

General terms and conditions

1. General

The following terms and conditions of business apply to all contractual relations between PrintoLUX and the client with respect to deliveries of goods, systems or services and shall be recognised by the client as the only valid terms and conditions of business. PrintoLUX shall not recognise any other or contradicting terms and conditions of business. This shall also apply, even if the client refers to their own general terms and conditions of business in an order confirmation.

2. Written form

The contract formed between the parties definitively comprises all agreements made between the parties. In particular, the contract supersedes all preceding written and verbal agreements. Amendments and additions to this contract shall only be effective in writing. Nullification of this written form clause must also be made in writing.

3. Offer

Offers are generally subject to change without notice. PrintoLUX shall be entitled to make technical improvements or make changes to the execution of performance, or changes in respect to the goods to be delivered, insofar as these changes are essential because of market conditions or local necessity. Prior notification of the client shall only be essential if the prices offered rise by more than 10% as a result thereof. The client shall be entitled to rescind the contract in writing within 7 days of receipt of this notification.

4. Delivery

Details of delivery times are always non-binding. Within four (4) weeks after non-observance of a nonbinding date for delivery, the client may call upon PrintoLUX in writing to complete delivery or render performance within a reasonable time limit. Upon expiration of this time limit, the client shall be entitled to rescind the contract. The client may only demand compensatory damages or compensation for default related losses if PrintoLUX is at fault due to intent or gross negligence. Compensation claims in cases of slight negligence shall be limited to 10% of the order value. If delivery or performance is hindered by circumstances which are not imputable to PrintoLUX, particularly in the event of *force majeure*, operational disruption or public authority measures, PrintoLUX shall be entitled to rescind the contract. In the case of deliveries of goods, the risk of destruction or deterioration (risk of accidental loss, destruction or deterioration) shall pass to the client upon handover of the goods to the forwarder contracted by PrintoLUX or by the client.

PrintoLUX guarantees that accuracy of the label positions, starting from the zero position of the PrintoLUX® printing systems (top left on the multiple label sheet) in accordance with DIN ISO 2768-1-c. Accuracy of +0.6 mm is achieved between measured sizes of 30 mm and 200 mm, and is recognised by the customers as the dimensional tolerance. These manufacturing tolerances shall not give the client grounds for a complaint. It is impossible to avoid over or underdeliveries within the scope usual in the trade for technical reasons associated with production or for other reasons. PrintoLUX is therefore entitled to deliver 10% above or below the quantity on the order. PrintoLUX shall invoice for the quantity actually delivered.

The material resistance tests are always carried out in accordance with DIN specifications and/or PrintoLUX's own test specifications. PrintoLUX points out that the test processes described apply depending on the material and the application area. Given the extremely large number of application situations and environmental conditions that can impact the materials, such as radiation, gases, temperature, variety of liquids, and mechanical loads, PrintoLUX is unable to offer any warranty or guarantee as to the suitability of its certified materials in all customer applications. The client must therefore carry out their own suitability tests for specific purposes. PrintoLUX is happy to offer the advice and support you need. PrintoLUX points out that the print quality and durability are only met if all components of the patented PrintoLUX process are used. PrintoLUX® process components are: PrintoLUX®-certified materials, PLX special inks; PLX pre-treatment, PrintoLUX® printing systems; PrintoLUX® heating units.

5. Prices

All prices are quoted without a cash discount or other reductions. Value-added tax shall be added at the respective statutory rate. In the case of deliveries of goods, the prices are understood to be subject to addition of shipping costs and any costs advanced by PrintoLUX according to the agreement.

6. Payment

All prices shall be due and payable no later than two (2) weeks from the date of the invoice. Payment orders, bills of exchange and cheques shall be accepted exclusively on account of payment, and the client shall be charged for any resulting collection and discount expenses.

7. Provision of security

PrintoLUX® shall be entitled to demand of the client, prior to commencement of execution of the order, security in the form of an absolute bank guarantee for the order amount or any other suitable security interests and to make commencement of execution of the order conditional upon the provision of such a guarantee, if the order value exceeds the sum of EUR 50,000 (fifty thousand). The aforementioned absolute guarantee must be due and payable on first request.

8. Retention of title

All goods delivered shall remain the property of PrintoLUX® until full settlement of the receivables to which PrintoLUX® is entitled from the underlying contractual relationship. The retention of title also extends to all other demands in connection with the contractual relationship, such as additional services, replacement deliveries.

If the client is a merchant, legal entity under public law or a special asset under public law, the reservation of title shall apply to all claims arising from the current business relationship. PrintoLUX shall only be obliged to waive the retention of title if there are no further receivables under the ongoing business relationship, or if sufficient security is provided.

For the duration of retention of title, the client shall only be entitled to sell the goods which are under retention of title, lease them out, assign them as security, or otherwise make them available to third parties in such a manner that PrintoLUX's security is impaired or alter them, if PrintoLUX has given its prior written consent.

9. Confidentiality

The client, including its personnel, undertakes to maintain confidentiality in relation to third parties and not make accessible to third parties in any manner any information, business dealings, drawings, samples or documents of PrintoLUX – referred to as "know-how" – which have come to its knowledge by reason of processing the order. The client shall place its personnel under a written obligation to maintain secrecy accordingly.

The know-how passed on to the client shall be used by the client exclusively for the purpose stated in the order. The client shall not use the know-how for other purposes, except where this has been contractually provided for, and shall not apply for registration of any property rights of its own for the know-how or support third parties in this respect. This obligation to maintain secrecy shall apply for an indefinite period beyond the duration of execution of the order, except where otherwise expressly provided for. In this respect, the client shall be obliged to furnish proof that the know-how passed on to it was already known to it beforehand or was generally accessible.

10. Copyright and other protected rights

Insofar as tools (e.g. custom software, tools etc.) stored on data carriers are made available to the client in the course of execution of the order, the client shall not acquire title to the data carriers or to the tools/programs themselves. These shall be subject to the copyright of PrintoLUX or shall establish other property rights or protectable rights of PrintoLUX. The client shall use them solely to the extent detailed by the order. The client shall not be entitled to duplicate them, imitate them or make them accessible to third parties. Likewise, the client undertakes to refrain from applying for registration of its own property rights in respect of these programs.

11. Warranty

1. Notification of defects for apparent defects must be made within 14 days of receipt of the goods – for concealed defects, immediately after detection of such defect – in writing to PrintoLUX (refer to Section 377 HGB [German Commercial Code]), otherwise warranty claims are excluded, unless PrintoLUX has been fraudulently reticent (refer to Section 438 BGB [German Civil Code]).
2. If a defect is present, PrintoLUX has the right to choose between repair or replacement. If supplementary performance fails, the customer can rescind the contract or reduce the purchase price. If the defect is insignificant, the right to rescind is excluded. Other warranty claims of the client, in particular claims for damages, are excluded.
3. The statute of limitation for claims by the client due to a defect is 1 year from the date of transfer of the goods to the client.

12. Liability

PrintoLUX's liability shall only be unlimited in cases of wilful intent or gross negligence, also on the part of its legal representatives and managerial employees. Liability for fault on the part of other authorised persons shall be limited to the order volume of the respective individual order, as well as to losses which can typically occur in the course of execution of the order. PrintoLUX shall only be liable for minor negligence insofar as a duty has been breached, whose fulfilment is of particular importance to achieve the purpose of the contract (material contractual obligation). If a material contractual obligation is breached, the limitation of liability under subsection 1 of this liability provision shall be applied *mutatis mutandis*. The liability restrictions of PrintoLUX do not apply in the event of intent or gross negligence by PrintoLUX, or their vicarious agent, for injury to persons, damage, occurred due to the errors of a condition, that PrintoLUX has guaranteed, or for claims under the product liability law.

13. Default, refusal to perform, retention

If the client defaults on paying due amounts, the client shall owe default interest at the rate of 7% above the respective base interest rate of the European Central Bank. Both PrintoLUX and the client shall be free to prove that a higher or lower default-related loss has been incurred. PrintoLUX shall be entitled to refuse to perform, if the client ceases its payments because a petition has been filed to open composition or bankruptcy proceedings over its assets, or the client is seeking out-of-court composition proceedings, regardless of whether payments on account have been agreed upon or have been made; the client breaches its contractual duties, particularly the obligation to maintain secrecy; the security interests provided by the client prove to be worthless from a commercial perspective or have considerably lost value, and the client does not provide security interests of equivalent value.

Services already rendered by PrintoLUX up until assertion of the right to refuse to perform shall be remunerated in full. Rights of retention on the part of the client shall generally be excluded, if the client is a merchant within the meaning of the German Commercial Code [HGB]. Rights of retention on account of claims not arising from the contract are excluded for non-merchants.

14. Offsetting and assignment

The client shall only be entitled to set off against receivables of PrintoLUX on account of claims of its own insofar as its claims are undisputed or have been determined with legal validity. The client shall not be entitled to assign or otherwise transfer or pledge the rights and claims to which it is entitled under this contract.

15. Closing stipulations

Upon commencement of the business relations, the client's data, which may also be personal data, shall be stored internally in accordance with Section 28 of the German Federal Data Protection Act (BDSG) and shall be used manually or by automated procedure for processing the order/contract as required. The client acknowledges this and hereby expressly agrees thereto. The place of performance for all rights and duties arising from this contract is Frankenthal in the Rhineland-Palatinate region of Germany.

The laws of the Federal Republic of Germany apply exclusively.

The Parties agree upon Frankenthal in the Rhineland-Palatinate region of Germany as the place of jurisdiction, if the client has full merchant status or is a legal entity under public law or a body responsible for a special asset under public law. If a stipulation in this contract is null and void, this shall not affect the effectiveness of the other stipulations. To replace ineffective stipulations or null an omission, a provision shall apply that optimally safeguards what was intended.

Date 17.06.2019

- Please note the packing units.
- The specified prices are quoted excluding VAT.
- Delivery terms: ex works.
- Payment terms: Payment in advance for initial orders; 14 days net for subsequent orders