

I. General - Scope of Application

(1) Our terms of sale apply exclusively; we do not recognize any orderer's/purchaser's terms and conditions contrary to or in divergence from our Terms of Delivery and Payment, unless we have given our express written consent to the validity of such terms and conditions. Our terms of sale shall also apply in those cases where we effect the delivery to the orderer without reservation, being aware of the fact that orderer's terms and conditions are contrary to or in divergence from our terms of sale.
(2) All arrangements formed between us and the orderer/purchaser for the purpose of executing this contract are set down in writing in this contract.

II. Offer - Offering Documents

(1) If the order is considered as an offer according to § 145 of the German Civil Code (BGB), we can accept it within 2 weeks. We are bound to our offers for 2 weeks, too.
(2) We reserve property and copyrights for any illustrations, drawings, cost estimates and other documents. This also applies to written documents designated as "confidential". Orderer/purchaser shall need our express written consent prior to the transmittal of such documents to any third parties.

III. Prices - Terms of Payment

(1) Unless otherwise provided in the order confirmation, our prices shall be "ex works", excluding package and transportation; these items will be charged separately.
(2) Our prices do not include the legal value-added tax: the legal amount of such value-added tax will be shown separately at the date of presentation of invoice. Any deduction of cash discount is subject to special written agreement.
(3) Unless otherwise provided in the order confirmation, the net purchase price (without deduction) shall be due and payable within 30 days as from the date of invoice. In case of delay of payment, the legal rules pertinent to the consequences of such delay of payment shall apply.
(4) Orderer/purchaser shall be entitled to offsetting rights only if his counterclaims are ascertained in a legally effective manner, undisputed, or recognized by ourselves. In addition, he shall be entitled to exercising any right of retention to the extent that his counterclaim is based on the same contractual relationship.

IV. Time of Delivery

(1) Unless otherwise provided in the order confirmation or other contractual arrangements, the time of delivery shall be considered in each case as the time of delivery "ex works".
(2) The commencement of the time of delivery indicated by us presupposes the clarification of all technical issues. The observance of our delivery obligation also presupposes the adequate fulfilment of orderer's/purchaser's obligation. We reserve for ourselves the right to defence of non-performance of the contract.
(3) If the orderer/purchaser is in default of acceptance, or if he culpably violates other duties to cooperate, we shall be entitled to claim the replacement of the damage we incurred to that extent, including any possible additional expenditure. We reserve for ourselves the right to any further claims.
(4) If the conditions under section (3) exist, the risk of accidental loss or accidental deterioration of the subject-matter of the sale shall pass to the orderer/purchaser at the time of being in default of acceptance or in debtor's delay.
(5) We assume liability in accordance with legal provisions, to the extent that the underlying sales contract represents a transaction for delivery at a fixed date within the meaning of § 286, Section 2, Number 4 of the German Civil Code (BGB) or § 376 of the German Commercial Code (HGB).
(6) We further assume liability in accordance with legal provisions provided that the delay in delivery is due to a deliberate or grossly negligent breach of contract we are responsible for; any fault by our agents or servants shall be attributable to ourselves. If the delay in delivery is not due to deliberate breach of contract we are responsible for, our liability for damages shall be limited to the foreseeable damage arising in a typical case.
(7) We also assume liability in accordance with legal provisions provided that the delay in delivery we are responsible for is due to the culpable violation of an essential contractual obligation; in this case, the liability for damages shall be limited to the foreseeable damage arising in a typical case.
(8) Further legal claims and rights of the orderer/purchaser are reserved.

V. Passage of Risk - Pocking Costs

(1) Unless otherwise provided in the order confirmation, delivery shall be agreed as "ex works".
(2) If the parties have agreed on delivery "free domicile", the material risk and thus our liability shall pass to the orderer/purchaser upon handing over the faultless goods to the forwarding agent, unless the loss of the goods is due to the fault of the forwarding agent/carrier and if such forwarding agent / carrier has been chosen by us.
(3) Transport packages and any other packages under the Packaging Ordinance will not be taken back; pallets are excluded from this provision. The orderer/purchaser is obliged to ensure the disposal of the packaging at his own expense.
(4) If the orderer/purchaser wishes so, we will cover the delivery by transport insurance; the costs incurred in this respect shall be borne by the orderer/purchaser.

VI. Liability for Defects

(1) Any claims of the orderer/purchaser based on defects presuppose that the latter has correctly complied with the examination and claiming requirements according to § 377 of the German Commercial Code (HGB).
(2) If there is a defect of the subject-matter of the sale, the orderer/purchaser shall at his own choice be entitled either to subsequent performance by way of eliminating the defect, or to the delivery of new faultless goods. In case of elimination of the defect, we shall be obliged to assume all expenses required for the purpose of the elimination of the defect, in particular, transportation charges, travelling expenses, labour cost, material costs, provided that these are not increased on account of moving the subject-matter of the sale to a place other than the place of performance.
(3) If subsequent performance fails, the orderer/purchaser shall be entitled at his own choice to ask for rescission or price reduction.
(4) We assume liability in accordance with legal provisions if the orderer/purchaser asserts claims for damages based on intent or gross negligence, including intent or gross negligence of our agents or servants. Unless we are charged with deliberate breach of contract, liability for damages shall be limited to the foreseeable damage arising in a typical case.
(5) We assume liability in accordance with legal provisions if we culpably violate an essential contractual obligation; in such case, however, liability for damages shall be limited to the foreseeable damage arising in a typical case.
(6) If the orderer/purchaser is entitled to the replacement of the damage instead of performance, our liability shall be limited to the replacement of the foreseeable damage arising in a typical case, under Section (3), too.
(7) The liability on account of any culpable harm to life and limb and health shall not be prejudiced hereby; this also applies to obligatory liability under the Product Liability Act.
(8) Unless otherwise agreed above, liability shall be excluded.
(9) The limitation period for claims based on defects is 12 months, as from the passage of the risk.

VII. Total Liability

(1) Any liability beyond VI. shall be excluded, regardless of the legal nature of the claim asserted. This applies especially to claims for damages based on fault upon the conclusion of the contract, on account of other breach of duties or on account of delictual

claims to the replacement of damage to property according to § 823 of the German Civil Code (BGB).

(2) If liability for damages is excluded or restricted vis-à-vis ourselves, this shall also apply in respect of the personal liability for damages of our officers, employees, associates, agents, and servants.

VIII. Ownership and Retention of Ownership

(1) The goods shall remain the property of the manufacturer /seller up to the full payment of all claims, including subsidiary claims, claims for damages, and encashment of cheques and bills of exchange. Upon the conclusion of the contract, the orderer shall transfer to the manufacturer / seller his ownership of the items (sted-base, old or used-up impression cylinders) to be supplied by him to the manufacturer/seller for the purpose of processing the order placed. The transfer of ownership takes place for the purpose of protecting the claims belonging to the manufacturer/seller by virtue of the contract.
(2) Retention of ownership shall also be maintained if any individual claims of the manufacturer /seller are included in a current account and if a balance is struck and recognized.
(3) If the orderer/purchaser processes goods under reservation of title so that they become new movable goods, such processing takes place for the manufacturer/seller who does not come under any liability by such processing. The new goods shall become the property of the manufacturer/seller. In case of processing, confusion and commingling with goods not belonging to the seller, the manufacturer/seller shall acquire co-ownership of the new goods in proportion of the invoice value of his goods under reservation of title to the total value.
(4) The orderer/purchaser shall be entitled to resale, processing and mounting the goods under reservation of title only in consideration of the following provisions and only if the claims under Number 6 actually pass to the manufacturer/seller.
(5) The authorisation of the orderer/purchaser to sell, process or mount the goods under reservation of title, in the ordinary course of business, ends upon the revocation by the manufacturer/seller on account of a sustained deterioration of the pecuniary situation of the orderer/purchaser and, at the latest, upon the cessation of payments by the latter or upon the application for and/or opening of insolvency proceedings in respect of his property.
(6a) Herewith, the orderer/purchaser assigns to the manufacturer/seller the claim and all associated ancillary rights in respect of the resale of the goods under reservation of title - including any claims in respect of the balance.
(6b) If the goods have been processed, confused or commingled, and if the manufacturer/seller has acquired co-ownership of such goods to the amount of his invoice value, he shall be entitled to the purchase price claim on a prorata basis, in proportion to the value of his rights to the goods.
(6c) If the orderer/purchaser has sold the claim within the framework of genuine factoring, the claim of the manufacturer/seller shall be due and payable immediately, and the orderer/purchaser shall assign to the manufacturer /seller the claim against the factor taking the place of such claim, and he shall immediately transmit his sale proceeds to the manufacturer/seller. The manufacturer/seller accepts such assignment.
(7) The orderer/purchaser shall be authorized to collect the assigned claims as long as he fulfils his obligations to pay. The authorisation to collect expires upon revocation, but at the latest upon delay of payment by the orderer/purchaser or in case of an essential deterioration of the pecuniary situation of the orderer/purchaser. In such case, the orderer/purchaser herewith empowers the manufacturer/seller to inform the customers about such assignment and to collect the claim himself. If requested, the orderer/purchaser shall be obliged to hand over to the manufacturer /seller an accurate list of the claims to which the orderer/purchaser is entitled, including the names and addresses of the customers and the associated individual claims, invoice data etc., to furnish the manufacturer/seller all information required to assert the assigned claims, and to permit the verification of such information.
(8) If the invoice value of the security for the manufacturer/seller exceeds the totality of all his claims including subsidiary claims (e.g. interest, costs) by more than 20 per cent, the manufacturer/seller shall be obliged, upon the request by the orderer/purchaser or by another third party prejudiced by the excess security of the manufacturer/seller to release securities to that extent, at the choice of the manufacturer/seller.
(9) The pledging or transfer by way of security of the goods under reservation of title and/or of the assigned claims are inadmissible. Any pledging shall be immediately notified to the manufacturer/seller, stating the name of the pledgee.
(10) If the manufacturer/seller takes back the delivered object, on account of the retention of ownership, there will be rescission of contract only if the manufacturer/seller expressly declares such rescission of contract. The manufacturer/seller may satisfy himself by way of private sale of the goods under reservation of title he has taken back.
(11) The orderer/purchaser shall hold the goods under reservation of title in custody, for the manufacturer/seller, without remuneration. He shall effect insurance for such goods against the usual risks such as fire, theft, and water, to the customary extent. The orderer/purchaser herewith assigns to the manufacturer /seller his claims for indemnification he is entitled to on account of damage of the above kind, against insurance companies or other parties liable for damages, to the amount of the invoice value of the goods. The manufacturer/seller accepts such assignment.
(12) All claims as well as the rights from the retention of ownership, in respect of all the special forms laid down in these conditions shall continue to exist up to the complete release from any contingent liabilities incurred by the manufacturer/seller in the interest of the orderer/purchaser.

IX. Protection against Imitation

(1) If deliveries are effected according to drawings of and other information by the orderer/purchaser, the latter shall in each individual case provide information whether such drawings and information represent its own decors, designs and developments or whether they are imitations of any third parties' part or end products. In the latter case, the manufacturer/seller shall be entitled to refuse to participate in the violation of third parties' rights and/or withdraw from the contract.
(2) If the orderer/purchaser acts in opposition to the foregoing obligation, he shall hold the manufacturer/seller harmless against any claims resulting from any claim asserted by the party having suffered damage on account of the violation of any contractual or non-contractual rights.

X. Tools, other Forming Devices, Drawings

(1) Any engraving tools as well as designs etc. shall remain the exclusive property of the manufacturer/seller. This provision also applies in those cases where the orderer/purchaser pays a share in the costs for their utilization. Any drafts and drawings prepared by the manufacturer/seller are the property of the latter and shall be used for the purposes of the order only.

XI. Place of Performance, Place of Jurisdiction, Applicable Law

(1) The place of performance of any obligation of both contracting parties resulting from this contract shall be Frankenberg/Saxony.
(2) The place of jurisdiction shall be Hainichen. The manufacturer/seller is also entitled to bring action against the orderer/purchaser at his own general place of jurisdiction.
(3) All legal relations between the orderer/purchaser and the manufacturer/seller shall be exclusively governed by the substantive law of the Federal Republic of Germany. The interpretation of any delivery clause shall be subject to INCOTERMS as amended.

XII. Severability Clause

The inefficiency at law of any individual provisions of these terms shall not affect the validity of the other provisions.