumption values, strength, tolerances and technical data) as well as our depictions of same (e.g. drawings and illustrations) shall be deemed only approximate to the extent its use for the purpose provided for by contract does not presuppose an exact match. They shall not be deemed guaranteed property attributes, but descriptions or indications of the goods or service. Deviations customary in the trade and deviations that occur due to legal requirements or that represent technical enhancement, and substitution of components by equivalent parts, are permissible to the extent they do not restrict their use for the purpose provided for by contract.

II. Documents, Preparatory Work, Business-Secrets

1. We reserve all rights to cost estimates, calculations, plans, illustrations, design work, preliminary work, drawings and other documents, in particular title and copyright. They may be made accessible to third parties only with our written permission. We may make documents identified by the Customer as confidential accessible to third parties only with its written permission. Documents transmitted by us may only be used in preparation for conclusion of contract and thereafter only for fulfilment of contract. Any use above and beyond that shall be prohibited.

2. The Customer may not disclose our business secrets and those of our affiliated undertakings (within the meaning of § 15 German Stock Corporations Act – AktG), which have become known to it, to third parties. We may not disclose business secrets of the Customer and those of its affiliated undertakings (within the meaning of § 15 German Stock Corporations Act – AktG), which have become known to us, to third parties.

3. Both we and the Customer shall be obliged to ensure in an appropriate manner that theirboards and employees also observe the obligations set out above.

III. Time for Delivery, Force Majeure, Default, Acceptance

1. The delivery time begins with the dispatch of the order acknowledgement and complete clarification of all technical questions, but not before the provision by the Customer of plans, documents, permits, releases, consents or before receipt of any agreed down- payment.

2. The service expected of us shall be deemed rendered on a timely basis as long as we have shipped the object of contract by the end of the delivery time in good order, or have notified the Customer that it is ready for shipment.

3. A default in performance due to force majeure shall not entitle Customer to a claim (in particular, a claim for a contractual penalty or damages) against GERNEP GmbH. Any unforeseeable event or an event, which – though foreseeable – is beyond the influence and control of GERNEP GmbH and the effects of which cannot be avoided by the exercise of reasonable care shall be considered an event of force majeure. Such events include but are not limited to delayed performance by subcontractors/suppliers, acts of war (whether declared or not), war-like conditions, riot, revolution, rebellion, military or civilian coups d'état, insurrection, turmoil, outrages, mobilisation, requisition, blockade, embargo, government order, sabotage, strikes, go-slow strikes, lockout, epidemic diseases, fire, floods, storm tides, typhoons or other poor weather conditions, lack of raw materials and supplies, shipwreck, insufficient loading capacity or port facilities, delays resulting from transportation, loading and discharge, non-availability of freight capacity, justifiable change/exchange of freight forwarder and/or carrier and/or ship owner and/or other commercial shipping company, accidents in transit, earthquakes, radioactive accidents, physical or man-made obstructions of any kind at the building site/production facility.

4. In all cases, where obstacles to performance – regardless of their nature – are not the responsibility of GERNEP GmbH, the latter shall be entitled to receive an extension of time for delivery as well as additional payments to compensate for the additional performance and/or costs.

5. Should the shipment be delayed at the request of the Customer, the Customer shallreimburse us for the costs actually incurred for storage of the object of contract. In the event of any storage in one of our operations, we shall be entitled to demand a lump-sum minimum amount of 0.5% of the agreed price for each month as reimbursement of the additional costs. Demonstration of higher (by us) or lower (by the Customer) costs shall not be precluded by this provision.

6. Number 5 shall also apply to any other case of delayed acceptance by the Customer. Should the Customer be in default of acceptance, or breach other duties to assist, the risk of accidental loss or impairment of the object of contract shall pass to the Customer at the point in time of it going into default of acceptance.

7. This agreement shall not be deemed to preclude further rights on our part.

8. Adherence to the delivery time presupposes timely and proper fulfilment of the Customers contractual obligations.

9. We shall be entitled to perform partial deliveries if

9.1 the Customer can use the partial delivery within the context of the contractually intended purpose,

9.2 the delivery of the remaining goods ordered is assured, and

9.3 the Customer does not as a result incur substantial additional effort or additional costs (unless the Customer declares its willingness to assume those costs).

10. To the extent any acceptance has to take place, the goods under the contract shall be deemed accepted if

10.1 the delivery and, to the extent installation is expected of us, the installation has been completed,

10.2 we have notified the Customer, with reference to the fictive acceptance under this number 9, and called upon it to perform the acceptance,

10.3 two weeks have passed since the delivery or installation, or the Customer has begun using the item purchased (e.g. has put the system delivered into operation) and, in that case, one week has passed since delivery or installation, and

10.4 the Customer has neglected acceptance within that period for a reason other than dueto a defect reported to us, which makes use of the goods impossible or significantly restricted.

IV. Price, Transport Packaging, Payment, Price Adaptation

1. The agreed prices are stated on an ex-works basis. Any shipping costs, including the costs of packaging, loading, stowage and unloading shall be borne by Customer. The sales tax applicable at the time of delivery shall be added to the above prices.

2. To the extent that GERNEP GmbH is obliged by the Verpackungsverordnung [German Packing Ordinance] to take back packaging used for transportation, Customer shall bear the costs of returning the used packaging and the reasonable costs for its recycling. To the extent that the packaging taken back cannot be reused, Customer shall bear the costs of the material processing incurred by GERNEP GmbH. In addition, the Customer shall pay any duties, clearance charges, taxes and other charges incurred as a result of taking back transport packaging.

3. Containers used for transportation are not included in the scope of this contract and are not considered packaging. They shall remain property of GERNEP GmbH. They shall be imported, re-exported and sent back to GERNEP GmbH by Customer at Customer's expense (shipping costs, duties, clearance charges, taxes and other charges) and risk.

4. Tools, excess material, welding supplies and other auxiliary equipment are not within the scope of this contract. They shall remain property of GERNEP GmbH. They shall be imported, re-exported and sent back to GERNEP GmbH by Customer at Customer's expense (shipping costs, duties, clearance charges, taxes and other charges) and risk.

5. Customer shall credit the agreed price to one of the bank accounts specified by GERNEP

GmbH strictly net at its own risk and expense.

6. GERNEP GmbH shall be entitled to interest on payments due and in arrears to the extent provided by law. A potential assertion of further rights and losses by GERNEP GmbH shall not be affected hereby.

7. Customer shall not be entitled to any rights of set-off and retention, unless its counter-claims have become legally effective (res judicata), are uncontested or have been acknowledged by GERNEP GmbH, and GERNEP GmbH was given at least one month's advance notice of such counter-claim.

8. If, after conclusion of the contract, GERNEP GmbH learns about circumstances giving rise to doubt regarding Customer's creditworthiness, GERNEP GmbH may – at its discretion – request advance payment or suitable securities.

9. GERNEP GmbH shall be entitled to increase the agreed price appropriately if cost increases occur after conclusion of the contract, in particular due to collective wage agreements, material price increases or the increase of transport and packaging costs. Upon request, GERNEP GmbH shall furnish proof for such increases to Customer.

10. GERNEP GmbH shall be entitled to increase the agreed price reasonably if – after the conclusion of contract – Customer requests that the object of contract be modified, and additional expenses and efforts are required for such modifications. Upon request, GERNEP GmbH shall furnish proof of such additional expenses and efforts to Customer.

V. Transfer of Risk, Transport Damage, Insurance

1. The risk of accidental loss and accidental impairment of the goods under contract passes to the Customer upon handover of the goods to the first carrier.

   That shall apply even when partial deliveries take place or when we ourselves have assumed further costs, e.g. the shipping costs or other services, e.g. the transport, erection or assembly of the goods.

2. If the goods or parts thereof are ready for shipment and shipment or handover is delayed for reasons that the Customer has caused, the risk of accidental loss and accidental impairment of the goods under contract passes to the Customer from the date of readiness for shipment.

3. If we arrange the transport of the goods and any transport damage or transport-related defect occurs after handover to the carrier, we hereby assign our rights as a result against the transport insurer(s) and the carrier to the Customer upon its request – under preclusion of liability for the existence of those claims – step by step against payment of the total price agreed for the object of contract and all costs owed. Claims against us going above and beyond that due to any transport damage or transport-related defects shall be precluded. This shall apply even if we are expected to perform installation services or erect a turn-key system.

4. Transport and maritime law periods of limitations, liability exclusions and liability limitations in favour of the (natural and legal) entities entrusted with the transport/loading/unloading/storage of the object of contract in their relationship with us shall apply to the same extent in the contractual relationship between the Customer and us in our favour on corresponding matters.

5. The Customer undertakes to inspect the object of contract for damage immediately upon unloading at the destination and, upon any suspicion of damage, sign for receipt only under reservation and to report the damage to us forthwith. Upon non-compliance with the obligations set out above, the duty to indemnify of the transport insurer(s) lapses. Should the duty to indemnify of the transport insurer(s) lapse for the aforementioned reasons, our liabilityfor such losses covered by the liability exclusion of the transport insurer(s) shall also lapse.

VI. Rights of the Customer due to defects

1. We shall be liable towards the Customer for the fact that the contractual goods, at the time at which the risk passes to the Customer are free of material and legal defects. Insignificant deviations from the agreed properties shall not be deemed defects.

2. We shall, however, not be liable for defects or losses occurring for the following reasons:

2.1 Defects based on constructions specified or defined by the Customer or on materials specified, defined or provided by the Customer, including testing materials or other materials provided by the Customer;

2.2 Defects or losses that occur after passage of risk as the result of faulty or negligent treatment, operation by untrained personnel, excessive loading, unsuitable supplies, defective building work, unsuitable building land or other special extraneous influences, which are not presupposed under the contract, as well as non-reproducible software errors.

   If inappropriate modifications or maintenance work are performed by the Customer or third parties, any and all liability shall be precluded for that and the consequences as a result.

3. We shall not be liable either for wear & tear parts of the contractual goods within the meaning of the subsequent paragraph. Wear is the progressive loss of material from the surface of a solid body brought about by mechanical causes, i.e. contact and relative movement of a solid, liquid or gaseous counter-body.

   A wear & tear part is any part which is used at points where unavoidable wear occurs, in order to thus protect other items under consideration against wear, and for which replacement is planned based on the concept.

4. Due to any defect on the contractual goods, which under consideration of numbers 1 to 3 above constitutes defect claims of the Customer, the Customer shall initially have the right to subsequent fulfilment within a reasonable period, whereby we, at our reasonable discretion, can choose between elimination of the defect or replacement delivery. If defect claims are based on the fact that we have concealed any defect with intent to deceive or have assumed a guarantee for the properties of the object of contract, the right to choose between elimination of the defect or replacement delivery shall be accorded to the Customer. We shall bear the expense necessary for the purposes of subsequent fulfilment. Parts replaced become our property.

5. To the extent the defect does not require a repair at the place of installation, the Customer shall, upon request to that effect, send us the defective parts at our expense for repair or replacement delivery.

   In any such case, our duty to provide subsequent fulfilment with regard to the defective part shall be deemed completely satisfied if we send the properly repaired part at our expense to the Customer y or deliver a corresponding spare part.

   Claims of the Customer due to expenditure necessary for the purpose of subsequent fulfilment, in particular, transport, travel, labour and material costs, shall be precluded to the extent that the expenditure increases because the item delivered has subsequently been brought to a place other than the Customers operation, unless that bringing represents its use as intended.

6. Should the defective part involve a product delivered by a third party, our liability shall initially be limited to assignment of the liability claims accorded to us against that third party. Our own liability comes into effect again only after prior judicial action against the third party by the Customer. This liability limitation shall not apply if our liability is based on the fact that we have concealed a defect with intent to deceive or have assumed a guarantee for the properties of the product delivered by that third party.

7. The Customer shall be obliged to inspect the object of contract forthwith upon receipt and to report apparent defects to us without undue delay. This duty to report forthwith shall also apply if a defect becomes apparent later. Should the Customer fail to report, the object of contract shall be deemed approved also with regard to the defect.

8. If the Customer does not accept the subsequent fulfilment offered by us in accordance with contract, we shall, after setting and fruitless expiry of a subsequent period of notice, be released from the liability with regard to the defect complained of.

9. Upon failure of the subsequent fulfilment, the Customer shall be entitled, with due regardfor the contractually agreed terms & conditions, including those derived from these General Terms & Conditions of Delivery, to assert its other defect claims. Failure of the subsequent fulfilment shall be deemed given, in particular, if we allow a reasonable period of notice for subsequent fulfilment set by the Customer to expire fruitlessly or we unreasonably delay or refuse the subsequent fulfilment, or if a reasonable number of attempts at subsequent fulfilment has produced no success.

10. We may refuse to eliminate the defect if the Customer fails to live up to the agreed payment obligations. In principle, the Customer may withhold payments only if a defect claim has been asserted, for which there can be no doubt as to its justification. In terms of its amount, this right to withhold is limited to four times the costs necessary for elimination of the defect. Should the Customer assert a defect claim and it subsequently transpires, especially after a corresponding investigation by us, that the defect claim asserted by the Customer does not exist, for factual or legal reasons, we shall have a claim to appropriate remuneration and reimbursement of all outlay, in particular for services rendered in connection with the investigation.

11. For claims for damages, the following limitations, modifications and exclusions shall apply in accordance with Article VII.

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VII. Limitation and exclusion of our liability

1. The Customer shall be obliged to carefully observe the user and operating instructions and the safety information we have given. In particular, the Customer shall follow our instructions on how the goods can be used free of risk, what precautions should be taken, regularly and on a case-by-case basis, and which misuse should be avoided. Should the Customer breach this duty, we shall not be liable for the damage thus caused.

2. Limitation of our liability for defect losses and consequential defect losses:

   We shall not be liable for defect losses (including losses from missed profits) nor for consequential defect losses, regardless of on what legal grounds. This liability exclusion shall not apply to claims of the Customer for compensation of losses based on gross culpability (malicious intent/gross negligence).

3. Limitation of our liability with simple/slight negligence:

   Any and all claims of the Customer for compensation of damages, regardless of their legal grounds, which are not based on our gross culpability (malicious intent/gross negligence) shall be precluded to the extent that those damages are not based on the presence of a defect or breach of material contractual duties, fulfilment of which makes proper conduct of the contract possible in the first place (so-called “cardinal duties”). Those so-called cardinal duties include the obligation to deliver and install the delivered item on time, its freedom from legal defects and such material defects that restrict its functionality or fitness for purpose more than merely insignificantly, as well as duties to advise, protect and care, which are intended to enable the Customer to use the item delivered in accordance with contract or to protect life and limb of the client’s personnel or to protect its property against substantial damage.

   Even upon breach of cardinal duties, our duty to compensate for material damages, and any further consequential losses as a result, notwithstanding other liability limitations, shall be limited to an amount of EUR 1,000,000 per event.

4. Limitation of our liability for losses not typically foreseeable:

   Any and all claims of the Customer for compensation of damages, regardless of their legal grounds, which are not based on our gross culpability (malicious intent/gross negligence), shall, to the extent same are not already precluded in accordance with the limitation of our liability for defect losses and consequential defect losses (number 2) and withsimple, minor negligence (number 3) shall be limited in their amount to compensation for those losses that we had known, or should have known, of upon conclusion of contract considering the circumstances as a potential consequence of the breach of duty and/or should have foreseen (typically foreseeable losses).

5. Limitation of our liability for a service failure:

   If the Customer asserts a claim against us due to a service failure for compensation of damages due to breach of duty or in lieu of performance, and this is not based on gross culpability (Malicious intent/gross negligence), that claim for compensation for damages, to the extent it is not already precluded in accordance with the liability limitations in our favour with regard to defect losses and consequential defect losses (number 2) and with simple, minor negligence (number 3), above and beyond our liability limitation to the typically foreseeable losses (number 4), shall be limited in its amount to at most 10% of the delivery price. A service failure shall be deemed given if hindrances occur during fulfilment of contract that hamper or exclude proper fulfilment of contractual duties, or where it involves harm inflicted on one Party by the other Party.

6. Limitation of our liability for losses caused by delays:

   The liability limitations in our favour listed above with regard to defect losses and consequential defect losses (number 2), with simple, minor negligence (number 3), not typically foreseeable losses (number 4) and service failures (number 5), shall also apply to claims of Customer against us for compensation of any loss caused by delays to the extent this is not based on gross culpability (malicious intent/gross negligence). Furthermore, both claims of the Customer for compensation of damages due to a delay in delivery and claims for compensation of damages in lieu of delivery, in all cases of delayed delivery even after expiry of any notice period set us for delivery, shall be limited in their amount to 0.5% for each full week of the delay, in total however to at most 5% of the price for that partof the deliveries that cannot be put into operation as intended due to the delay.

7. Limitation of our liability for our vicarious agents:

   Any and all liability for our vicarious agents (§ 278 BGB) shall be precluded, regardless of their legal grounds), to the extent contractual duties have not been breached through gross culpability (malicious intent/gross negligence) of the vicarious agent, the fulfilment of which makes conduct of the contract possible in the first place. In no case shall our liability for any vicarious agent go further than our liability for our own culpability as derived under consideration of the liability limitations set out above. Under § 278 BGB a vicarious agent is a natural or legal entity, of which the debtor makes use to fulfil his liabilities.

8. Rescission of contract by the Customer due to service not rendered by us, or not in accordance with contract, shall be precluded. This shall not apply if we have not rendered ourservice in accordance with contract with malicious intent or gross negligence.

9. The above liability limitations (numbers 1 to 8) shall not apply to claims of the Customer due to intentional conduct, for guaranteed property attributes, due to injury to life, limb or health or under the German Product Liability Act (*Produkthaftungsgesetz*).

10. In cases where the freight forwarder is arranged for by the Customer, GERNEP GmbH will not be held liable for any costs incurred as a result of additional security checks or time delays occasioned by the requirements of the German Aviation Security Act and the EU Regulations (EC) No. 300/2008; (EC) No. 272/2009; (EC) 2015/1998 as amended or any other current national or international statutory provisions. Customer shall indemnify GERNEP GmbH on first demand from all costs and losses resulting from additional security inspections and related time delays in this respect

VIII. Limitation Period

1. Where claims arising due to defects would – by default – be subject to a statutory limitation period of two years (e.g. section 438 s. 1 no. 3 BGB; section 634 a s. 1 no. 1 BGB), such limitation period shall be shortened to one year. Where the Customer has claims due to defects which arise from the grant of a guarantee regarding a quality, these claims shall be excluded from such shortening of the limitation period. The limitation period shall commence upon delivery of the object of contract and in case of an assembly obligation by GERNEP GmbH upon completion of the assembly. Where the Customer’s acceptance is in delay, the limitation period shall commence upon the occurrence of delay in acceptance.

2. Recourse claims in the supply chain according to section 445b s. 1 BGB will become time-barred within one year after GERNEP GmbH delivered the object to the Customer. The suspension of the limitation as defined in section 445b s. 2 BGB shall remain in full force and effect; it will end not later than five years after delivery.

3. For all other claims, the statutory limitation periods shall apply.

IX. Software

The following shall apply to the extent we provide the Customer with software:

1. We grant the Customer a simple right of use to the software provided pursuant to § 31 (2) of the German Copyright Act (*Urheberrechtsgesetz*). § 31 (2) Copyright Act reads: “The simple right of use entitles the holder to use the work, besides the originator or other eligible parties, in the form permitted it.” With regard to the software, we remain the sole holder of all immaterial property rights at all times.

2. The Customer shall be entitled to use the software provided to it only on the goods that are the object of contract.

3. The Customer shall have no right to provision of the source program/source code.

4. The Customer shall be entitled to use the software provided for an indefinite time for the entire economic service life of the contractual goods.

5. The Customer shall not be entitled to transfer its rights of use to third parties. In particular, the Customer shall not be entitled to market, rent out the software and the associated documentation, grant sub-licences to it or otherwise make it available to third parties. Should the Customer transfer its business as a whole to a third party, the Customer shall be entitled to transfer the right of use granted. Should the Customer dispose of the item delivered in its entirety to a third party in the normal course of its businessand that third party is not a competitor of our company, we shall be obliged, upon being requested to do so, to agree to the transfer of the rights of use granted, unless we can demonstrate with grounds that the risk is given as a result that competitors of our company will obtain knowledge of our secret knowhow (business secrets)

6. The Customers right of use is not exclusive. We shall be entitled to grant an unlimited number of other customers rights of use of any kind to the software provided.

7. The Customer may not make the software available or accessible to third party, except its employees, even temporarily or free of charge.

8. The Customer may not change markings, copyright notations and information on title to the software provided in any form whatsoever.

9. The Customer may not make copies of the software provided with the exception of a back-up copy by a person who is entitled to use the program, as long as that is required to secure future use. The back-up copy may not be used at the same time beside the original software.

10. The Customer may duplicate the documentation belonging to the software neither in full nor in part by photocopying, microfilming, electronic storage or any other method.

11. Disassembling, reverse engineering or decompilation of the software are prohibited. The Customer shall neither arrange for nor permit same unless the conditions of § 69e of the German Copyright Act are given.

12. All title, copyright and other industrial property rights to the software, updates and documentation shall be accorded to us. The same shall apply to amendments and translations of the programs.

13. We shall be entitled, at our own expense, to carry out software modifications because of protective rights allegations by third parties against the Customer. The Customer can derive no rights herefrom.

X. Export and Import Control, Embargo Provisions

1. The scope of contract can be subject to export and import restrictions, in particular, it might be subject to permit requirements or the use of the scope of contract in foreign countries might be subject to restrictions. The Customer undertakes insofar to comply with the applicable legal provisions in relation to export control and sanction lists of the Federal Republic of Germany, the EU and the US, as well as all other applicable provisions. This includes, in particular, also the applicable embargo regulations in relation to goods, persons and use. These provisions will apply only insofar as they do not conflict with the applicable German Foreign Trade Act (AWG), the European Blocking Regulation (e.g. Section 7 of the AWV and Art. 5.1 (EG) 2271/96) or with the national legal bases applicable to the Customer.
2. The performance of the contract by GERNEP GmbH is subject to the proviso that there are no obstacles due to national and/or international regulations of export and import law as well as no other statutory provisions.
3. Any resale and/or transfer of the scope of contract, directly or indirectly, to Russia or Belarus is generally prohibited and may only be permitted after a caseby-case review by GERNEP GmbH, if applicable.
4. The Customer further confirms that it is not aware at the current time (a) of any future uses of the scope of contract by military Customers or Customers with military end uses; (b) of any future uses of the scope of contract in connection with NBC weapons and launchers; (c) of any future uses of the scope of contract in connection with the construction or operation of nuclear facilities; (d) of any future uses of the scope of contract in connection with the violation of human rights or in connection with acts supporting terrorism.
5. GERNEP GmbH reserve the right as part of our own compliance checks to impose on the Customer an obligation to sign end-use certificates where this is necessary on the basis of business policy decisions of GERNEP GmbH or legal requirements.

XI. Data Protection and Data Usage

1. GERNEP GmbH processes personal data according to the provisions of the European General Data Protection Regulation (GDPR) and the German Federal Data Protection Act (BDSG). For more information regarding the handling of customer data at GERNEP GmbH, please refer to www.gernep.de . Customer is obliged to comply with all applicable data protection regulations.

2. GERNEP GmbH is entitled to collect, store, process and evaluate machine data and duly anonymized personal data. Such data can also be disclosed to GERNEP GmbH associated companies (“Subsidiaries”) for the purpose of using such data for product improvement, performance enhancement applications and other services of GERNEP GmbH and/or Subsidiaries.

3. GERNEP GmbH is entitled to transmit customer data to third parties (including Subsidiaries) if and to the extent that this is required for the implementation of pre-contractual measures and for the contractual agreed supplies and services (e.g. for dispatch, invoicing or Customer support), or to fulfil statutory obligations.

XII. Retention of Ownership and Securities

1. GERNEP GmbH shall retain ownership of the object of contract until payment of all amounts owed by Customer has been received irrevocably and without reservation. Until such date, Customer shall neither be entitled to charge the object of contract with a security interest (e.g. ownership by way of security, right of lien, mortgage, land charge, etc.) nor to resell the same. Where the law applicable at the place of installation (lex rei sitae) does not recognise a provision of security by means of retaining ownership, such other means of providing security shall be deemed to have been agreed upon, which – according to the law applicable at the place of installation – comes as close as possible to a “retention of ownership” or which according to that law constitutes the typical security (e.g. “charge” or “security interest, attached and perfected”). Customer shall fully cooperate in all acts (in particular, the provision of formal declarations) required by the law applicable at the place of installation for the creation of a fully enforceable retention of ownership or any other fully enforceable means of providing security.

2. In case of pledging, seizure or other third-party measures in the subject matter of the contract, Customer shall refer to the property of GERNEP GmbH and immediately inform GERNEP GmbH in writing, handing over the documents necessary for an intervention, so that GERNEP GmbH is able to assert its property rights.

3. As long as rights are retained in the object of contract in favour of GERNEP GmbH pursuant to the above number 1, GERNEP GmbH shall be entitled – after having set a reasonable period – to take back the object of contract delivered in case there has been a breach of duty by Customer, in particular where the ownership of GERNEP GmbH of the object of contract is endangered, where the object of contract delivered is improperly used by Customer, or where Customer defaults on payment. The transport costs incurring for the take-back shall be borne by Customer. If GERNEP GmbH takes back the subject matter of the contract, this shall constitute a contract rescission. Where Customer does not act on the claim to return the object of contract, the required number of GERNEP GmbH´s staff shall be irrevocably entitled to enter the place of installation (and/or the construction site/manufacturing plant) of Customer, to disassemble and remove the object of contract delivered; all costs incurring in this connection shall be borne by Customer. Any attachment of the object of contract by GERNEP GmbH shall constitute a rescission of contract.

4. Where the object of contract is taken back, GERNEP GmbH shall be entitled to resell it; the proceeds of such realisation shall be set off against any liabilities of Customer, while allowing for reasonable costs of realisation.

5. During the retention of title, Customer shall treat the subject matter of the contract carefully and sufficiently insure it at its own expense against damage caused by fire, water and theft at its new value. If maintenance and inspection works become necessary, Customer shall complete them at its own expense in due time.

6. Any processing or transformation of the object of contract by Customer shall always be carried out for and on behalf of GERNEP GmbH. Where the object of contract is processed together with other objects not owned by GERNEP GmbH, GERNEP GmbH shall acquire co-ownership of the new corporeal object in the proportion of the value of the object of contract (invoice amount) to the other processed objects at the time of processing. The provisions regarding reserved rights applicable to the object of contract shall apply accordingly to the corporeal object resulting from processing.

7. Where the object of contract is inseparably connected or commingled with other objects not owned by GERNEP GmbH, GERNEP GmbH shall acquire ownership of the new corporeal object in the proportion of the value of the object of contract (invoice amount) to that of the other connected or commingled objects at the time of connection or commingling. If connection or commingling takes place in such a way that Customer’s corporeal object is to be considered the principal object, a transfer of co-ownership by Customer to GERNEP GmbH on a pro-rata basis shall be deemed to have been agreed upon. The sole ownership or co-ownership thus created shall be kept safe by Customer for GERNEP GmbH.

8. As security for the claim of GERNEP GmbH against Customer, Customer shall assign to GERNEP GmbH any claims accruing to Customer against any third party as a result of connecting the object of contract with real estate.

9. GERNEP GmbH undertakes to release the securities it is entitled to at the request of Customer, to the extent that the value of realisable securities of GERNEP GmbH exceeds the secured claims by more than 20 %; the selection of the securities to be released shall be at the discretion of GERNEP GmbH.

XIII. Place of jurisdiction, applicable law, place of performance; severability clause

1. Regensburg shall be the sole place of jurisdiction in all disputes ensuing from and in connection with the contractual relationship if the Customer is a merchant, a legal entity under public law or a separate asset under public law. We shall also be entitled to file suit at the principal place of business of the Customer or at any other statutory place of jurisdiction. Compelling statutory provisions concerning exclusive places of jurisdiction shall remain unaffected by this provision.

   Any arbitration agreements made by the parties shall take precedence.

2. With regard to the application of these terms & conditions of GERNEP GmbH Etikettiertechnik and for all legal relationships that may ensue for the parties to contract and their legal successors from the contract and from any ancillary transactions and/or subsequent

transactions, the law of the Federal Republic of German only shall apply. This choice of law and the above agreement on place of jurisdiction shall also be subject to the law of the Federal Republic of Germany.

Application of UN purchasing law (United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980) shall not be deemed precluded by the above choice of law.

3. Place of performance is our principal place of business in Barbing.

4. To the extent the contract or these General Terms & Conditions of Delivery contains gaps in its provisions, those legally effective provisions shall be deemed agreed to fill those gaps, which the parties to contract would have agreed based on the economic objectives of the contract and the purpose of these General Terms & Conditions of Delivery if they had known of the gap in its provisions.