General Terms and Conditions of the alpharoll GmbH

§ 1 Validity

(1) All supplies, services and proposals from the seller take place exclusively under the conditions of these General Terms and Conditions. These are a component part of all contracts the seller concludes with his contract partners (in the following also referred to as "Clients") regarding supplies or services offered by him. They apply equally to all future supplies, services or proposals to the Client even if they are not the subject of a further separate agreement.

(2) The general terms and conditions of the Client or of third parties shall not apply even if the seller does not expressly contradict their validity in each individual case. Even if the seller refers to correspondence which contains terms and conditions of the Client or of third parties or makes mention of such, this does not suggest an agreement to the validity of such terms and conditions.

§ 2 Proposals and Conclusion of a Contract

(1) All proposals from the seller are subject to change without notice and are non-binding insofar as they have not been explicitly designated as being binding or they contain a defined time limit for acceptance. Orders or commissions can be accepted by the seller within fourteen days of receipt.

(2) The legal relationship between the seller and the Client is governed solely by the purchase order concluded in writing, including these General Terms and Conditions. The purchase order completely reflects the arrangements made between the contracting parties concerning the object of agreement. Oral statements made by the seller prior to the conclusion of the contract are not binding in law, oral agreements of the contracting parties will be replaced by the written contract unless it is expressly implicit that they will continue to be binding in each case.

(3) Amendments and modifications to the agreements made, including the present General Terms and Conditions, must be in writing in order to be effective. With the exception of managing directors or authorised signatories, the seller's staff is not entitled to make oral agreements deviating from these conditions.

(4) All information from the seller concerning the object of supply or service (e. g. weight, size, practical values, capacity, tolerances and technical data) as well as our representations of these (e. g. drawings and images) are only approximations, unless exact conformity is required for the use of the goods or services for the contractually foreseen purpose. They are not guaranteed precise characteristics, but descriptions or identifications of the delivery or service performance. Commercially normal deviations and deviations made due to legal requirements or representing technical improvements as well as the replacement of components by parts of equal or higher quality are permissible insofar as these do not impair the usability for the contractually foreseen purpose. Changes to the design are also permissible. Technical information, data and measurements indicated are based on the manufacturers' data. They are binding only within this framework.

As regards **labels** and **thermal transfer ribbons**, deviations of +/-10 % in the quantity delivered (rounded to full rolls) are customary in trade and will be accepted by the Client.

Inkjet products are ordered by the Client in awareness of the technical preconditions for the use of these products, especially with regard to the products' suitability for his equipment and for his concrete intended purpose as well as the inks' general storability; the seller does not vouch for the suitability for the Client's purposes, see also § 6.

(5) If **standard software** is the object of the contract, the seller has to supply the standard software and to grant the rights of use and – only if ordered – to conduct a training or to adapt the software on the Client's site. Prior to the conclusion of the contract, the purchaser has verified that the software specifications meet his wishes and needs. He is familiar with the essential features and requirements of the software. Product descriptions, illustrations, test programs etc. are performance descriptions, but no guarantees. The same applies to software developed according to the Client's requirements.

(6) The contract does not include installation and putting into operation of the supplied products; however, in addition alpharoll can be commissioned to support the Client during installation and putting into operation.

(7) The seller retains **ownership** or **copyright** in respect of all proposals and cost estimates issued by him as well as drawings, illustrations, calculations, brochures, catalogues, models, tools, clichés and punching dies, other documents and resources made available to the Client. Without the express agreement of the seller, the Client may not make these objects or their contents accessible or known to third parties nor have them used or reproduced by himself or third parties. At the request of the seller, the Client must return these objects to him in their entirety and, where applicable, destroy any copies made thereof if they are no longer needed by the Client in the proper course of business or if negotiations do not result in the conclusion of a contract.

§ 3 Prices and Payment

(1) The prices are valid for the scope of service and delivery defined in the order confirmation. Additional or special services are calculated separately. The prices are in EUROS ex works excluding packing, statutory VAT, in case of export shipment excluding customs as well as fees and other public charges.

(2) The minimum order value is 50 € net. Up to an order value of 100 € net, an extra charge for small quantities is due. The shipping costs are a lump sum of 15 €. Starting from an order value of 350 €, delivery is free. In case of express delivery, a surcharge is incurred.

(3) Insofar as the agreed prices are based on the list prices of the seller and delivery is not due until more than four months after conclusion of the contract, the list prices of the seller at the time of delivery are valid (minus an agreed discount expressed absolutely or as a percentage respectively).

(4) Invoiced sums are payable within thirty days without deduction, insofar as nothing else has been agreed in writing. The relevant date of payment is receipt by the seller. Cheques are counted as payment only after they have been cashed. If the Client does not pay by the due date, interest will be charged on the outstanding amounts at a rate of 5 % p. a. as from the due date. In the event of default, the application of a higher interest rate and other damages remains unaffected.

(5) Deliveries to new clients are made exclusively against C. O. D. service, advance payment or payment in cash.

(6) Off-setting with counter claims by the Client, or withholding of payment on account of such claims is permissible only when the counterclaims are unchallenged or legally enforceable.

(7) The seller is entitled to send or perform deliveries or services still outstanding only against advance payment or provision of security if, after closure of the contract, circumstances come to his notice which are likely to substantially reduce the Client's credit-worthiness and by which payment of the seller's pending claims from the Client from the current contractual relationship (including those from other single orders within the same basic agreement) is jeopardised.

(8) In the case of labels being manufactured according to the customer's requirements, the costs for creating clichés and punching dies are calculated separately. The clichés and punching dies remain the property of alpharoll GmbH.

§ 4 Delivery and Delivery Time

(1) Delivery is made from the place of production.

(2) Deadlines and dates for delivery and performance stated by the seller are always only approximate unless a fixed term or a fixed deadline is expressly promised or agreed. Where despatches have been

agreed, deadlines and delivery dates are based on the transfer to the freight forwarder, freight carrier or other third party charged with the transportation.

(3) The seller can – without limiting his further rights of delay against the Client – demand a prolongation of delivery and performance period or a postponement of delivery and performance dates from the Client for the period in which the Client does not fulfil his contractual obligations with regard to the seller.

(4) The seller shall not be liable for deliveries which are impossible, or for delays of deliveries as a result of force majeure or other events that were not foreseeable at the time of the conclusion of the contract (e. g. breakdowns of all kinds in business operations, difficulties with the supply of materials or energy, delays in transportation, strikes, lawful lock-outs, shortage of labour, energy or raw materials, difficulties in getting indispensable official permits, regulatory action, or the overdue, wrong or not timely delivery by suppliers) for which the seller is not responsible. Insofar as such events make it substantially difficult or impossible for the seller to supply the delivery or service and where the obstacle is not merely one of short duration, the seller shall be entitled to withdraw from the contract. In the case of obstacles which are of limited duration, the delivery or performance time is extended or the delivery or performance deadlines, extended by the duration of the obstacle plus a reasonable restarting time. Should the Client be unable, as a result of the delay, to accept the delivery or performance, he may withdraw from the contract by sending an immediate written declaration to the seller.

(5) The seller is only entitled to make partial deliveries if:

- the partial delivery can be used by the Client within the intended contractual use,
- delivery of the remaining goods ordered is ensured
- and the Client does not suffer any significant increase in expenses or additional costs as a result (unless the seller declares himself willing to take over these costs).

(6) If the seller is delayed in a delivery or performance or if a delivery or performance is impossible for the seller for whatever reason, the seller's liability concerning damages is limited in accordance with § 8 of these General Terms and Conditions.

(7) If clichés and punching dies are manufactured, they shall remain the property of alpharoll GmbH.

§ 5 **Place of Performance, Despatch, Packaging, Transfer of Risks, Acceptance**

(1) Unless otherwise specified, the place of performance of all obligations arising from the contract is Aachen, Germany. In case the seller also owes the installation, the place of performance is the place in which the installation is to be performed.

(2) The means of despatch and the packaging are subject to the dutiful discretion of the seller.

(3) Risk passes to the Client at the latest when the goods to be delivered are handed over (whereby the beginning of the pre-loading process is decisive) to a forwarder or freight carrier or any other third party appointed to handle the consignment. This also applies where partial deliveries are made or where the seller has taken on other services as well (e. g. despatch or installation). If despatch or handover is delayed because of circumstances the cause of which lies with the Client, risk is transferred to the Client from the day on which the consignment of goods is ready for despatch and the seller has informed the Client thereof.

(4) Storage costs after the transfer of risk are to be borne by the Client. In the case of storage by the seller, the storage charges are 0.25% of the invoice amount of the goods to be stored per elapsed week. The right to pursue and provide evidence of additional or lower costs is reserved.

(5) Consignments are only insured by the seller against theft, damage by breakage, transport, fire and/or water or other insurable risks at the express wish of the Client and at his cost.

(6) Where **acceptance** has to take place, the delivered goods are regarded as accepted when

- delivery and – in case the seller also owes the installation – the installation have been completed
- the seller has informed the Client of this with reference to assumed acceptance in accordance with this § 5 (6) and has requested acceptance.
- twelve working days have elapsed since installation or delivery of the goods or the Client has started to use the items delivered (e. g. put the delivered equipment into operation) and in this case six working days have elapsed since installation or delivery and
- the Client has omitted acceptance within this time limit for a reason other than a defect indicated to the seller which renders the use of the goods supplied impossible or extremely impaired.

(7) Apart from that, it is up to the Client to put the delivered goods into operation, unless alpharoll has additionally been commissioned to install them and/or put them into operation.

§ 6 Guarantee, Material Defects, Inspection Duty

(1) The **time limit of the guarantee** is

- six months for inkjet products
- for other products one year

dating from delivery or, where an acceptance is necessary, from acceptance. For equipment and accessories, the guarantee granted is that of the respective manufacturer.

(2) The goods supplied are to be **inspected** carefully, immediately following delivery to the Client or to a third party designated by him. They are regarded as approved if the seller does not receive a written notification of defects concerning apparent defects or other defects which could be recognised during an immediate, careful examination within seven working days after delivery of the object, or else within seven working days of the discovery of the defect or any earlier time period during which the defect should have been apparent to the Client in normal use of the goods supplied without closer examination. At the request of the seller, the rejected object is to be returned freight prepaid to the seller. In the case of justified defect complaints, the seller will refund the costs of the cheapest form of despatch; this does not apply in the case of increased costs due to the delivered item being at a place other than that of the contractual intended use.

Before installing the delivered goods or **putting them into operation**, the Client is obliged to carefully **examine** whether they are suited to the intended purpose and compatible with the remaining components.

(3) As regards **labels** and **thermal transfer ribbons**, deliveries of +/-10 % of the quantity ordered (rounded to full rolls) are customary in trade and do not represent a defect. As to labels, a guarantee is only given with regard to the material used.

In the case of **inkjet products**, the seller is not liable for the suitability of the ordered products for the technical conditions on the Client's operating site, in particular not for the products' suitability for the Client's equipment and the purpose intended by him. The absence of obstructions is explicitly not guaranteed.

Wearing parts, damages caused by wear and force majeure, by the violation of operation instructions as well as by the Client's or a third party's interference with the goods are excluded from the guarantee. Liability is not assumed for incorrect information in product descriptions or user manuals from other manufacturers.

(4) In the case of material defects in the delivered objects, at first the seller is obliged and entitled to choose within a reasonable period of time to either remedy the defect or replace the item(s). In the

event of failure, i. e. the impossibility, impracticality, refusal or unreasonable delay in reworking delivered goods or delivering replacement goods, the Client can withdraw from the contract or reduce the purchase price accordingly. During reworking, the Client is not entitled to a free replacement device. The provisions of this § 6 also apply to reworking and replacement.

(5) If a defect is due to a fault on the part of the seller, the Client may request compensation under the conditions detailed in § 9.

(6) In case of defects in **components from other manufacturers** which the seller cannot remedy due to licensing restrictions or practical reasons, the seller will choose either to assert his warranty claims against the manufacturers and suppliers for the account of the Client or cede them to the Client. Concerning this kind of defect, warranty claims against the seller exist under the other conditions and in accordance with these General Terms and Conditions only if litigation concerned with enforcing the aforementioned claims against the manufacturer and supplier was unsuccessful or – e. g. because of a case of insolvency – has no prospect of success. For the duration of the lawsuit, the statute of limitations of the Client's relevant warranty claims against the seller are suspended.

(7) The guarantee is invalidated if the Client, without the agreement of the seller, **alters the goods supplied** or has them altered by a third party and in doing so renders the correction of the defect impossible or unreasonably difficult. In each case the Client must bear the excess costs of the defect correction caused by the alteration.

(8) A **delivery of used objects** agreed in an isolated case with the Client, is made to the exclusion of any warranty of material defects.

(9) In case of **software**, the following additional particularities apply:

(a) The software has the properties agreed upon and is suitable for the use defined in the contract or, if it has not been defined, for the usual use. It fulfils the criterion of practical suitability and has the usual quality of software of this kind; however, it is not error-free. An impaired functionality of the program that results from defective hardware, environmental conditions, incorrect operation or the like is no defect. An insignificant reduction in quality is left out of consideration.

(b) alpharoll only gives warranty to the extent to which the presupplier generally grants it.

(c) Immediately after delivery or accessibility, the purchaser must have the delivered software and its documentation examined by a competent employee and notify the seller of recognised defects in written form including a detailed description of the error. The purchaser tests each module thoroughly for its usability in the concrete situation before putting it to productive use. This also applies to programs which the purchaser receives within the scope of warranty. The purchaser takes suitable precautions for the event of the program malfunctioning in whole or in part (e. g. data backup, error diagnosis, regular check of results, disaster recovery). It is his responsibility to ensure the functionality of the program's work environment.

(d) In case of material defects, as a first thing alpharoll can opt for supplementary performance. Here, alpharoll can choose between removal of the defect, delivery of software that is free from the defect or indicating possibilities for preventing the defect's consequences to the purchaser. With regard to each defect, at least three attempts at supplementary performance have to be tolerated. An equivalent new program version or the equivalent previous program version that did not have the defect must be adopted by the purchaser if this is acceptable.

(e) The purchaser must support alpharoll in the error analysis and removal of defects, above all by concretely describing occurring problems, informing alpharoll comprehensively, creating the error documents in accordance with the relevant statements in the application documentation and allowing the time and opportunity necessary for the removal of the defect. The removal of the defect can also be carried out by means of remote servicing. The purchaser must establish the necessary technical requirements and enable access to his concerned equipment at his own expense.

(f) The purchaser must create error documents in accordance with the statements in the application documentation and place them at alpharoll's disposal.

(g) alpharoll can claim additional costs if the software has been modified, used in an environment other than the predefined one or operated incorrectly. alpharoll can claim reimbursement of expenses if no defect is found. The burden of proof lies with the purchaser. § 254 of the German Civil Code applies correspondingly.

§ 7 No General Right to Return

There is no general right to return, deliveries are not made to consumers. If, as an exception, the right to return is granted to a purchaser, the goods have to be sent back undamaged and complete in the intact original packaging together with copies of delivery note and invoice at the latest eight days after receipt. For taking the goods back and inspecting them, alpharoll charges 10 % of the goods' value, at least 50 € plus the costs incurred for the replacement of the damaged packaging and/or damaged/incomplete goods. In case of abusive return deliveries, the goods will be sent back without further action at the expense of the recipient. A right of return never exists for unsealed data storage devices or for the delivery of goods produced according to the Client's specifications (e. g. services, customer-specific programming, labels, or software).

§ 8 Property Rights

(1) In accordance with this § 8, the seller guarantees that the delivery of goods is not subject to commercial property rights or copyrights of third parties. Each contractual partner will inform the other partner immediately in writing if claims because of the infringement of such rights are being enforced against him.

(2) Should the delivered item infringe commercial property rights or the copyright of a third party, the seller will at his choice and cost modify or replace the item being delivered in such a way that any third party rights are no longer infringed, with the delivered item continuing to fulfil the functions agreed in the contract, or the seller will conclude a relevant licensing contract for the Client to be granted the right to use the delivered item. If he does not succeed in doing this within a reasonable period of time, the Client is authorised to withdraw from the contract or to reduce the agreed payment by an appropriate amount. Any claims for damages on the part of the Client are subject to the limitations of § 9 of these General Terms and Conditions.

(3) In the case of infringement of rights arising from the products of other manufacturers supplied by the seller, the seller can choose between enforcing claims against the manufacturers and presuppliers for the account of the Client or cede them to the Client. In these cases, claims against the seller exist in accordance with § 8 of these terms and conditions only if litigation concerned with enforcing the aforementioned claims against the manufacturers and presuppliers was unsuccessful or – e. g. because of a case of insolvency – has no prospect of success.

§ 9 Liability for Damages in Case of Fault

(1) The liability of the seller for damages, for whatever legal reasons, especially due to impossibility, default, defective or incorrect delivery, breach of contract, breach of obligations in contractual dealings and unlawful act is, insofar as it is attributable to fault, limited in accordance with this § 9.

(2) The seller is not liable in the event of simple negligence by its management, lawful representatives, employees or other vicarious agents as long as there is no breach of an essential contractual obligation. Under "essential contractual" is understood the obligation for punctual delivery and installation of the supplied goods that must be free from essential defects as well as the consulting, protective and care obligations which shall enable the Client to use the supplied goods for the contractual purpose or which aim at the protection of body or life of personnel of the Client or the protection of his property from serious damage.

(3) Insofar as the seller is liable for damages on the grounds of and in accordance with § 9 (2), this liability is limited to damages which the seller foresaw as a possible consequence of an infringement of contract during conclusion of the contract or which he should have foreseen, applying due diligence. Indirect damage and consequential damage resulting from defects in the item supplied are moreover only subject to compensation insofar as such damage is typically to be expected when the delivered item is used for its intended purpose.

(4) In the event of liability on account of simple negligence, the seller's obligation to pay compensation for property damages and further financial losses resulting herefrom is limited to the amount of EUR 100,000 for each damage event (corresponding to the current limit of indemnity of his third-party insurance), even if there is a breach of an essential contractual obligation.

(5) The aforementioned exclusions of liability and limitations of liability apply equally to management bodies, legal representatives, employees and other vicarious agents of the seller.

(6) Insofar as the seller provides technical information or acts as an adviser and this information or advice is not part of the contractually agreed scope of services owed by him, this is done free of charge and with the exclusion of any liability.

(7) The limitations of this § 9 do not apply to the liability of the seller for wilful misconduct, for warranted characteristic features, damage to life, body or health or in accordance with product liability laws.

§ 10 Retention of Title

(1) The retention of title agreed in the following serves the purpose of securing all current and future claims of the seller against the purchaser existing at the respective time on the basis of the supply relationship between the contractual partners (including current account balance claims from a current account relationship limited to this supply relationship).

(2) The goods delivered by the seller to the purchaser remain the seller's property until all secured receivables have been paid in full. The goods as well as the goods that, in accordance with this paragraph, fall under the retention of title and take their place are in the following called goods subject to retention of title.

(3) The purchaser stores the goods subject to retention of title for the seller free of charge.

(4) The purchaser is entitled to process and to sell the goods subject to retention of title in the orderly course of business until the seller claims recovery (subparagraph 9). Pledging and assignments as security are not permissible.

(5) In case the goods subject to retention of title are processed by the purchaser, it is agreed that the processing is done in the name and for the account of the seller as the manufacturer and that the seller immediately acquires ownership or – if the processing is done with materials from several owners or if the value of the processed item is higher than the value of the goods subject to retention of title – co-ownership (partial ownership) of the newly created object in the same proportion as the value of the goods subject to retention of title stands to the value of the newly created object. In the event that no such ownership is acquired by the seller, as early as now the purchaser transfers his future ownership or – in the aforementioned proportion – co-ownership of the newly created object to the seller as a security. Should the goods subject to retention of title be merged with other objects or inseparably mixed with them to form a combined object and should one of the other objects to be considered the main object, the seller, insofar as he owns the main object, transfers co-ownership of the combined object to the purchaser in the proportion mentioned in sentence 1.

(6) In case the goods subject to retention of title are resold, as early as now the purchaser assigns his claim against the buyer arising herefrom to the seller as a security – in the event of the seller's co-ownership of the goods subject to retention of title, this is done in the proportion of the share in ownership. The same applies to other claims that take the place of the goods subject to retention of title or

arise otherwise with reference to the goods subject to retention of title, like e. g. insurance claims or claims in tort in case of loss or destruction. The seller revocably authorises the purchaser to collect the claims assigned to the seller in his own name. The seller may only revoke this direct debit authority in case he claims recovery.

(7) Should a third party seize the goods subject to retention of title, especially through garnishment, the purchaser will immediately inform them of the seller's ownership and inform the seller of the seizure in order to enable him to enforce his property rights. If the third party is unable to reimburse the seller for the costs incurred in this context in or out of court, the purchaser is liable for this to the seller.

(8) On request, the seller will release the goods subject to retention of title as well as the objects or claims superseding them at his own choice if their value exceeds the value of the secured receivables by more than 50 %.

(9) Should the seller withdraw from the contract due to a breach of contract on behalf of the purchaser, particularly with regard to delayed payment, he is entitled to reclaim the goods subject to retention of title (claim of recovery).

§ 11 Internet Pages of alpharoll GmbH

(1) All contents on the Internet pages of alpharoll GmbH have been examined carefully. Nevertheless, no liability is assumed for the topicality, accuracy, correctness, completeness or quality of the information provided on the Internet. Before using the products, the information included in the user manuals that come with the products must always be followed.

(2) Some of the information provided on the Internet includes hyperlinks to the contents of other content providers. For such contents, alpharoll GmbH assumes liability only if it had notice of the possibly incorrect, illicit or prosecutable contents and if it is technically possible and not unreasonable for alpharoll to prevent their use.

(3) In all publications, alpharoll GmbH endeavours to observe the copyrights of the graphics and texts used, to use its own graphics and texts or to have recourse to licence-free graphics and texts. All trademarks and brand names mentioned within the Internet proposition and possibly protected by third parties are without limitation subject to the terms of the trademark law to be applied and the property rights of the owners registered in each respective case. Simply because they are mentioned, it cannot be concluded that the trademarks and brand names are not protected by third-party rights. The design of the Internet pages of alpharoll GmbH is worldwide subject to the copyrights of alpharoll GmbH unless third-party rights are infringed. The unauthorised use, reproduction or passing on of individual contents or pages without written permission may lead to criminal prosecution or civil penalties.

(4) Parts of the Internet pages of alpharoll GmbH use cookies. They are solely used by the software to automatically identify the user so as to enable service functions. Moreover, the usual user data are automatically acquired, but only used for the technical maintenance of the pages. Contact data and information deliberately passed on to alpharoll GmbH by visitors are used exclusively by companies of the CALOR group and not passed on to third parties.

(5) alpharoll GmbH cannot guarantee for the Internet pages or transferred files and e-mails to be virus-free and assumes no liability for damages resulting herefrom. All proposals are subject to change without notice and non-binding.

(6) alpharoll GmbH expressly reserves the right to change, complement or delete either a part of its Internet pages or its complete proposition without separate announcement. A claim to the availability of the proposition does not exist.

§ 12 Confidentiality

Each contracting party undertakes to protect confidential information that it gets from the other contracting party within the course of the business relationship against abuse and unauthorised access, to safeguard them against it in an appropriate way and not to pass the information on to third parties without permission. "Confidential information" shall be defined to include information that has been called confidential expressly and in writing by one of the contracting partners, that is protected in accordance with §§ 17, 18 of the German Law against Unfair Competition, that is protected by industrial or other property rights, that is subject to bank secrecy or data protection or a similar kind of obligation of confidentiality or in whose case the interest of the disclosing contracting party in the confidentiality results from the nature of the information.

§ 13 Final Provisions

(1) The place of jurisdiction for all disputes arising from the business relationship between the seller and the Client is either Aachen, Germany, or the Client's office according to the seller's choice. For legal actions against the seller, Aachen, Germany, is the exclusive place of jurisdiction. Any mandatory provisions of applicable law providing for exclusive jurisdiction shall remain unaffected by this clause.

(2) All legal relations between the seller and the Client shall be exclusively subject to the laws of the Federal Republic of Germany. The United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG) does not apply.

(3) If any provision has been inadvertently omitted from the contract or these General Terms and Conditions, the resulting gap shall be filled with such valid provision as most closely reflects what the Parties would, in consideration of the commercial intent and purpose of the contract and the purpose of these General Terms and Conditions, have agreed upon, had they been aware of the omitted provision from the outset.

Note:

The Client takes note that the seller stores data from the contractual relationship under § 28 of the German Federal Data Protection Act for the purpose of data processing and reserves the right to transfer the data to third parties (e. g. insurances) insofar as this is necessary for fulfilling the contract.

As of May 2014

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