

## **General**

All contracts about deliveries and services of Werkstation GmbH with companies, legal entities as defined by public law or special funds under public law shall be subject to the conditions below. By placing an order with us, accepting a quotation we provided or accepting goods we delivered the customer acknowledges these conditions as binding. Our General Terms and Conditions shall apply exclusively; any deviating conditions or supplementary conditions of the ordering party that are disadvantageous to Werkstation shall not become part of the subject matter of the contract, even if we do not object to them separately. Any additional agreements need to be made in writing. After their first effective application, these GTC shall also apply to all future transactions with the same customer.

### **§ 1 Order Placement, Conclusion of Contract**

1. Quotations, delivery dates and prices are subject to change on principle, unless they are described explicitly as binding. Telephone proposals shall not become binding until confirmed in writing. Client protection assurances to resellers/distributors need to be confirmed by us in writing to take effect. Client protection assurances become ineffective six months from their pronouncement unless a different validity period was explicitly agreed.
2. Statements on the quality or durability of goods or services, in particular in brochures, advertisements, on the website etc., do not imply a guarantee (warranty) within the meaning of section 276 para. 1 BGB (German Civil Code), nor a quality or durability guarantee within the meaning of section 443 BGB, if we have not explicitly assumed such a guarantee in writing.
3. The subject matter of the contract comprises the brochures, descriptions, technical data and specifications for our products, the current versions of which are published on the Werkstation homepage, in the versions applicable when the contract is concluded. Should these deviate from the provisions applicable at the time the order is placed, Werkstation shall advise the ordering party accordingly.

### **§ 2 Delivery, Shipping**

1. Deliveries shall generally be conditional on correct and punctual supply to ourselves by our hardware and software suppliers. Part deliveries and part services and corresponding billing by Werkstation shall be permissible, if they are not unreasonable for the ordering party.
2. Claims on account of delayed delivery can only be put forward if the ordering party has granted Werkstation a reasonable additional period of time in writing and this deadline has not been adhered to either. Acts of God and so-called disruptions in operation - in whatever area and for whatever reason - shall dispense Werkstation from adhering to specific agreed delivery dates.
3. If the goods are sent to a different location than Werkstation's place of business, the ordering party shall bear the transport risk, incl. cases where Werkstation effects the delivery carriage free. We reserve the right to determine the appropriate shipping method (means of transport). The goods shall be insured for shipping by Werkstation at the ordering party's cost, unless the ordering party explicitly objects to insurance being taken out. Any transport damage and transport losses must be notified immediately, otherwise the delivery shall be deemed as having been accepted.

### **§ 3 Prices**

1. All prices are net and in EUR. They do not include shipping, insurance and installation costs or taxes; these costs shall be charged extra. Individual deliveries shall be billed for according to the price list valid at the time.
2. We reserve the right to adjust prices accordingly without notice in the event of changes in exchange rates, customs duties, taxes (incl. the statutory VAT), freight and insurance costs, and purchase costs (e.g. for components and services).
3. If a delivery time of over six weeks is agreed or in the case of continuous obligations lasting more than 6 weeks, we are entitled to pass on any increases in cost for procurement or delivery or for the use of human resources (labor and ancillary labor costs) incurred during this period by increasing the affected prices by the amount required to balance these changes.

### **§ 4 Payment**

1. Werkstation generally effects deliveries on a cash on delivery or prepayment basis - in each case without prompt payment discount. If a delivery is made against an invoice in an exceptional case, the invoice shall be due for payment immediately upon receipt. If the ordering party fails to pay in spite of a reminder, it shall be in default. A default situation shall also exist, if no reminder is sent and the ordering party does not make payment within 30 days from receipt of the invoice. The invoice is deemed to have been received two working days from the date it was sent. In a default situation, Werkstation is entitled to charge default interest in the amount of 8% (in the case of consumers only 5%) above the current Deutsche Bundesbank base rate. The right to put forward a claim for further damages is reserved.
2. The ordering party is only entitled to offset undisputed or legally established receivables. The ordering party is only entitled to exercise withholding rights, if undisputed or legally established receivables exist from the same contractual relationship. Werkstation is entitled to offset payments against older due invoices even if the ordering party has stipulated different terms of settlement.

### **§ 5 Warranty**

1. The ordering party is obligated to inspect goods delivered by Werkstation immediately and also to notify any deficiencies immediately in writing (but within five working days at the latest). This inspection duty on the part of the ordering party also includes the trial operation of technical devices and associated peripherals as well as testing under realistic conditions after the installation of any necessary software. If such inspection is not performed or deficiencies are not notified at all or not in a timely manner, the goods we delivered shall be deemed to have been accepted by the ordering party. The same applies if a deficiency is subsequently detected in goods we delivered that was not initially obvious during the properly performed inspection and is not being notified immediately. If goods were sold explicitly as "used", we do not assume any warranty whatsoever.
2. If inspection and notification are effected in a timely manner pursuant to sub-clause 1, the warranty period is one year from the date the goods are delivered to the ordering party. The statutory period of limitation applies for claims on account of illegal activity and claims pursuant to the product liability act (ProdHaftG).
3. Wear and tear as well as consumables (in particular toner, imaging unit, paper, etc.) are not covered by the warranty. Furthermore, Werkstation does not assume warranty for deficiencies resulting from incorrect installation, operating errors, over-voltage, improper maintenance as well as external influences. In the case of any interference with the goods or modification of the goods by the ordering party or any third party after delivery, the ordering party shall not have the right to any claims on account of deficiencies unless the ordering party proves that a deficiency was not caused by the interference or the modification.
4. Werkstation does not assume responsibility for its products being suitable for a specific purpose that the ordering party assumed unless this was explicitly agreed. Responsibility for the software required for the use of IMKs and other goods lies with the ordering party alone.
5. Where IMKs, computer hardware (in particular PCs, printers, card readers etc.), operating systems, as well as other software are purchased simultaneously, these items are deemed to have been sold as unrelated items. Where technically exchangeable (individual) components capable of independent operation, in particular personal computers (PCs), printers or other peripherals, are mounted within the IMKs and systems delivered by Werkstation, deficiencies in these individual components do not entitle the ordering party to put forward warranty claims with respect to the delivered IMKs and systems. Pursuant to these GTC, the ordering party's warranty claims in such case are instead limited to the relevant deficient individual component. Where Werkstation delivers IMKs and similar systems with standard commercial software at the ordering party's request, the warranty shall be limited to the serviceability of the relevant data carriers.

6. Werkstation is entitled to remedy the deficiency at its own discretion either by remedial action or by delivery of a deficiency-free object (supplementary performance). If supplementary performance is impossible or has irrevocably failed, the ordering party is entitled to an appropriate reduction in the purchase price. The ordering party is only entitled to redhibition (withdrawal), if the reduction in the purchase price is unreasonable for it. The ordering party's right to damages remains unaffected.
7. Any incurred shipping costs shall be borne by the buyer on principle, even in the event of justified warranty claims. For any remedial action, the ordering party must provide all the information required for fault diagnosis and rectification immediately upon request. In the case of on-site supplementary performance, unhindered access to the defective goods must be ensured. Warranty repairs shall not initiate any new guarantee periods.
8. Where Werkstation delivers hardware, hardware components and standard software, it is entitled to assign any warranty claims against its suppliers to the ordering party and make any warranty claims put forward against Werkstation by the customer dependent on the preceding (if necessary judicial) recourse to the Werkstation suppliers, unless this is unreasonable for the ordering party. The above also applies if we have adapted, configured or otherwise modified the software or hardware to the ordering party's requirements, unless the material defect has been caused by our performance.
9. Werkstation products conform to CE requirements in all the components we offer. At the customer's request, we shall make the corresponding proofs available. If other components, additional equipment etc. are built in or used at a customer's request, responsibility for the CE conformity of the entire system and the individual parts passes to the customer.

## **§ 6 Liability**

The following contractual limitations apply to Werkstation's liability, on whatever legal basis, but in particular on account of delay, impossibility, positive breach of an obligation, assurance of characteristics, illegal act etc.:

1. Where essential contractual obligations are violated or if assured characteristics are lacking, Werkstation's liability is limited to providing compensation for the typical and foreseeable damage. In the case of violation of non-essential obligations, Werkstation's liability is excluded. Werkstation's liability is further excluded, if the incurred damage could have been prevented by the ordering party taking reasonable mitigating measures (for instance by carrying out proper data security measures or using replacement units).
2. Independent of the above, the amount of compensation shall be limited to the positive interest. All further rights and claims, whatever their legal basis, are excluded. This applies in particular to compensation for so-called indirect damages (consequential damages, such as lost profit).
3. These limitations do not affect the liability pursuant to the product liability act (ProdHaftG) or liability for damage caused by Werkstation (including its vicarious agents) either deliberately or by gross negligence.

## **§ 7 Reservation of title**

1. Werkstation reserves ownership in the goods until all receivables payable by the ordering party under the business relationship have been settled, including the receivables from other contracts concluded simultaneously or subsequently. In the case of substantial contract violation on the part of the ordering party, in particular default, as well as substantial deterioration of the customer's economic situation and if it has filed for insolvency, Werkstation shall be entitled to demand the return of goods delivered under reservation of title. The fact that goods have been taken back shall not constitute a withdrawal from the contract, unless Werkstation has explicitly stated so. In case goods that are subject to this reservation of title are seized under distress by third parties, Werkstation must be informed immediately.
2. The customer must safeguard goods subject to reservation of title for Werkstation by exercising due diligence and insure them adequately against fire, water, theft and other liability risks at the ordering party's risk. The customer hereby assigns its claims from the insurance contracts to Werkstation. Werkstation accepts the assignment. If the ordering party pays the purchase price by bill or check, this merely establishes a bill or check-related claim on the part of the seller. The reservation of title as well as the receivables from the goods delivery or the claims from extended reservation of title shall not expire until the bill or the check has been paid by the ordering party as drawee. The buyer shall only ever perform processing or transformation of goods subject to reservation of title on Werkstation's instructions.
3. The ordering party is entitled to resell the goods subject to reservation of title during the ordinary course of business. It hereby assigns to Werkstation here and now all its receivables from buyers or third parties resulting from the reselling, irrespective of whether the delivery item has been resold without or with reservation of title. Werkstation hereby accepts the assignment.
4. Werkstation is obligated to release securities at the ordering party's request, if the value of our securities exceeds the secured receivables by more than 20%.

## **§ 8 Return and Disposal**

1. The customer takes on responsibility for disposing of the supplied goods at the end of utilization according to the legal regulations at its own cost. The customer indemnifies Werkstation from the obligations pursuant to section 10 para. 2 ElektroG (German electrical and electronics equipment law) (take-back obligation) and thereby from related claims by third parties.
2. The customer must contractually obligate third parties to whom it passes the supplied goods on to dispose of them properly at the end of utilization according to the legal regulations at their own cost and to ensure a corresponding continuing obligation should they in turn pass the goods on.
3. If the customer does not contractually obligate third parties to whom it passes on the supplied goods to take on the disposal responsibility and to obligate their customers in turn, the customer itself is obligated to take back the supplied goods at the end of utilization at its own cost and to dispose of them properly according to the legal regulations.
4. Werkstation's claims pursuant to clause 8 sub-clauses 1 to 3 of these GTC shall not become time-barred any earlier than two years from the final end of utilization of the equipment. The two year suspension of the statute of limitation starts with the receipt of the customer's written notification of the end of utilization by Werkstation at the earliest.

## **§ 9 Final Provisions**

1. Besigheim is place of performance and jurisdiction for both parties. The exclusive application of the law of the Federal Republic of Germany and Besigheim as place of jurisdiction are hereby agreed for all parties for deliveries and/or services outside the Federal Republic of Germany. Application of the United Nation Convention on Contracts for the International Sale of Goods (CISG) is excluded explicitly.
2. The ineffectiveness of individual provisions of these GTC shall not affect the validity of the rest of the contract. An ineffective provision shall be deemed to have been replaced by an effective provision that approximates the ineffective one as closely as possible.