

**General Terms and Conditions of Business and Delivery  
for the Specialist Trade Business in the UTAX Division of TA Triumph-Adler GmbH  
- hereinafter referred to as UTAX –**

**General**

1. The following General Terms and Conditions of Business and Delivery (GTC) shall apply exclusively to all business relations for the specialised trade business in the UTAX business division between UTAX and our customers. They shall apply from the moment of receipt of the acceptance of the first offer and also for all ongoing business relations in the future. By accepting an offer, our customer declares their assent to these terms and conditions. If the content of the contract is confirmed by our customer in a manner that deviates from our terms and conditions, these terms and conditions shall apply even if we do not raise an objection. Deviations shall therefore only apply if we have expressly acknowledged them in writing. If the customer does not agree with this practice, they must immediately notify us of this explicitly in a separate communication. We reserve the right to withdraw our offer in such a case without any claims of any kind being made against us.
2. All offers are non-binding. Technical specifications and descriptions of the delivery item in offers, brochures and other forms of information are non-binding. Orders, contracts, contract alterations or amendments and all other agreements or declarations, including the assurance of the quality of goods, shall only become binding for us if they have been expressly confirmed in writing by the management.
3. Amendments to the provisions set out in these GTC must be made in writing, and this clause can in turn only be agreed in writing.
4. Should individual provisions become invalid, this shall not affect the validity of the remaining provisions. Deleted provisions shall be replaced by others that are legally effective and most closely reflect the commercial objective of the party that benefited from the deleted provision.
5. The place of performance for all payment and other obligations towards registered traders shall be the registered office of UTAX. The place of performance for deliveries is the place of dispatch.
6. For all legal disputes with registered traders, including bill of exchange and cheque proceedings, the place of jurisdiction is Hamburg or, at our discretion, the seat of the court competent for our customer.
7. All our business relations are exclusively subject to German law. If such laws make reference to foreign legal systems, these references shall be ineffective. Application of the UN Convention on Contracts for the International Sale of Goods (CISG) is expressly excluded.
8. The rights of our customer under these provisions are not transferable.

**Conditions of sale**

**a) Delivery, transfer of risk, default**

1. The scope of our obligation to deliver arises exclusively from our written offer and/or our written order confirmation.
2. We shall make every effort to comply with the delivery deadlines and/or dates that we specify. If we ourselves are not supplied, despite having placed congruent orders with reliable suppliers, we shall be released from our obligation to deliver. We will notify you of any such occurrence in good time. Unless otherwise expressly agreed in writing, the delivery period shall commence upon dispatch of the General Terms and Conditions of Business and Delivery for the Specialised Trade Business in the UTAX Division of TA Triumph-Adler GmbH, last updated June 2014 of 7 Order confirmation. In any case, compliance with the delivery period requires that the customer duly and punctually fulfils all obligations to cooperate which are incumbent on them under these terms and conditions. This shall include, in particular,

submitting the necessary documents, complying with payment obligations, procuring export licences and similar tasks. Where partial deliveries are deemed acceptable, they may be made and invoiced separately. Orders on request must be accepted by the customer within three months. A reasonable period of at least one month must elapse between the request for delivery and the requested delivery time.

3. In cases of force majeure on our part or on the part of our suppliers, we shall not be in default until the cause of the disruption has been resolved. If the disruption is not remedied within a reasonable period of time, the mutual obligations shall be cancelled without the parties being able to assert claims against each other.
4. Our obligation to perform shall not apply if we are not permitted to deliver due to regulations imposed by public law in Germany or abroad and we are not responsible for determining and complying with such regulations.
5. If, based on our information, the customer does not provide sufficient guarantee of their ability to pay, which may stem from the non-fulfilment of their payment obligations from a previous delivery, we shall be entitled to refuse delivery until the customer has effected counter-performance or provided security for it. If we have requested them to do so without success, we are entitled to withdraw from the contract.
6. In the event of a delay in delivery, the customer shall only be entitled to withdraw from the contract if, after the start of the delay, an appropriate grace period of at least four weeks is specified in writing and, at the same time, the customer announces that they will refuse performance in the event of non-delivery within the specified period.
7. If the customer is in default with the request, acceptance or collection of the goods or if they are responsible for a delay in dispatch or delivery, we shall be entitled, without prejudice to further claims,
  - a) to store the goods at their expense and risk at our premises or at the premises of third parties and to charge them storage costs amounting to at least 0.5% of the invoice amount attributable to the quantities not accepted for each week or part week of storage, or
  - b) to sell the quantities not accepted elsewhere after expiry of a grace period set by us; In this case, the customer shall be liable for the difference between the agreed purchase price and the proceeds from the sale elsewhere and/or
  - c) to withdraw from the contract in the amount of the quantities not accepted after expiry of the grace period set by us.
8. Postage and packaging shall be at the expense of the customer. The customer shall be responsible for taking out any shipping insurance and other insurances, unless expressly agreed otherwise in writing.
9. When using cost clauses, the terms and definitions of INCOTERMS 2000 or 2011 shall apply, unless otherwise stated in these GTC.
10. For all deliveries - including cif or fob or foc delivery or collection by the customer - the transportation risks shall pass to the customer as soon as the goods have left the UTAX warehouse or have been handed over to a means of transport, including our own means of transport, a forwarder or carrier on the warehouse premises, irrespective of who bears the freight costs. In the case of clause 7, the risk shall pass to the customer as soon as the customer is notified that the goods are ready for dispatch.
11. If, in exceptional cases, claims are nevertheless made against us due to damage incurred or loss during transport, the customer may only assert these claims if they have fulfilled their legal obligations to cooperate. This shall include, in particular, prior to payment for the freight, that they have arranged for the recording of proper damage and/or loss notices on the freight documents and freight invoices and for the proper recording of the minutes, and that they have

notified us or the transport companies of such damage or loss within a preclusive period of 7 days after receipt of the goods at the destination or, in the event of non-receipt, after receipt of the notification of readiness for dispatch and have kept the goods together with the packaging available for our inspection.

**b) Prices, terms of payment, securities**

1. Deliveries shall be made at the prices stated in the order confirmation (plus the applicable rate of VAT). If the sales price of UTAX valid on the day of delivery or on the day on which the goods are made available for collection is higher than the price stated in the order confirmation, the delivery shall be cancelled upon the customer's request. Unless otherwise expressly agreed in writing, we shall be entitled to increase the agreed purchase price accordingly in the event of a subsequent introduction of or increase in duties, taxes or other charges on the goods, in particular EC duties and anti-dumping or countervailing duties or similar, as well as in the event of a change in the currency parities.
2. Payments are to be made within 8 days of the invoice being issued with a 2% discount, or within 30 days without deduction, in cash, by bank transfer or direct debit. Payments shall be deemed to have been made on the day on which we can draw on the amount.
3. We shall only accept bills of exchange for payment after prior express agreement, and to the exclusion of our liability for the timeliness and correctness of presentation and protest and only if they are eligible for rediscount and properly taxed. Credit notes for bills of exchange and cheques shall be made subject to receipt and value date on the day on which the countervalue is available. Discount, collection and other charges and expenses, including transfer tax, shall be borne by the customer. We are under no obligation to seek satisfaction initially from the bills of exchange, cheques or other services provided to us on account of performance.
4. If several similar liabilities have not been fulfilled by our customer, they shall not be entitled to determine which debt they will pay. Instead, we are entitled to set off incoming payments against the customer's outstanding liabilities together with costs and interest in accordance with §§ 368 Paragraph 2, 367 BGB.
5. In the event that the payment deadline is exceeded, we shall be entitled, without prejudice to further claims, to charge interest on arrears at the rate which we ourselves have to pay for loans taken out, but at least at a rate of at least 5% above the base rate. The customer shall at any time be entitled to prove that the damage incurred by us is less than the default interest charged.
6. All claims, including those for which we have accepted bills of exchange, shall become due immediately if the customer is in default of payment, fails to comply with other material obligations under these GTC, or if we become aware of circumstances that are likely to reduce the customer's creditworthiness, in particular suspension of payments, composition or insolvency proceedings. In such cases, in accordance with the terms and conditions of sale section a) 5. we shall be entitled to withhold outstanding deliveries or to execute them only against advance payment or securities.
7. Otherwise, in the event of default in payment, we shall be entitled, after setting a reasonable deadline, to withdraw from the order or to claim damages for non-performance.
8. Offsetting with counterclaims other than undisputed or legally established counterclaims shall be inadmissible. Our customer is not entitled to assert a right of retention, and especially not on account of their warranty claims. If the customer exercises a right of retention over an item to be returned, albeit in an unjustified manner, the customer shall be prohibited from using this item. If the customer nevertheless uses it, they shall pay compensation for use to the amount of the market rental rate.

**c) Security of the supply chain**

1. As an authorised economic operator, we are legally obliged to ensure the security of our supply chain.

2. If the customer is not also an authorised economic operator or does not have an equivalent status, they shall commit to taking the following measures:
  - a) The customer shall use a regularly updated software programme to compare their business contacts with the lists of names issued under Regulation (EC) No. 2580/2001 of 27.12.2001 and Regulation (EC) No. 881/2002 of 27.5. 2002 (terror list comparison).
  - b) Upon receipt of the goods, the customer shall check the goods for unauthorised access.
  - c) If the customer themselves is part of a supply chain, they shall secure the goods against unauthorised access by taking appropriate measures.
  - d) The customer shall endeavour continuously to improve the security of their supply chain by means of training measures for their employees and similar measures.

**d) Software**

1. If the object of the delivery consists of software, the customer shall receive the software in object code in the contractually agreed manner. They shall receive a simple user licence for the software in accordance with the contractually agreed licence conditions.
2. The software and any accompanying material may not be modified, edited, disassembled, decompiled, reconstructed or redesigned.
3. The resale of our software is only permitted if the customer agrees to licence conditions with their buyer that are at least as restrictive in terms of use as those agreed in the contract between us and the customer.
4. The software shall be delivered in such a way that it can be used free of existing industrial property rights of third parties at the agreed place of delivery at the time of delivery.
  - a) If there is an infringement of industrial property rights, we may, at our own discretion and at our own expense, make changes to the software which, while safeguarding the interests of the customer, ensure that there is no longer an infringement of industrial property rights or acquire the necessary rights of use for the customer.
  - b) The customer must inform us immediately of any claims that are asserted. If the customer does not inform us immediately, any claims against us arising from the infringement of property rights shall be excluded.
  - c) Any claims of the customer shall become statute-barred within 12 months, unless an infringement of property rights was fraudulently concealed.

**Retention of title**

5. The delivered goods remain our property (goods subject to retention of title) until final payment of all claims arising and still to arise from the purchase contract, in the case of payment by bill of exchange or cheque as long as we ourselves are still liable under the bill of exchange or cheque. If there are several claims or current invoices, the retention of title shall be deemed security for the balance claims, even if individual deliveries of goods have already been paid for.
6. The customer is entitled to resell goods only under reservation of title and only in the normal course of business, but not to pledge them, assign them as security or make any other extraordinary dispositions. Any claims from the resale of goods shall hereby be assigned to us by mutual agreement. The customer shall be entitled to collect them. They shall, however, hold the amounts received in trust for us with separate safekeeping and accounting. If the customer assigns to a third party in the context of their direct debit authorisation for the purpose of collecting their claim from the resale, they hereby assign their claim against this third party to us by mutual agreement. The customer must allow us to collect the goods if they do not meet their obligations towards us or if they become insolvent. The customer must give us their full

support during the collection process. For this purpose, the customer shall provide us with all necessary information and hand over the required documents. If the reserved goods are resold together with other goods, the agreed advance assignment shall only apply to the amount of the value of the reserved goods.

7. Any processing shall be carried out by the customer on our behalf without any obligation on our part. In the event of processing, combining, mixing or blending of the goods subject to retention of title with other goods, a co-ownership share in the new goods shall be created for us as a matter of principle, specifically in the event of processing it shall be in proportion to the value (= gross invoice value including ancillary costs and taxes) of the goods subject to retention of title to the value of the new item; in the event of combining, mixing or blending it shall be in proportion to the value of the goods subject to retention of title to the value of the other goods. Should the customer become the sole owner, they hereby grant us co-ownership in the same proportion as the aforementioned values and shall hold the item in safe custody for us free of charge. If the item is resold, the advance assignment agreed above shall also apply to the customer's claim from the resale, but only to the amount of the value of the goods subject to retention of title.
8. The customer must adequately insure the goods subject to retention of title against all common risks, store them separately, handle them with care and label them at our request. Claims against the insurance company arising in the event of damage are hereby assigned to us to the value of the goods subject to retention of title.
9. We must be notified immediately in writing of any seizure of the reserved goods or other access by third parties, stating the name and address of the seizing party or the third party.
10. If the customer is in default of payment, we may demand that the reserved goods be surrendered and turn them to account after having given prior notice to this effect. The customer must accept such removal and allow their office and business premises to be accessed for this purpose. Such a removal shall not be deemed to constitute a withdrawal from the order. However, if we have set a deadline under penalty of refusal and we sell the goods, the customer shall be liable for the difference between the purchase price and the proceeds of the sale. The customer shall also bear the costs of the removal.
11. If the value of all securities exceeds the secured claims by more than 20%, the customer may demand the release of securities of our choice in this respect.
12. The conclusion of financing agreements (e.g. leasing) which include the transfer of ownership of our reserved goods shall require our prior consent, unless the agreement obliges the financing institution to pay the purchase price share to which we are entitled directly to us.

### **Warranty and limitation of warranty**

Except where in specific cases or for particular areas of our company there are overriding warranty provisions - in particular individual warranties - the following shall apply:

1. The customer must inspect each delivery carefully and completely immediately upon receipt. Outwardly visible defects or incorrect quantities must be reported in writing immediately upon delivery. Defects or shortages that are not outwardly apparent must be notified in writing within 7 days of receipt of the goods. Otherwise, the entire delivery shall be deemed approved in this respect.
2. If a defect that was not detectable during the initial inspection becomes apparent at a later date, the customer must inform us immediately, at the latest 7 days after detection of the defect. When giving notice of defects, the customer must describe the alleged defect in detail in writing and in particular state in what way and under what circumstances this defect occurred. If the necessary cooperation is not provided, we shall be reimbursed for all additional expenses arising from such omissions and the rights of the customer in relation to the cases stipulated herein shall be excluded.

3. Our warranty extends to the warranted quality of the goods and to their freedom from defects with regard to material and processing in accordance with the respective state of technology at the time of the transfer of risk.
4. Our warranty does not cover faults that occur due to improper handling, care, maintenance or the involvement of unqualified personnel on the part of the customer. Furthermore, there is no warranty case if a defect occurs due to natural wear and tear (e.g. corrosion of individual parts) or technical stress beyond the performance data or is due to a repair or modification by the customer themselves or the installation of an additional component that does not reflect the latest technology. The use of consumables or spare and wear parts which are not approved by UTAX will void any warranty claims against UTAX.
5. The warranty for the delivered products is 12 months from the date of invoice for the original installed parts and consists of the free replacement of any defective parts.
6. The customer must obtain our prior written consent (return request) before sending the defective goods to us. Returns shall be made exclusively using the return number provided by UTAX. The defective goods shall be sent to UTAX in the original packaging or, if this is no longer available, in equally secure packaging. If no written authorisation (return number) is provided, delivery may be refused. Justified and duly notified defects oblige us, at our discretion, either to remedy the defects or to exchange the defective part or the defective goods within a reasonable delivery period, or to refund the customer the equivalent value of the defective goods. Any liability shall be limited to the damage caused by the defect. Liability for indirect or direct consequential damages is excluded. In all cases, the customer shall bear the transport risk for outward and return shipment. However, we shall bear the transport costs for outward and return shipment, labour and material costs incurred following a justified notification of defects.
7. The customer shall only have the right to cancel the order or reduce the price if we either refuse to remedy the defect or exchange the goods or do not respond to their justified claim within a reasonable period of at least three weeks or if the defect is not remedied successfully after two attempts at the latest. This shall not apply if the defect is particularly difficult to rectify objectively, in which case at least 4 attempts at rectification shall be deemed permissible. The replacement delivery is also defective and this has been duly notified by the customer as defined in Paragraph 1. Under the conditions of clause 1, however, the customer may only cancel the order if they cannot reasonably be expected to accept the goods at a reduced price.

### **Liability, Limitation of Liability and Statute of Limitations**

Our liability for all claims made by our customer is provided within the following limits:

- We shall be liable without limitation for intent and gross negligence on the part of our legal representatives and executives.
- We shall also be liable without limitation for all contractual obligations.
- We shall be liable without limitation for the negligence of simple vicarious agents (e.g. service personnel, etc.) if essential contractual obligations are breached or contractual assurances are not fulfilled.
- In all other cases, we shall only be liable for their conduct to the extent that we - without a legal obligation to do so - have actually insured ourselves against such a risk, limited to the actual insured risks and sums insured.
- Beyond this, we shall not be liable for the conduct of simple vicarious agents, irrespective of the type and cause of the damage.
- The limitation period for breach of ancillary obligations shall be limited to two years after the date on which the breach of the ancillary obligation was caused.

### **Return of Products - Address**

The address for returning goods is: UTAX - Ohechaussee 235 - 22848 Norderstedt.

**Delivery documents**

Any return delivery to us requires our written consent. The following must be enclosed with the return delivery:

- (1) Our copy of the delivery note for the goods received.
- (2) The customer's return delivery note with precise details of the defect.
- (3) A copy of our return delivery note.
- (4) In the event of damage in transit, the customer's damage report to the forwarding agent.

**Credit note**

If we accept the return of goods even though the goods correspond to the details in our order confirmation or in our delivery note and we are therefore not obliged to take back the goods, we shall deduct a pro-rata amount of at least €20.00 from the value of the goods to cover the costs that we incur. This provision does not apply to warranty claims.

**Disposal of unapproved returns**

If we have accepted returned goods even though there was no return delivery approval on our part, we may freely use these goods if the customer does not collect these goods within a period to be set by us.

Norderstedt, June 2014