

## GENERAL TERMS & CONDITIONS OF DELIVERY GERNEP GMBH ETIKETTIERTECHNIK

### 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 Ordering Party (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 Ordering Party 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 Ordering Party in individual cases (including side agreements, 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 Ordering Party.
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, business secrets, preliminary work

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 Ordering Party 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 Ordering Party 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 Ordering Party 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 Ordering Party shall be obliged to ensure in an appropriate manner that their boards and employees also observe the obligations set out above.

### III. Delivery time, scope of supply, acceptance, default

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 Ordering Party 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 Ordering Party that it is ready for shipment.
3. If we have been prevented from fulfilling our delivery obligation after conclusion of contract by the occurrence of unforeseeable and unusual circumstances, which we have been unable to avert despite the care that can reasonably be expected of us (e.g. operating disruptions, official sanctions and interventions, delays in deliveries of significant raw materials, energy supply difficulties, strikes, lawful lock-outs), the delivery time shall be prolonged on an appropriate scale to the extent these circumstances result in delays. We shall notify the

Ordering Party of any delays forthwith. Should these circumstances make delivery impossible, we shall be released from the obligation to deliver.

4. Should the shipment be delayed at the request of the Ordering Party, the Ordering Party shall reimburse 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 Ordering Party) costs shall not be precluded by this provision.
5. Number 4 shall also apply to any other case of delayed acceptance by the Ordering Party. Should the Ordering Party 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 Ordering Party at the point in time of it going into default of acceptance.
6. This agreement shall not be deemed to preclude further rights on our part.
7. Adherence to the delivery time presupposes timely and proper fulfilment of the Ordering Party's contractual obligations.
8. We shall be entitled to perform partial deliveries if
  - 8.1 the Ordering Party can use the partial delivery within the context of the contractually intended purpose,
  - 8.2 the delivery of the remaining goods ordered is assured, and
  - 8.3 the Ordering Party does not as a result incur substantial additional effort or additional costs (unless the Ordering Party declares its willingness to assume those costs).
9. To the extent any acceptance has to take place, the goods under the contract shall be deemed accepted if
  - 9.1 the delivery and, to the extent installation is expected of us, the installation has been completed,
  - 9.2 we have notified the Ordering Party, with reference to the fictive acceptance under this number 9, and called upon it to perform the acceptance,
  - 9.3 two weeks have passed since the delivery or installation, or the Ordering Party 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
  - 9.4 the Ordering Party has neglected acceptance within that period for a reason other than due to a defect reported to us, which makes use of the goods impossible or significantly restricted.

### IV. Prices and payment

1. Unless otherwise provided for in our order acknowledgement, the prices shall be deemed agreed "ex works". The Ordering Party bears the shipping costs, including the costs of packing, loading, stowage, unloading and transport insurance.
2. All prices are quoted excluding the value-added tax applicable at the moment of delivery.
3. To the extent we are obliged under the German Packaging Ordinance (*Verpackungsverordnung*) to take back the packaging used for the transport, the Ordering Party shall bear the costs for the return of the packaging used and the appropriate costs of its recycling. To the extent the packaging taken back cannot be re-used, the Ordering Party shall bear the costs of disposal thereof. In addition, the Ordering Party shall, where applicable, bear any customs duties, customs clearance costs and levies incurred through the return of the transport packaging.
4. Transport containers do not represent an element of contract and shall not be deemed packaging. They shall be imported by the Ordering Party at its expense (transport costs, customs duties, customs clearance costs and levies) and risk, exported again and returned to us.
5. Tools, surplus material, welding gas cylinders and other aids do not represent an element of contract; they remain our property. They shall be imported by the Ordering Party at its expense (transport costs, customs duties, customs clearance costs and levies) and risk, exported again and returned to us.

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6. The agreed price is payable immediately in full upon receipt of the invoice, without deductions, discounts or fees; any deduction for cash discount requires a separate written agreement.
7. Otherwise, the statutory provisions shall apply with regard to the consequences of payment arrears.
8. The Ordering Party shall be accorded rights to set off and withhold only if its counterclaims have become legally enforceable, undisputed or acknowledged by us and their assertion has been reported to us at least one month previously.
9. We shall be entitled to carry out or render still outstanding deliveries or services only against payment in advance or security if we learn of circumstances after conclusion of contract that are likely to significantly reduce the Ordering Party's creditworthiness, and because of which the payment of our open receivables of the seller by the Ordering Party from the contractual relationship concerned (including from other individual orders to which the same framework agreement applies) is at risk.

### V. Passage of risk

1. The risk of accidental loss and accidental impairment of the goods under contract passes to the Ordering Party 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 Ordering Party has caused, the risk of accidental loss and accidental impairment of the goods under contract passes to the Ordering Party 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 Ordering Party 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 Ordering Party and us in our favour on corresponding matters.
5. The Ordering Party 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 liability for such losses covered by the liability exclusion of the transport insurer(s) shall also lapse.

### VI. Rights of the Ordering Party due to defects

1. We shall be liable towards the Ordering Party for the fact that the contractual goods, at the time at which the risk passes to the Ordering Party, 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 Ordering Party or on materials specified, defined or provided by the Ordering Party, including testing materials or other materials provided by the Ordering Party;
  - 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 Ordering Party 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 Ordering Party, the Ordering Party 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 Ordering Party. 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 Ordering Party 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 Ordering Party or deliver a corresponding spare part.

Claims of the Ordering Party 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 Ordering Party's 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 Ordering Party. 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 Ordering Party 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 Ordering Party fail to report, the object of contract shall be deemed approved also with regard to the defect.
8. If the Ordering Party 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 Ordering Party shall be entitled, with due regard for 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 Ordering Party 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 Ordering Party fails to live up to the agreed payment obligations. In principle, the Ordering Party 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 Ordering Party assert a defect claim and it subsequently transpires, especially after a corresponding investigation by us, that the defect claim asserted by the Ordering Party 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 Ordering Party shall be obliged to carefully observe the user and operating instructions and the safety information we have given. In particular, the Ordering Party 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 Ordering Party 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 Ordering Party 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 Ordering Party 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 Ordering Party 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 Ordering Party 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 with simple, 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 Ordering Party 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 the Ordering Party 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 Ordering Party 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 part of 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 Ordering Party 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 our service 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 Ordering Party 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. Upon definition of the carrier by the Ordering Party, we shall not be liable for costs of additional security checks or for delays arising from the requirements of the German Aviation Security Act (*Luftsicherheitsgesetz*) and Regulations (EC) No. 300/2008, (EC) No. 185/2010, (EU) No. 173/2012, (EC) No. 272/2009 and all other current national and international provisions of law. The Ordering Party shall indemnify us at first request for costs and losses, which to that extent are derived from additional security checks and delays as a result thereof.

### VIII. Period of limitations

1. To the extent defect claims are subject under the law to periods of limitations of two years (e.g. § 438 (1.3) BGB; § 634a (1.1) BGB), those periods of limitations shall be shortened to one year. Excepted from this shortening of the periods of limitations shall be defect claims of the Ordering Party based on the assumption of a guarantee for properties. Otherwise, the statutory periods of limitations shall apply.

2. The period of limitations begins upon delivery of the object of contract and, in the event of any obligation to install assumed by us, upon completion of the installation. In the event installation is expected of us, but completion thereof is not permitted, or not in full, by the Ordering Party, the period of limitations shall begin at the latest six weeks after the most recent point in time of installation offered by us.

3. If the Ordering Party is in arrears with acceptance, the period of limitations shall begin upon it going into arrears with acceptance.

### IX. Software

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

1. We grant the Ordering Party 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 Ordering Party shall be entitled to use the software provided to it only on the goods that are the object of contract.

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

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

5. The Ordering Party shall not be entitled to transfer its rights of use to third parties. In particular, the Ordering Party 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 Ordering Party transfer its business as a whole to a third party, the Ordering Party shall be entitled to transfer the right of use granted. Should the Ordering Party dispose of the item delivered in its entirety to a third party in the normal course of its business and 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).

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6. The Ordering Party's 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 Ordering Party may not make the software available or accessible to third party, except its employees, even temporarily or free of charge.
8. The Ordering Party may not change markings, copyright notations and information on title to the software provided in any form whatsoever.
9. The Ordering Party 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 Ordering Party 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 Ordering Party 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 Ordering Party. The Ordering Party can derive no rights herefrom.

### X. Reservation of title

1. We retain title to the goods delivered (these and the goods covered in their place based on the following provisions shall hereinafter be referred to as "conditional commodities") until irrevocable, unconditional receipt of all payments owed by the Ordering Party – including all balances owed from the current account. Until that point in time, the Ordering Party shall not be entitled to encumber the conditional commodities with any collateral rights (e.g. ownership by way of security, lien, mortgage, land charge etc.) or dispose of them. For the event that the law applicable at the place of installation (*lex rei sitae*) does not recognise the means of security "Ownership by way of security", that means of security shall instead be deemed agreed that, under the law applicable at the place of installation, comes closest to an "ownership by way of security" in meaning resp. represents the typical means of security under that law (e.g. right of lien, or "security interest, attached and perfected"). The Ordering Party shall be obliged to provide assistance (in particular to issue declarations of intent), which are necessary under the law applicable at the place of installation for agreeing and constituting a fully effective reservation of title resp. another fully effective means of security.
2. To the extent the Ordering Party is in breach of contract – in particular to the extent it has gone into arrears with payment of any amount receivable – we shall have the right to take the conditional commodities back after setting a reasonable period of notice to pay. The Ordering Party shall bear the transport costs incurred for the return. To the extent we take the conditional commodities back, this shall represent rescission of contract. If we place a lien on the conditional commodities, that shall likewise represent rescission of contract. We may utilize conditional commodities taken back by us. The proceeds of that utilization will be set off against those amounts that the Ordering Party owes us after we have deducted a reasonable amount for the costs of utilization.
3. The Ordering Party shall treat the conditional commodities with due care and insure them sufficiently at its expense against fire, water and theft losses at replacement value. To the extent maintenance and inspection work becomes necessary, the Ordering Party shall carry out such work at its own expense.
4. The Ordering Party may use the conditional commodities and dispose of them further in its ordinary course of business as long as it is not in arrears with payment. It may not, however, pledge the conditional commodities or transfer title to them by way of security. The Ordering Party herewith assigns all receivables of the Ordering Party against its customers from any resale of the conditional commodities and those receivables of the Ordering Party in respect of the conditional commodities, which arise from any other legal grounds against its customers or third parties (in particular claims due to unlawful acts and claims to insurance payments), including all balance receivables from current account, in full to us by way of security. We herewith accept that assignment.

The Ordering Party may collect these claims assigned to us for its own account and in its own name, as long as we have not revoked this authorization. This shall not affect our right to

collect those claims ourselves; we shall, however, not claim the receivables ourselves and shall not revoke the authorisation to collect same as long as the Ordering Party properly lives up to its payment obligations.

To the extent, however, that the Ordering Party is in breach of contract – in particular to the extent it has gone into arrears with payment of a claim – we can demand of it that it makes the assigned receivables and the debtor concerned known to us, notifies the debtors concerned of the assignment and hands over to us all documents, and gives us all information, that we need to assert the claims.

5. Any processing or reforming of the conditional commodities by the Ordering Party shall always be deemed done on our behalf. If the conditional commodities are processed with other items, which do not belong to us, we shall acquire co-title to the new item in the proportion of the value of the conditional commodities (final invoice amount including the value-added tax) to the other items processed at the point in time of processing. Otherwise, the same shall apply to the new item created through processing as to the conditional commodities.

If the conditional commodities are inextricably connected or mingled with other items not belonging to us, we shall acquire co-title to the new item in the proportion of the value of the conditional commodities (final invoice amount including the value-added tax) to the other items connected or mingled at the point in time of connecting or mingling. If the conditional commodities are connected or mingled in such a way that the item of the Ordering Party can be regarded as the main item, the Ordering Party and we herewith agree that the Ordering Party transfers pro rata co-title to that item to us. We herewith accept such transfer.

The Ordering Party takes custody of the thus created sole title or co-title to any item for use.

6. In the event of attachments of the conditional commodities by third parties, or other interventions of third parties, the Ordering Party must point out our title and notify us forthwith in writing so that we can enforce our title rights. To the extent the third party does not reimburse us for the court or out-of-court costs incurred in this connection, the Ordering Party shall be liable for them.
7. If the Ordering Party so demands, we shall be obliged to release the securities accorded to us to the extent their realisable value exceeds our open claims against the Ordering Party by more than 20 %. In doing so, however, we may select the securities to be released.

### XI. 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 Ordering Party 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 Ordering Party 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 Germany 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.