KOENIG & BAUER

General Terms of Delivery Koenig & Bauer MetalPrint GmbH

(hereinafter referred to as the Supplier)

I. Conclusion of contract

1. These General Terms of Delivery (hereinafter referred to as "GTD") apply to all business relations of Koenig & Bauer MetalPrint GmbH with its customers.

2. All offers by the supplier are without engagement. and are non-binding, unless they are specifically marked as binding or contain a specific acceptance period.

3. An order by a customer is regarded as a legally binding offer to conclude a contract. Unless otherwise provided for, the supplier is entitled to accept it within a period of 14 calendar days from receipt.

4. The enclosures, illustrations, drawings, plans, descriptions, cost estimates or other documents described by the supplier as confidential or other documents enclosed by the supplier with a quotation or contractual documents or handed over to the customer in any other way, shall remain the property of the supplier, including any copyrights held by Koenig & Bauer MetalPrint GmbH with respect to the content.

5. These documents as well as all other confidential information from the supplier may be used by the customer exclusively for the negotiations, the conclusion and the implementation of the contract in question between the supplier and the customer. They may not be duplicated or saved on data carriers without the prior written consent of the supplier. They may not be passed on to or made accessible to third parties without the prior written consent of the supplier. Consent granted by the supplier in such cases shall apply to one case only, and does not entitle the customer to repetitions. The prohibition of use for other purposes and the obligation to maintain confidentiality shall apply to the customer even after the end of the contract, and if a contract should not be concluded, for an unlimited duration, for as long as the supplier should have an interest in the case.

6. If the conclusion of a contract between the supplier and the customer cannot be reached, all of the documents handed over to the customer for the preparation of the conclusion of the contract must be returned to the supplier upon first request. In such cases, the customer shall ensure and confirm vis-à-vis the supplier in writing that he has no copies, duplicates, films, recordings on data carriers – whether indirect or direct – and has not passed these on to third parties. No right of retention by the customer to the documents requested by the supplier – regardless of the legal grounds – can be accepted.

7. For the contract to be concluded, a service offered by the supplier requires as a validity requirement either

- the written order placement by the customer and its acceptance by means of a written acknowledgement of order by the supplier, or
- a written acknowledgement of order by the supplier if the parties have previously agreed informally on the service, or
- a delivery/purchase contract signed by both parties.

8. The acceptance of orders and the conclusion of contracts on the part of the supplier are explicitly conditional on the customer agreeing to these General Terms of Delivery (GTD) as a whole. The acceptance of the delivery from the supplier by the customer represents consent to these GTD as a whole by the customer.

Accordingly, any general terms and conditions of the customer are not applicable, even without them being expressly contradicted by the supplier. This shall also apply if the supplier, knowing the general terms and conditions of the customer, unconditionally accepts orders, provides services or directly or indirectly refers to letters, etc. which contain the general terms and conditions of the customer or of a third party, or refer to any such terms and conditions.

The only exception to this is if the supplier has explicitly approved the validity of individual terms and conditions of the customer.

II. Content / Scope of the contract

1. The content and scope of the service obligation of the supplier is only determined by the content (i) of the written acknowledgement of order by the supplier as defined in Section I.7. or the written delivery/purchase contract as well as (ii) by these GTD. The information and properties listed there only represent warranted properties if they are explicitly identified in writing as such.

2. Insofar as the written acknowledgement of order from the supplier as defined in Section I.7. or the written delivery / purchase contract provides for terms and conditions differing from these GTD, the provisions of the written acknowledgement of order from the supplier or of the written delivery / purchase contract shall have priority.

3. The customer shall receive from the supplier the information and instructions required for the implementation of the contract. However, this shall not provide grounds for a consultancy agreement. An explicit written agreement shall be required for the formation of an additional consultancy agreement.

4. Insofar as a package of spare parts is included in the scope of delivery, in accordance with the written acknowledgement of order from the supplier as defined in Section I.7, or in accordance with the written delivery/purchase contract, this shall be put together at the discretion of the supplier.

5. The scope of delivery as offered by the supplier corresponds to the EU safety regulations applicable at the point in time of conclusion of the contract, as amended. If the customer wishes to diverge from this safety standard, the customer shall notify the supplier of this in writing before placing the order, so that these changes may, if necessary, be agreed on separately and in writing between the parties.

6. Changes and/or additions to accessories and equipment of the contractual products – but not to the machine type or its basic equipment – may be carried out by the supplier, if this means that the legitimate interests of the customer are not affected.

7. Any oral agreements or amendments and/or additions to the content and scope of the contract, in particular any changes to these GTD, require written confirmation by the supplier for them to be effective. This also applies to changes to this written form requirement. With the exception of the Managing Director and authorised signatories of the supplier, as well as other staff designated expressly and in writing as contact persons vis-à-vis the customer – who can represent the supplier in accordance with their respective representation rights or rights as authorised signatories – the staff of the supplier is not authorised to conclude contracts, to reach individual written or oral agreements or to make any other commitments; any such statements or agreements are irrelevant and are not binding on the supplier.

8. Without the prior written consent of the supplier, the customer cannot assign or transfer claims or other rights arising from the contractual relationship with the supplier to third parties.

III. Delivery period

1. Delivery times/deadlines for goods and services forecast by the supplier (delivery periods) shall always be regarded as only approximate. Accordingly, the agreed delivery period may be exceeded by four successive calendar weeks without the supplier being in default of performance. This shall not apply if the supplier has explicitly described a delivery period in writing as “fixed”.

2. It is a precondition for adherence to the delivery period that the customer should have fulfilled his duty to cooperate. The delivery period thus begins at the earliest on the day

- on which the customer fulfils his contractually agreed and collaterally contractually required duty to cooperate, or his duty to cooperate required in the course of the execution of the contract – such as the procurement of permits, of other documents and/or the declaration of approvals – and/or has placed equipment and/or accessories of the contractual products, to be provided for the purpose of contract fulfilment, at the disposal of the supplier for purposes of installation and/or assembly, and
- on which the contractually agreed payments by the customer have been received by the supplier.

3. The delivery period is considered to be adhered to – unless installation at the customer’s has been agreed in writing and has been defined as the definitive period – when the supplier has advised the customer of readiness for dispatch within the delivery period, or the contractual products has left the factory.

4. In all cases, adherence to the delivery period shall be subject to the proviso of correct and punctual delivery of parts to the supplier (required delivery by third parties to the supplier).

5. To the exclusion of any claims for compensation on the part of the customer, the delivery period shall be extended accordingly in the case of measures within the framework of labour disputes, in particular strikes and lockouts, in case of the occurrence of force majeure, war or acts of terrorism, in the event of shortages of raw materials, ancillary materials, energy or labour, official decrees and measures or other unforeseen obstacles which are beyond the will and influence of the supplier or which could not be eliminated with reasonable effort, insofar as such obstacles have an influence on the completion or delivery of the contractual products. This shall also apply if such circumstances occur with subcontractors. The supplier is not responsible for the above-mentioned circumstances even if they occur during an already existing delay. In important cases, the supplier shall notify the customer of the beginning and end of such obstacles as soon as possible.

6. The delivery period shall also be extended accordingly if, in the course of the implementation of the contract, the customer neglects his duty to cooperate, or only fulfils it to an inadequate extent, despite a warning and a reasonable deadline set by the supplier.

IV. Delay in delivery

1. If the dispatch, delivery or acceptance, installation or approval of the contractual products or of parts thereof is delayed or postponed for reasons for which the customer is responsible, the supplier is, at its own discretion, entitled

a) to set a reasonable time limit for the acceptance, installation or approval of the contractual products or of parts thereof and, if this expires with no result, to dispose otherwise of the contractual products or of parts thereof, the customer to be charged with all costs and damage incurred, or

b) to place in store the contractual products or parts thereof and to charge the customer with the costs and damage incurred, but at least 0.5 per cent of the invoice amount for each month or part thereof beginning one month after the supplier has advised the customer in writing of the readiness for shipment of the contractual products or parts thereof, or

c) to withdraw from the contract in writing if a time limit of four weeks expires with no result, and in all cases to charge the customer the amount of twenty per cent of the calculated price as compensation, without the need to prove the existence or the amount of any fault or damage on the part of the customer. The supplier reserves the right to prove, and assert a claim to compensate for, any damage exceeding this amount.

2. If the supplier is culpably in default for a reason for which the supplier is responsible, and if the customer demonstrably suffers a loss because of this, the customer is entitled to demand lump sum compensation. The amount of the claim for damages – to the exclusion of any further claim – shall be limited to 0.25 per cent for each complete period of fourteen days of delay, but in total no more than 2.5 per cent of the value of that part of the services agreed under contract which cannot be used, or cannot be used in good time, as a result of the delay in delivery by the supplier.

3. If the supplier is culpably in default for a reason for which the supplier is responsible, the customer, if he has set a reasonable grace period of at least 30 days with no result, is also entitled to state his withdrawal from the delivery/ purchase contract within a further eight calendar weeks – calculated from the last day of the grace period – instead of the assertion of lump sum compensation. If he does not exercise this right in writing within said period, or if the supplier is ready to deliver before receipt of the customer's statement of withdrawal, the customer shall lose his right to withdraw from the contract (= forfeiture).

4. No further claims by the customer arising from delay in delivery can be accepted, to the extent permitted by law.

V. Delivery / Passage of risk / Partial delivery / Participation services / Approval

1. Unless otherwise explicitly agreed in writing, delivery is effected by the supplier ex works ("ex works" / "EXW" in accordance with Incoterms (2010), with respect to the warehouse from which the supplier delivers), so that all transportation and duty costs are to be borne by the customer and the risk of accidental loss and accidental deterioration of the contractual products or of parts thereof passes to the customer at the point in time at which the consignment is ready for dispatch.

2. In particular, in the absence of an explicit written agreement dictating otherwise, delivery by the supplier ex works ("ex works" / "EXW" in accordance with Incoterms (2010)) shall be regarded as agreed if transportation is organised by the supplier and/or if the contract provides, in writing, that the supplier should carry out assembly and/ or commissioning at the target location.

3. Risk shall also pass to the customer when the goods are ready for shipment if the shipment of the contractual products by the supplier is delayed or is not effected as a result of non-payment by the customer or of other circumstances for which the supplier is not responsible.

4. Partial deliveries are permissible to the extent that they have not been ruled out in writing.

5. If contractually agreed in writing that the supplier should effect assembly and/or commissioning work, the customer shall provide a dust-free and heated building for the duration of assembly and commissioning, as well as an adequate unloading area, power connections, air and water connections, suction equipment, a large lockable room for the assembly workers for the storage of valuables and tools, lockers and sanitary facilities as well as a telephone that the supplier's staff may use free of charge for service purposes during the assembly and commissioning phase. The same shall also apply in the case of repair / warranty work.

6. At the latest prior to the conclusion of the contract, the customer shall inform the supplier, in writing and without being requested to do so, of the applicable legal requirements which machines or other products to be delivered under the contract in question have to fulfil in the country of receipt. To the extent that, in an explicit written agreement, a delivery provision differing from ex works ("ex works" / "EXW" in accordance with Incoterms (2010)) should be reached, the customer must inform the supplier before conclusion of the contract of any customs or other formalities under public law which the supplier has to observe to effect delivery. In particular he shall indicate possible delays in the delivery period caused by this.

7. If, at the point in time of the passage of risk, the customer cannot prove that transportation and installation insurance corresponding to the value of the contractual products has been concluded on his behalf and at his expense, the supplier shall be entitled to conclude the above-mentioned insurance contracts on behalf of and at the expense of the customer; the customer hereby irrevocably grants his consent to this.

8. At the request of the supplier, the customer is obliged to cooperate on an approval date and to draw up and sign an approval protocol about the findings reached. All complaints are to be included in this protocol, otherwise the performance of the supplier is regarded as accepted and approved.

9. The customer is not entitled to reject the approval of the performance of the supplier on account of minor defects which do not impair, or do not significantly impair, the suitability for use or the practical value. The same also applies if the customer has put the performance of the supplier or parts thereof into use.

VI. Retention of title

1. The contractual products and/or parts thereof (hereinafter referred to as "goods subject to retention of title") shall remain the property of the supplier until the customer has met all claims by the supplier arising from the legal transaction in question as well as all other claims by the supplier, including those arising in the future, from the business relationship with the customer ("secured claims").

2. In addition to or instead of this, the supplier is entitled to establish and to register a lien on the contractual products.

3. The customer shall keep the goods subject to retention of title for the supplier at his own risk and expense. For the duration of the retention of title, the customer is entitled to own and use the contractual products, as long as he fulfils his obligations arising from the retention of title in accordance with the following provisions and is not in default of payment or in arrears with payment. If the customer enters default of payment or fails to meet any other obligations from the retention of title, the supplier specifically also has the right to render use of the reserved goods impossible.

4. The customer is obliged to insure the goods subject to retention of title, at his own expense, against theft, damage caused by breakage, fire, water and other damage, as well as against deterioration and accidental loss. The customer hereby assigns all rights and claims arising from such an insurance contract, including the right to termination, to changes in content and, in the event of damage, payment of the insurance benefit, to the supplier, who in turn accepts these. The supplier is entitled to disclose this assignment to the insurance company at any time. If, despite notice having being given by the supplier, the customer does not verify the conclusion of such insurance within this period of notice, he hereby irrevocably authorises the supplier to concluded the above-mentioned insurance contracts in the supplier's own name, but at the expense of the customer.

5. The customer is not entitled to sell, pledge, transfer by way of security, rent out or in any other way surrender the goods subject to retention of title to third parties, natural or legal persons, in return for payment or free of charge.

6. If the goods subject to retention of title are processed or transformed by the customer, this processing is always effected for the supplier, without the supplier incurring any obligations thereby. To the extent that the customer acquires sole or joint ownership by law through processing or transformation of the goods subject to retention of title, he hereby already assigns and transfers this future property to the supplier, without the supplier incurring any obligations thereby; the supplier hereby accepts this assignment and transfer.

7. If the goods subject to retention of title are combined, mixed or blended with other goods not belonging to the supplier, so that the goods can no longer be separated without significant damage or disproportionate work and expense, the supplier acquires co-ownership of the newly created goods in the proportion of the value of the goods subject to retention of title to the value of the other combined, mixed or blended goods at the time of combination, mixing or blending.

In the event that the goods subject to retention of title are regarded as the principal goods, the supplier acquires sole ownership.

In the event that the goods subject to retention of title are combined, mixed or blended with movable property of the customer in such a way that the new goods are to be considered to be the principal goods of the customer, the customer hereby already assigns his share of the overall goods to the supplier in the proportion of the value of the goods subject to retention of title to the value of the other combined, mixed or blended goods.

If the goods subject to retention of title are combined, mixed or blended with the movable property of a third party in such a way that the goods of the third party are regarded as the principal goods, the customer hereby already assigns to the supplier the claim for remuneration to which he is entitled vis-à-vis the third party in the amount corresponding to the value which the goods subject to retention of title account for.

8. Sole ownership or co-ownership by the supplier of goods created on the basis of the above or statutory regulations must be stored by the customer for the supplier free of charge and adequately insured in accordance with Section VI.4.

9. In the event of seizures, confiscations or other dispositions by third parties, the customer shall inform the supplier immediately.

10. In the event of a transfer, surrender or resale of the contractual goods subject to retention of title permitted in writing by the supplier to a third party, in return for payment or free of charge, the customer shall always act as the representative of the supplier. The customer is therefore obliged to disclose the supplier's rights of ownership to third parties, and only to forward, transfer or resell such goods while maintaining the existing retention of title. In the above cases, the customer hereby assigns the rights and claims of the customer, including those to co-ownership, co-property, utilisation and surrender, as well as property and/or monetary claims resulting from this transfer, to the supplier, who accepts these, without prejudice to the customer's continuing commitments arising from the delivery / purchase contract agreed with the supplier. The same applies in the event that the customer should pass on the contractual products which are subject to retention of title to a third party against the will of the supplier, and/or without disclosing the rights and claims of the supplier, causing the property of the supplier to be lost.

11. If the customer is in arrears, he shall be obliged to release the contractual products which are subject to retention of title on first request by the supplier, and the supplier shall be entitled at any time after notice has been given to take direct possession of the contractual products which are subject to retention of title, to remove and dispose freely of such goods, and to offset the proceeds against any claims to payment to which the supplier is entitled vis-à-vis the customer, including interest and costs already or about to be incurred for any necessary repairs, appraisal reports, transportation, packaging, recycling, court and lawyers' costs, at the supplier's discretion, in any sequence.

12. The customer shall be liable for costs already or about to be incurred by the supplier for the elimination of rights of third parties. This applies in particular if these costs cannot be charged to or recovered from the third party.

13. If the customer intends to ship the goods subject to retention of title to a place outside Germany, he is obliged to immediately fulfil any local legal conditions for the creation and maintenance of the goods subject to retention of title of the supplier at his own expense, and to inform the supplier immediately after forming the aforementioned intention. Regardless of this self-commitment of the customer, he hereby irrevocably authorises the supplier to make all designated statements to warrant the rights of the supplier on behalf of and at the expense of the customer himself. In particular the supplier is entitled to have a retention of title registered with the competent authorities for all goods subject to retention of title; the customer is obliged to cooperate in this registration to the necessary extent.

14. If the customer so requests, the supplier is obliged to release the goods subject to retention of title and the goods and claims replacing them to the extent that their estimated value exceeds the amount of the secured claims by more than 50 %. The selection of the objects to be released shall be effected by the supplier.

15. If the supplier should withdraw from the contract on account of conduct contrary to the terms of the contract – in particular on account of delay in payment – in accordance with statutory provisions, the supplier shall be entitled to require that the customer surrender the goods subject to retention of title. The transportation costs incurred for the return of the goods shall be borne by the customer.

VII. Price / Payment

1. The place of fulfilment for the counter-performance of the customer (= payment) is always the legal domicile of the supplier.

2. The agreed prices shall apply ex works ("ex works" / "EXW" in accordance with Incoterms (2010)). These do not include all ancillary costs, for example statutory value-added tax, sales tax and other taxes, charges, customs duties (e.g. withholding tax), costs for services requested by the customer, such as shipment, transfer, loading, consigning, packaging, conversion of transportation vehicles etc. These shall be charged to the customer separately by the supplier.

3. Insofar as the supplier, by written agreement, effects installation and/or commissioning of the contractual products at the target location, the costs incurred are not included in the agreed price, but are charged separately.

4. The supplier shall be entitled to charge the customer any additional sales tax / value added tax if such an obligation on the part of the customer should emerge after invoicing and/or after payment.

5. All costs incurred in connection with customs clearance (including waiting times for trucks, containers etc.) shall be borne by the customer.

6. Payment to the supplier shall be effected free of charges in cash, by bank transfer, by bank cheque, by bank-confirmed cheque or by an irrevocable letter of credit opened by the customer in good time before the transfer of risk as defined in Section V.1-3.

7. If the customer finances the payment of the contractual products by the use of credit or leasing agreements, he hereby assigns his payment entitlements vis-à-vis the financing bank or leasing company and all other claims and other rights to the supplier, who accepts these. This assignment as well as the acceptance of bills of exchange or cheques by the supplier shall only be effected on account of performance. The costs incurred in this case shall be borne by the customer. the supplier is always entitled to inform the bank / the leasing company of this assignment. The customer is obliged to notify the financing institution of the retention of title and to prove this to the supplier upon request.

8. Unless otherwise agreed in writing, the customer shall pay invoices to the supplier within 10 days from the date of the invoice; before receipt of the complete payment, the supplier may refuse delivery of the contractual products. On expiry of the payment period, the customer is automatically in default, without the need for a separate reminder. From the onset of default, interest is payable on the sum owed to the supplier in the amount of eight per cent above the current base lending rate p.a., but at least at the interest rate normally and verifiably payable for current account debts. This shall be without prejudice to the right of the supplier to prove and demand higher damages resulting from the delay.

9. In the event of default on the part of the customer, even on only a part of the total payment, the entire balance still owed – and on current account all payment entitlements of the supplier, due to ongoing business connections – are due immediately, and interest is payable on these amounts from the day on which payment was due, as agreed above. The same shall apply in the event that a bill of exchange or cheque of the customer accepted by the supplier should not be honoured for reasons for which the customer is responsible; in this case, further deferral agreements entered into on acceptance of the bill of exchange shall become redundant.

10. If the customer is in default with his payment obligations arising from one or more legal transactions with the supplier, or if he does not open a letter of credit, or if he does not do so in time, the supplier is entitled

- to refuse delivery of the contractual products to the customer and, at its own discretion, to store the contractual products at the customer's expense or to utilise it otherwise;
- to refuse the fulfilment of other agreed legal transactions or warranty obligations incumbent on the supplier until the customer has performed the outstanding services or acts of cooperation.

In all cases, the remaining statutory rights of choice by the supplier in case of default – in particular withdrawal from the contract – remain reserved.

Section IV.1.c is applicable for withdrawal from the contract.

11. Any rights of retention of the customer are hereby ruled out, to the extent permitted by law.

12. The supplier is entitled to offset claims, with and against due and not due claims, including future claims, to which the supplier or a company in which the supplier has a direct or indirect participation of at least 50 %, against the customer, or which the customer has against one of the designated companies.

On request, the customer shall receive information from the supplier on the status of said participation.

13. Offset by the customer is permitted solely with legally established or undisputed counter-claims.

VIII. Warranty

1. For new contractual products, the supplier warrants, in accordance with the following provisions, that at the point in time of the passage of risk to the customer, these products were, in the most important points, free of material and workmanship defects and that they correspond to the drawings and/or applicable product specifications of the supplier. A warranty for the suitability of the contractual products for a certain purpose exists only insofar as the supplier has assured such suitability in writing in the contract.

2. For used contractual products, accessories and equipment, no material or legal warranty – to the extent permitted by law – can be accepted.

3. The customer must examine the contract product immediately after receipt. In cases where acceptance has been agreed in writing, the examination must be effected at the latest at the point in time of acceptance. The customer must give the supplier written notice of obvious defects immediately – but at the latest within 10 calendar days of delivery or acceptance. Written notice of hidden defects must be given immediately, but at the latest within 7 calendar days of their discovery. The alleged defects – as far as possible with the submission of supporting documents – must be described in detail. In all cases, the supplier must be given an opportunity to examine "on site" whether the notification of defects is justified. If the customer breaches his obligation to give notice of defects, or if he does not allow examination, he shall lose all warranty claims with respect to the defect, to the extent permitted by law.

4. Contrary to statutory provisions, the limitation period as defined in Art. 210 and Art. 371 OR for the assertion of claims arising from material and legal defects – to the extent permitted by law – is limited to 12 months from the date of delivery of the contractual products (date of passage of risk) or, in cases where assembly/commissioning by the supplier has been agreed in writing, to 12 months from the date of readiness for production of the contractual products. This period also applies for any non-contractual claims arising from material and legal defects. The precondition for the assertion of claims is always the prior, timely submission as defined in the above Section VIII.3.

5. If the readiness for production of the contractual products is delayed, without the supplier being responsible for this, the limitation period is a maximum of 18 months, calculated from the date of delivery of the contractual products (date of passage of risk).

6. The supplier shall give no warranty for components of the contractual products requested and obtained by the customer and installed by the supplier if the supplier did not charge these components to the customer, but only performed and invoiced the installation.

7. The supplier can assume no warranty whatsoever for machine parts, aggregates and accessories purchased and/or provided by the customer.

The customer undertakes to mount and/or install only standard commercially available machine parts, aggregates and accessories in the contractual products. He also undertakes to inform the supplier about the nature and scope of such materials before installing them, and only to install or mount these after explicit written technical approval by the supplier. In the absence of such written approval, the supplier can accept no liability or warranty for the contractual products. Regardless of said approval, the supplier can accept no liability or warranty for the machine parts, aggregates and accessories mounted or installed by the customer; to this extent, the customer acts at his own risk. In addition, the customer must release the supplier from any liability (in particular with regard to compensation for damages, warranty and product liability) resulting from the installation of the above-mentioned parts, and is liable to the supplier for all resulting damage.

8. In the event of timely and accurate notice of defect given by the customer, the supplier can, at its own discretion and within a reasonable period of time, either repair the contractual products and/or its component parts (rectification), or provide replacements for the contractual products and/or its component parts. Any and all other claims or rights of the customer to rectification of defects, compensation for damages or other contractual and non-contractual claims are excluded to the extent permitted by the law, unless otherwise provided for hereinafter.

9. Parts removed from the contractual products and replaced shall become the property of the supplier. The warranty work described above in Section VIII.8. shall generally be performed by the supplier free of charge on German working days during standard working hours. If the production of the customer requires that special services should be arranged, the surcharges incurred shall be paid by the customer.

10. For the warranty work described above in Section VIII.8. the customer shall allow the supplier unhindered, unlimited and, if required by the supplier, uninterrupted access to the contractual products, and shall make available, free of charge to the supplier, a person familiar with the operation of the contractual products in order to provide information and assistance. This shall apply for the period of time that the supplier requires for rectification work and/or part replacement; otherwise the customer shall lose all warranty and liability claims, to the extent permitted by law.

11. For purposes of investigation and/or elimination of defects, the customer is not entitled to intervene himself in the contractual products or to have such work performed by a third party, unless the operational safety of the contractual products is at risk and/or disproportionate damage is likely to occur on account of the defect, or if the supplier is culpably in default with warranty obligations despite having been given a written period of grace of at least 30 days. In such cases, the supplier shall refund the costs incurred by the customer for the elimination of the defect.

12. If the customer or a third party does not rectify the defect properly, the supplier can accept no liability for any consequences resulting from this. The same applies to changes to the contractual products carried out without the consent of the supplier.

13. Of the costs incurred for rectification work or deliveries of spare parts as defined in Section VIII.8., the supplier shall bear the costs of the spare part including the usual (= standard) shipping costs as well as the costs for the removal and refitting and, if necessary, also the costs for fitters and assistants provided by the supplier, provided the customer's complaint was justified. No further costs can be assumed by the supplier.

14. For the rectification work or spare parts supplied by the supplier pursuant to Section VIII.8., the limitation period for the assertion of claims arising from material and legal defects ends at the point in time at which the limitation period applicable for the contractual products pursuant to Section VIII.4. ends. The precondition for the assertion of claims is always the prior, timely submission as defined in the above Section VIII.3.

15. If the supplier passively allows a reasonable period, set by the customer in writing, of at least 30 days for the rectification of defects or replacement delivery to elapse, then the customer is entitled, within the framework of statutory regulations, to reduce the contractual price or to withdraw from the contract in accordance with Section IX.1-5. If there is only a minor defect, the customer is only entitled to a reduction in the contractual price. Otherwise, no entitlement to a price reduction can be accepted.

16. In the case of service work or simple spare part deliveries (without the existence of a defect), the period of limitation for the assertion of claims arising from material and legal defects is 12 months from the conclusion of the service work or from the date of delivery of the spare part. The precondition for the assertion of claims is always the prior, timely submission as defined in the above Section VIII.3.

17. To the extent permitted by law, no warranty can be accepted in cases of defects that have occurred for the following reasons:

- unsuitable or improper use,
- incorrect installation or commissioning by the customer or third parties, without this being due to incorrect installation instructions by the supplier,
- natural wear and tear,
- incorrect or negligent treatment, maintenance or care,
- unsuitable operating resources or replacement materials,
- faulty construction work, unsuitable building site or foundations,
- chemical, electrochemical or electrical influences, as long as these are not the fault of the supplier, or
- unsuitable installation site.

18. If defects of title should be created through the normal use of the contractual products, in particular through the infringement of industrial property rights or copyrights at the head office of the supplier or at the site of usage or installation mentioned in writing in the contract, the supplier shall, at its own expense, obtain the general right for the customer to continue to use the contractual products, or modify the contractual products in such a way that the infringement of property rights no longer exists. To the extent permitted by law, no warranty can be accepted for defects of title if the contractual products is installed or used outside the country of domicile of the supplier or the country mentioned in writing in the contract.

If this is not possible under economically reasonable conditions or within a reasonable period of time, the customer shall be entitled to withdraw from the contract in accordance with Section IX.1-5. The supplier shall also be entitled to withdraw from the contract under the conditions specified above, whereby the provisions specified in Section IX.2-6 shall apply by analogy.

In addition, the supplier shall release the customer from undisputed or legally enforceable claims by the holders of the property rights in question with respect to the above-mentioned territories. Subject to the right of withdrawal as defined in Section IX., the obligations of the supplier as specified in this Section VIII.18. are final in case of infringement of industrial property rights or copyrights. They exist only if:

- the customer immediately informs the supplier of asserted infringements of industrial property rights or copyrights,
- the customer supports the supplier to a reasonable extent in the defence of the asserted claims, or allows the supplier to implement the modification measures,
- all defence measures, including out-of-court settlements, remain reserved for the supplier,
- the defect of title is not based on an instruction by the customer, and
- the infringement of rights was not caused by the customer changing the contractual products without authorisation, or changing or using it in a manner not compliant with the contract.

IX. Withdrawal

1. The customer has a right of withdrawal wherever these GTD explicitly grant the customer such a right, as well as in the following cases:

- if the entire execution of delivery finally becomes impossible for the supplier before the passage of risk; or
- if the execution of a part of the delivery becomes impossible for the supplier and the customer proves that he has a justified interest in rejecting a partial delivery by the supplier. If the customer cannot provide this proof, he is entitled to a reduction in the counter-performance owed by him in the percentage proportion of the value of the impossible partial delivery to the value of the entire delivery.

In other respects, no right of withdrawal by the customer can be accepted, to the extent permitted by law.

2. If the customer withdraws from the contract in good time and in the correct form, he has the following claims against the supplier, whereby the supplier can offset not only all other claims to which the supplier is entitled, but in particular the remuneration owed by the customer in accordance with the following Sections IX.4-6:

- Refund of the purchase price already paid; and
- Compensation for the negative contract interest on condition of proof of damage by the customer; to the extent permitted by law, compensation is only owed insofar as the customer can prove deliberate intent or gross negligence on the part of the supplier, and said compensation is limited to a maximum of one per cent of the price agreed for the contractual products in question.

3. A precondition for all claims by the customer is that the customer should have returned the contractual products in full to the supplier immediately after withdrawal. the supplier is entitled to collect the contractual products from the premises of the customer. If the contractual products should be lost, in full or in part, before they are returned, including loss through coincidence, or if they cannot be returned for any other reason, all claims by the customer shall be rendered invalid, to the extent permitted by law; in this case, the customer also has to pay any as yet unpaid purchase price.

4. The supplier can demand remuneration from the customer for the use, wear, deterioration or damage to the contractual products caused by him, to the extent that the value of the contractual products has diminished in the time between their delivery and full, direct repossession by the supplier. The reduction in value is calculated from the difference between the overall price as defined in the contract and the current market value as determined by the sales proceeds or, if it is not possible to sell the products to a third party, through assessment by a sworn authorised expert.

5. Insofar as the customer can withdraw from the contract in accordance with these GTD or mandatory statutory provisions, although the supplier is not responsible for such grounds, the supplier may demand from the customer additional remuneration for expenses already incurred as well as expenses still to be incurred by the supplier as a consequence of the contract, such as commission, transportation, packaging, assembly and disassembly costs, insurance premiums, taxes, general administrative expenses, financing and collection costs, loss of interest, without proof, as a lump sum in the amount of at least 5 % of the contract value, whereby the supplier reserves the right to prove any claims for damages exceeding this and still to be asserted.

6. Section IX.5 applies mutatis mutandis in the case of withdrawal by the supplier for reasons for which the customer is responsible, with the proviso that as lump-sum compensation 20 % of the value of the contract is hereby agreed, with proof of damages exceeding this being reserved.

X. Liability

The supplier is liable in case of deliberate intent and gross negligence. In other respects, unless otherwise explicitly provided for in these GTD, any liability or obligation to pay damages – on whatever legal grounds – is hereby explicitly excluded by the supplier, to the extent permitted by law. Accordingly and in particular, no liability or obligation to pay damages for employees, employers, organs, subcontractors and any other auxiliary persons of the supplier can be accepted, to the extent permitted by law.

XI. Surrender

The customer is obliged to surrender the contractual products without delay at the request of the supplier in the event of culpable non-compliance with payment obligations or in the event of any other culpable infringement of the contract, without prejudice to any other rights and without prejudice to the continued existence of the contract. In this case, the supplier can also take provisional possession of the contractual products again until further notice. This surrender shall not be regarded as the exercise of the right of withdrawal. To this end, the customer shall grant the supplier access to the rooms in which the contractual products are located. He is obliged to provide help with said surrender, if necessary, without being entitled to claim compensation.

XII. Software

1. Insofar as software is included, the customer is hereby granted a non-exclusive right to use the supplied software, including its documentation. Unless otherwise agreed in writing in this respect, the software is only intended for use on the specific or designated contractual product. The customer shall not be entitled to receive any development source codes (software, CAD, Eplan, CE, etc.) and/or know-how from the supplier; the supplier shall never deliver or otherwise provide such data and information to the customer.

2. The supplier grants the customer a temporary license to use the software between delivery and payment of the full purchasing price. This license is initially valid for up to 30 days after the due date of the first still-unpaid purchasing price instalment. Upon payment, the license shall be extended until 30 days after the due date of the respective next purchasing price instalment each. The supplier shall grant the customer a permanent license to use the software at full payment of the purchasing price.

3. The customer may only duplicate, revise or translate the software, or convert it from object code into source code (so-called “reverse engineering”, §§ 69 d f. German Copyright Act or the relevant provisions of the applicable national law if the customer is not resident in Germany) only to the extent agreed in writing and/or legally permissible. The customer undertakes not to remove or change manufacturer’s information – in particular copyright notices – without the prior explicit

and written approval of the supplier. The granting of sub-licences is not permitted. Use of the software on more than one system is prohibited.

4. All other rights to the software and the documentation, including copies and the rights to these, shall remain with Koenig & Bauer MetalPrint and/or its software supplier.

5. The customer hereby grants the supplier full permission to establish an electronic connection to the contractual product (e.g. using a modem) as well as to query, process and use data for the purposes of fulfilment of the supplier's contractual obligations vis-à-vis the customer.

XIII. Place of jurisdiction / Applicable law

1. The sole – also international – place of jurisdiction for all disputes arising from or in connection with the business relationship between Koenig & Bauer MetalPrint and the customer (including these GTD) is Zurich 1. However, the supplier is also entitled to sue the customer at his legal domicile or at the place of fulfilment. Mandatory statutory provisions concerning exclusive places of jurisdiction shall remain unaffected.

2. The business relationship between the supplier and the customer (including these GTD) shall be governed exclusively by Swiss law, to the exclusion of the conflict of laws and the United Nations Convention on Contracts for the International Sale of Goods (CISG).

XIV. Safeguard clause

Should individual provisions of these GTD be or become void or ineffective, this shall not affect the effectiveness of the remaining provisions; an ineffective provision shall be replaced by common consent by a corresponding provision in writing. If replacement by common consent is not possible, an ineffective provision shall be replaced by the provision which comes closest, in a legally admissible manner, to the meaning of this contract as recognisably intended by the parties.

XV. Confidentiality

The parties to the contract undertake to treat all manufacturing, operating and business secrets of the other party of which they have gained or will gain knowledge in connection with the contract negotiations, the contract or otherwise, in strict confidence and to use such knowledge solely for the purposes of this contract. Any other use or communication to third parties is forbidden. The obligation to maintain secrecy and the prohibition of exploitation shall apply even after the termination of the contract. In particular, the parties are obliged to impose the same obligations on their employees and auxiliary persons, and shall be liable vis-à-vis the other party for compliance with these obligations.

XVI. Written form

Insofar as the parties have agreed on the written form in these GTD or elsewhere, and have reached no other agreement, electronic transmission, which allows a permanent record of the content of the statement, shall be considered equivalent to the written form. The restriction shall apply that signature in one's own hand, as defined in Art. 14 Par. 1 OR, is required for the effectiveness of the written confirmation of order by the supplier and the supply/purchase contract, as well as for any assurances of properties.

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