

Terms and conditions of sale and delivery for used TAMPOPRINT machines

I. General

1. Contracts will only materialise on the basis of a written order confirmation. These terms and conditions of sale and delivery constitute an integral part of our offers and contracts, for current and future business relationships too. This means that terms and conditions of business to the contrary are expressly rejected. They will not even be recognised in those cases in which we do not expressly reject them again upon delivery. Agreements and terms and conditions of business which differ will only be binding when they have been confirmed by us in writing.

2. The prices shall be net ex Works and do not include packaging, transport, insurance and assembly. Agreements to the contrary will have to be confirmed by us in writing. We shall reserve the right to change our prices to reflect changes in wages and the price of materials occurring after we have confirmed the order, or if additional costs are incurred as a result of the Orderer requesting an order amendment to the objects to be delivered or if this is agreed with the Orderer. Die Preise gelten netto ab Werk und schließen Verpackung, Transport, Versicherung und Montage nicht ein. Andere Vereinbarungen müssen von uns schriftlich bestätigt werden. Eine Änderung der Preise bleibt uns in dem Umfang vorbehalten, in dem sich die Löhne und Materialpreise nach Bestätigung des Auftrages durch uns ändern oder in dem infolge einer vom Besteller gewünschten oder mit ihm abgestimmten Änderung des Liefergegenstandes Mehrkosten entstehen.

II. Terms and conditions of payment

1. If the Orderer finds himself in default with the payment of a demand for payment from us which is due - regardless of the reason - all the invoices owed to us by the Orderer shall become due. Prolongations of payments or other derelictions of payments allowed (also in the event that bills of exchange are accepted) will end. A stop will be placed on all deliveries.

2. The Orderer shall only be able to offset uncontested claims and / or claims finally confirmed in court. The Orderer can not under any circumstances assert a right of retention not relating to the same contract. In so far as the right of retention is based on the same contract, it shall be excluded to the extent allowed by (German) law.

3. The Orderer shall have to pay interest on outstanding invoices at 2% above the bank rate charged by the Deutsche Bank at that time. This shall also apply to the period covered by a deferral of payment. If the Orderer should find himself in default, we shall reserve the right to assert default damages over and above this.

III. Retention of title

1. 1. We shall reserve title to the objects delivered by us (goods subject to reservation of title) until all - even future - claims from our business relationship with the Orderer have been paid.

2. If the goods subject to a retention of title are connected together with other things not belonging to us, so that they become an important element of a new thing, we shall consequently become the co-owner of the new thing. If, when our goods are joined with the other goods not belonging to us, and our title comes to an end in accordance with § 947 Section 2 of the (German) Civil Code, the Orderer shall consequently hereby grant us co-ownership to the new thing. He shall keep the thing in safekeeping for us free of charge. In both cases the proportion of our co-ownership will be determined by the ratio of the value of the goods subject to the retention of value to the value of the other things connected with them at the point in time of the connection.

3. If the goods subject to a retention of title are processed or transformed into a new thing, the Orderer shall be acting for us as a manufacturer within the meaning of § 950 of the (German) Civil Code. We hereby assign to the Orderer co-ownership of the property acquired in this way and given this, we cancel the duty of the Orderer to keep the goods in safekeeping for us. The proportion of the Orderer's co-ownership shall be determined by the ratio of the value of the goods subject to the retention of title to the value of the new thing after processing or transformation.

4. In so far as in the course of rendering our performance we process things belonging to the Orderer, we shall acquire co-ownership to them. The proportion of our co-ownership shall be determined by the ratio of the value of the things owned by the Orderer to the value of the processing carried out by us.

5. If, as a result of processing, we acquire ownership to the thing processed by us in accordance with § 950 of the (German) Civil Code, we shall be obliged to assign co-ownership to those who suffer a lapse of title as a result. The proportion of co-ownership shall be determined by the ratio of the value of the processed thing to the value of the processing carried out by us.

6. The Orderer shall only be entitled to sell the goods subject to the retention of title, the new thing created by using the goods subject to the retention of title, or the thing processed by us, only subject to the following terms and conditions.

The Orderer shall have to maintain the ownership or co-ownership to which we are entitled against his buyer until all the Orderer's claims arising from his business relationship with the buyer have been paid. Moreover, the Orderer hereby assigns to us all the claims accruing to him from the sale subject to the following proviso:

If we have sole ownership of the sold goods, the claim shall be assigned to us in full. Otherwise that part of the claim will be assigned to us which is the equivalent to the proportion of our co-ownership in the sold goods. Until revocation the Orderer shall be entitled to collect the assigned claims in his own name.

7. A right of lien as well as the right of retention shall be created for all the raw materials of all types handed over by the Orderer and the goods put into store for him when they are handed over, or no later than the point in time at which the full payment of the goods by the Orderer can be reckoned with in accordance with proper and standard commercial practice. If the goods subject to a right of retention and / or goods encumbered with a right of lien in accordance with the above sentence 1 are subject to the Orderer's copyrights or rights of use and enjoyment, the right of sales shall be assigned to us in the event that a sale has to be effected through us, to the extent that this is necessary for the sale.

IV. Packaging

Crates, loading sledges, and such like shall be invoiced at cost.

V. Dispatch

1. Dispatch will be ex-works or ex-stores at the Orderer's risk. This shall also apply in those cases in which it has been agreed that delivery is to be carriage paid. We shall give an assurance that as long as we do not receive notification to the contrary, all consignments shall be insured against loss and breakage and we shall invoice this at cost.

2. If there is a delay in dispatch for a reason for which the Orderer is to blame, the risk shall pass over to the Orderer on the day on which the goods are ready for dispatch.

VI. Assembly

1. Upon request, one of our technicians will be provided to assemble, start up, and to give the Orderer's staff induction training. For this service we shall invoice the Orderer at our daily rates in force for this service at the time and reimbursement of travel costs (2nd class within Germany; 1st class outside Germany, express train) plus subsistence costs. Skilled workers and equipment required by the technician are to be provided. We reserve the right to invoice waiting time caused by inadequate preparation by the Orderer at higher rates.

VII. Delivery

1. The scope of the delivery shall be decided only by the contents of our order confirmation. Provided that nothing to the contrary is expressly agreed, printing ink and chemical colours shall not be included in the scope of the delivery for a Tampoprint printer.

2. Delivery dates and delivery periods shall apply subject to unforeseen hindrances, which are beyond our

power or the power of our sub-suppliers, such as strike, disruptions to distribution, difficulties in procuring materials, disruptions in the transport system as well as the refusal by official or other third parties to grant the licences required to effect delivery and similar events. During the period in which one of these events takes effect as well as during a period after the effect has finished, we cannot be regarded as having got into or having been in delay.

3. If a delivery period has been agreed, it shall consequently begin to run on the day on which a written agreement is reached between the Orderer and ourselves about all details and terms and conditions of the contract.

4. Delivery dates and delivery periods shall only be adhered to by us if the Orderer fulfils his duty to co-operate on time. That means that he has submitted the documents and information required to carry out the order to us on time and has fulfilled his other duties in accordance with the contract. If these preconditions are not fulfilled on time, or if the Orderer organises modifications to the object to be delivered, the delivery dates and delivery periods shall be postponed accordingly.

5. We shall be entitled to make part deliveries to a reasonable extent.

6. If we find ourselves in delay with our performance, the Orderer shall consequently have the following rights:

a) We shall only be liable for the damages or loss which could be reckoned with as a result of the normal course of events. In the event that damage is caused as a result of ordinary negligence the amount of compensation for damages shall be limited to 2% of the value of the object delivered for each day of the delay. However these damages shall not exceed the value of the object with which we are in delay.

b) The Orderer can set us a reasonable subsequent period for performance. After the expiry of this period the Orderer may withdraw from this contract. If the Orderer demands compensation for damages on account of non-fulfilment, we shall consequently only be liable for that damage which could be reckoned with in the normal course of events. In the event that we are guilty of ordinary negligence the amount of compensation shall be limited to the value of the object to be delivered.

c) If the manufacture of the object to be delivered requires us to produce a new design or special production, this shall consequently be brought to the attention of the Orderer in writing. In this event the contract shall be concluded subject to the suspensory condition that it is technically possible for us to manufacture the object to be delivered at a reasonable financial cost. If these conditions are not fulfilled, claims by the Orderer for compensation - regardless of what type - shall consequently be ruled out. Components which are part of the TAMPOPRINT system, in particular print dabbers (ink balls), must not be used on machines manufactured by competitor companies. The Orderer shall be liable in full for all damages we sustain as a result of a breach in this obligation.

VIII. Tools, models

The tools, models etc. required to carry out orders shall remain our property, even if they have been manufactured in accordance with the Orderer's specifications and even if the costs incurred to produce them have been reimbursed in part or in full to us.

IX. Industrial property rights, patents

We shall not be obliged to check whether any patent rights or other third party industrial property rights will be breached as a result of the manufacture and / or the use of the object to be delivered, to the extent that it differs from our standard range of goods and is based on the specific wishes of the Orderer. The Orderer shall be obliged to exempt us from any claims for damages which may be made by third parties.

X. Output sample

If we provide output samples with the request that they are checked, the nature of the performance rendered by the object delivered shall be regarded as having been approved in so far as the Orderer does not object in writing within 14 days.

XI. Warranty claims

1. The Orderer's warranty rights assume that he has fulfilled the duties incumbent upon him to check the delivered goods and notify us of defects in the proper manner in accordance with § 377, and § 378 of the (German) Commercial Code.

2. In so far as there is a defect in the purchased goods for which we are to blame, we shall, at our option, be entitled to rectify the fault or to supply a replacement. In the event that we rectify the defect, we shall be obliged to bear all the expenses necessary to rectify the defect, in particular transport costs, travelling expenses, labour and materials, provided that these are not increased as a result of the purchased goods having been moved to a place other than the place of fulfillment.

3. The delivered machines are designed to work in a single shift operation. The statutory period of limitation shall be reduced to 3 months, calculated from the date on which risk is passed over, if the machine is used in a multi-shift operation.

4. If we are not prepared or not able to rectify a defect or deliver a replacement, in particular if there is a delay in this beyond a reasonable period for reasons for which we are to blame, or if the rectification of the defect or delivery of a replacement goes wrong for other reasons, the Orderer shall consequently be entitled at his option, to withdraw from the contract or to demand a corresponding reduction in the purchase price.

5. The retention of payments or offsetting on account of any counter claims by the Orderer there may be which are contested by us shall not be admissible

6. Provided that there is nothing to the contrary below, other claims by the Orderer over and above these - regardless of the legal reason on which they are based - shall be inadmissible. This means that we shall not be liable for damages which are not incurred on the object delivered itself; in particular, we shall not be liable for lost profit or other damage to the assets of the Orderer.

7. The above release from liability shall not apply in so far as the cause of the damage is based on intent or gross negligence. Moreover, it shall not apply in those cases in which the Orderer asserts a claim for compensation for damages because of a lack of a warranted quality or non-fulfilment in accordance with § 463, § 480 Section 2 of the (German) Civil Code. In this meaning a warranted quality shall only exist in those cases in which we have supplied output samples or if we expressly guarantee that the delivered object has a specific quality and in doing so we knowingly intend to accept the risk from the consequences of this quality not existing. This cannot be simply assumed in those cases when the object to be delivered is described or labelled in the terms and conditions of the contract or if the conformance with the contract of our delivery is confirmed with regard to certain circumstances.

8. In so far as we do breach a duty which is fundamental to the contract with our negligent conduct, our duty to provide a replacement for damage to property or personal injury shall be limited to the compensation payments provided for in our product liability insurance policy.

9. The warranty period shall be 6 months calculated from the passing of risk. This period shall be a statutory period of limitation and shall also apply for compensation claims for consequential harm caused by a defect, provided that claims are not asserted on the basis of illegal acts.

XII. Final provisions

1. The place of fulfillment and place of jurisdiction for all disputes between the parties arising from the contractual relationship shall be the headquarters of the Supplier, provided that the Orderer is a registered trader, legal entity under public law or a special fund under public law.

2. The contractual relationship shall be governed solely by the law of the Federal Republic of Germany. The application of the standard laws on sale in the Hague Convention on the Law on Sales as well as the United Nations Agreement dated 11th April 1980 on contracts in international purchase of goods shall be inadmissible.