General Terms and Conditions

SCANLAB AG's (SCANLAB) offerings and contracts to supply products are subject exclusively to the following conditions.
Customers' general and other terms and conditions that may conflict with these SCANLAB general terms and conditions, or specific terms and conditions of a SCANLAB offering, are only valid if and to the extent that SCANLAB expressly acknowledges them in writing. Acceptance of a delivery from SCANLAB or passivity with respect to the following terms and conditions shall be construed as acceptance on the part of the customer.

§ 1 Offers and Acceptance

1. A contract (order) with the customer is created only upon issuance by SCANLAB of a written order confirmation. Preliminary declarations of the customer, particularly confirmation notes, are to be regarded merely as offers to conclude a contract − and do require a written order confirmation from SCANLAB.
2. Unless otherwise agreed in writing, all offerings, related samples, documentation (e.g. illustrations, drawings and weight data), price lists and other commercial documentation from SCANLAB are subject to change and non-binding and do not constitute declarations of product quality with respect to eventual conclusion of a contract.
3. Products are subject to prior sale.
4. SCANLAB reserves the right to modify its offerings − without specific notification of customers − to reflect technological improvements. SCANLAB retains the ownership and copyrights of its price quotes, drawings and other documentation. These must not be made accessible to third parties. Drawings and other offering-related documentation must, upon request, be promptly returned if an order does not result.

§ 2 Prices

1. Unless otherwise agreed in writing, all prices are net factory Puchheim/Germany, exclusive of packaging, other incidental costs and sales taxes.
2. Prices apply to the offering's described scope and are subject to change based on determined current costs. The customer bears increased costs of material, labor, shipping, import duties etc. Firm prices require a specific written agreement. In the event of quantity deviations, the right to adjust prices is reserved.

§ 3 Payment Conditions

1. Cash payment without discount is to be rendered within thirty days of the invoice date.
2. Overdue payments are subject to an arrears surcharge of 8 percentage points above the current base lending rate, without requiring an overdue notice.
3. Adherence to contractually agreed delivery dates is dependent on the customer's fulfillment of contractually agreed cooperative or preliminary requirements as well as other contractual duties. If the customer defaults on their contractually agreed cooperative or preliminary requirements and other contractual duties, particularly payment obligations from preceding contractual relationships, SCANLAB may exercise its right to affect a lien, demand immediate payment of all debt of the entire customer relationship and/or demand appropriate collateral. In the event of substantial degradation of the customer's financial position, SCANLAB may impose prepayment or appropriate collateral requirements as a precondition to supplying future products and services.
4. Set-offs of claims or withholding by the customer is only permissible in the case of undisputed or legally adjudicated counterclaims.

§ 4 Delivery

1. Deadlines specified by SCANLAB, particularly delivery dates, are only binding when expressly defined in the contract concluded with the customer as per § 1. The lapse of a binding deadline entitles the customer to exercise their legal rights, but only after unproductive expiration of an appropriate customer-determined remedial deadline.
2. Contractually agreed delivery and performance deadlines are subject to appropriate extension in the event of acts of God and all other obstacles over which SCANLAB has no control and which significantly impair SCANLAB's performance of contractual duties. SCANLAB cannot be held responsible for faults of its suppliers.
3. If shipment of a product is delayed at the customer's request, SCANLAB may, upon indicated ability to ship, bill the customer for incurred warehousing costs − in the case of storage at SCANLAB at least 0.5% of the invoice value for each initiated four-week time period.
4. SCANLAB is entitled to execute partial deliveries.

§ 5 Transfer of Risk

1. At the latest, risk is transferred to the customer upon dispatch of the products via SCANLAB. This also includes partial deliveries, undertaking of additional services (e.g. consignment, delivery or assembly) as well as the case of supplementary fulfillment by SCANLAB − regardless of whether consignment is performed by SCANLAB itself or outsourced to or actuated via third parties.
2. If dispatch is delayed due to circumstances over which SCANLAB has no control, or at the request of the customer, transfer of risk occurs on the day of indicated ability to ship.
3. Without restricting warranty rights as per § 10, delivered contractual products are to be accepted by the customer, even if they exhibit non-substantial defects.

§ 6 Customer-Commissioned Manufacturing

1. For products manufactured in accordance with the customer's drawings, samples and other directives, SCANLAB assumes no warranty obligations or liability with respect to the product's functionality or other deficiencies, insofar as they are related to the customer's directives.
2. The customer releases SCANLAB of all third-party claims related to damages caused by the product, insofar as they are related to the customer's drawings, samples and other directives. This also applies to claims arising from product liability.
3. The customer assumes from SCANLAB the risk that products manufactured and delivered in accordance with the customer's directives may infringe upon third-party intellectual property rights. In the event of enforcement of a third-party intellectual property claim, SCANLAB is entitled, after the customer's hearing, to withdraw from the contract. The customer is obligated to compensate SCANLAB for damages and costs resulting from the enforcement of such third-party intellectual property claims. In the event of withdrawal, SCANLAB is to be compensated for its hitherto furnished product services.

§ 7 Supplies On Behalf of Customers

1. If parts, materials and other items are furnished in the scope of contractual fulfillment (hereafter "supplies"), the customer shall be responsible for functionality and fitness of purpose. Unless otherwise agreed in writing, SCANLAB will not execute warehouse receiving checks or fitness tests.
2. If the customer's supplies for the product are ineffectual or inappropriate and this is not obvious to SCANLAB, then the customer has no related warranty or liability claims against SCANLAB.
3. The customer shall compensate SCANLAB for losses and additional costs associated with ineffectual or inappropriate supplies.

§ 8 Reservation of Ownership

1. SCANLAB reserves the right of ownership of delivered products (hereafter "provisional merchandise") until receipt of the contractually agreed payments owed to SCANLAB resulting from the underlying contract and all preceding contractual relationships with the customer, including legal claims.
2. SCANLAB is entitled, at the customer's expense, to insure provisional merchandise against theft, breakage, fire, water and other damage, insofar as the customer has not verifiably obtained insurance and notified SCANLAB thereof.
3. The customer may not bond or collateralize provisional merchandise. The resale or linkage of provisional merchandise is only permitted in the normal course of business.
4. In the case of linkage or mixing of provisional goods with movable objects in the sense of §§ 946 ff. BGB (Bürgerlicher Gesetzbuch − German code of Civil Law), SCANLAB acquires co-ownership of the resulting overall product or item proportional to the ratio of the provisional merchandise's value to the value of the resulting overall new product or item.
   In the event of processing or transformation of provisional merchandise in the sense of § 950 BGB, SCANLAB's right of ownership of the provisional merchandise does not cease − instead, the legal consequences of the above-mentioned section also apply to the creation of new products or items.
   Standardized or new products or items for which SCANLAB acquires co-ownership in accordance with this clause's above-mentioned regulations are also provisional merchandise as per the regulations of § 8.
5. If the customer transfers ownership of provisional merchandise to a third party in return for payment, the customer's payment entitlements from this third party are then immediately assigned to SCANLAB to the extent of the customer's existing debts owed to SCANLAB on the basis of the underlying contract and all preceding contractual relationships. This assignment occurs automatically at the time at which the customer and the third party conclude the sales agreement regarding the provisional merchandise. The customer is revocably entitled to collect assigned claims on behalf of SCANLAB and promptly transfer such collected sums to SCANLAB. The customer is prohibited from transferring ownership of provisional merchandise free of charge.
6. If the customer is in breach of contract, particularly via default of payment, then SCANLAB is entitled − at the customer's expense − to repossess the provisional merchandise and/or to demand reassignment of the customer's potential claim of surrender against third parties and/or to demand compensation from the customer.
7. To the extent entitled to SCANLAB under clause 6, the customer grants to it and its designees the irrevocable right to enter the customer's premises, if necessary with motor vehicles, for the purpose of retrieval.

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8. The customer has to inform SCANLAB immediately in writing in the event of garnishment, seizure or attachment measures via third parties. The customer shall bear the costs associated with assertion and enforcement of SCANLAB's claims with respect to the provisional merchandise.
9. Insofar as the existing collateral exceeds by 20 percent or more the claims of SCANLAB against the customer on the basis of the underlying contract and all preceding contractual relationships between SCANLAB and the customer, the customer is entitled to demand from SCANLAB the release of corresponding collateral to be chosen by SCANLAB.

§ 9 Exclusion from Assignment

Assignment to third parties of the customer's claims against SCANLAB, including all warranty claims, is prohibited.

§ 10 Warranty

1. The object of the agreement is exclusively the SCANLAB product with the properties and characteristics and intended uses as per individual contractual agreements and the supplied product description accompanying the individual contract with the customer.
   Other or supplementary properties and/or characteristics and/or supplementary intended uses are considered agreed upon only if expressly confirmed in writing by SCANLAB. The supplied product description and qualities agreed upon per individual contract (unless otherwise expressly contractually agreed upon between SCANLAB and the customer) do not constitute the acceptance of a quality or durability guarantee in the sense of §§ 443 BGB.
2. Warranty service is performed free of charge and in a manner determined by SCANLAB. If the warranty service is ultimately unsuccessful within an appropriate remedial deadline, the customer is then entitled to demand a proportional reduction in the purchase price (abatement) or withdrawal from the contract. In the event of warranty servicing of sold and delivered products, replaced components automatically become the property of SCANLAB and the contractual parties already agree to such upon conclusion of the contract.
3. SCANLAB is entitled to decline all remedial measures if associated with unreasonable costs.
4. The warranty period is one year and commences upon delivery to the customer or to an alternate customer-specified delivery address. This correspondingly applies in the event of a product replacement.
5. The warranty does not apply to defects and damage occurring after the transfer of risk and for which SCANLAB bears no responsibility. This also applies in the case of default of acceptance.
6. The warranty does not apply if conspicuous defects are not promptly (or in the case of discernable defects no later than one month after delivery) claimed in writing and accompanied by the invoice number and a test or defect report.
7. Deficient contractual products are to be shipped freight prepaid to SCANLAB upon receipt of written authorization from SCANLAB.
8. Within the scope of contracts concluded between SCANLAB and customers in which contractual products are expressly characterized as experimental or developmental, SCANLAB shall provide no warranty of any kind.

§ 11 Limited Liability

1. SCANLAB is obligated to compensate damages, regardless of the legal reason, only when:
   a) a mandatory liability exists based on product liability statutes
   b) SCANLAB has recklessly (with respect to the contract's purpose) violated a fundamental (cardinal) contractual obligation assigned to it
   c) SCANLAB is responsible for damage due to gross negligence or malice
2. Damage compensation claims are limited to the amount of such damage that SCANLAB could reasonably anticipate based on circumstances known at the time of concluding the contract and to the extent that the damage is of a contractually typical and foreseeable nature.
3. The exclusion or limitation of damage claims specified in the above-mentioned clauses also encompasses claims due to prohibited actions and claims against SCANLAB's employees and contractors.

§ 12 Infringement of Intellectual Property Rights

1. If, after effective conclusion of a contract between SCANLAB and the customer, a third party enforces claims against the customer for infringement of intellectual property rights (patents, copyrights, trademarks, registered designs etc.) and if the usage of delivered or to-be-delivered products is thereby compromised or prohibited, SCANLAB will – within a reasonable deadline, at its choice and at its own cost – modify or replace the delivered or to-be-delivered products so that they no longer infringe upon third-party intellectual property rights, yet still possess the contractually agreed upon qualities. SCANLAB is entitled, alternatively to the aforementioned procedure of clause 1, to withdraw from the contract in the sense of § 346 Section 1 Clause 1 BGB and to reacquire the products and reimburse the customer's purchase price minus an appropriate usage deduction for the time span in which the contractual products were in the customer's possession.
2. If third party claims are brought against the customer for a product's alleged infringement of intellectual property rights, the customer is to assign SCANLAB as the sole decision maker regarding handling of the resulting legal case. In particular, the customer shall not agree to a settlement or other concessions without SCANLAB's prior written consent.
3. SCANLAB assumes all costs if a legal encounter becomes necessary and releases the customer from substantiated third party claims due to circumstances covered by clause 1.
4. A liability on the part of SCANLAB can only be created if the customer promptly and in writing reports to SCANLAB the third party's enforcement of claims of alleged infringement of intellectual property rights.
5. Liability on the part of SCANLAB for infringement of intellectual property rights is excluded if the contractual product is not used in the form authorized by SCANLAB, or if it is used in conjunction with other products not originating from SCANLAB or not authorized in writing by SCANLAB, or connected, mixed or otherwise processed with these.
6. Upon an initial request, the customer releases SCANLAB from liability to third party enforcement of claims of infringement of intellectual property rights with respect to products manufactured by SCANLAB in accordance with the customer's drawings, specifications or directives.

§ 13 Other

1. Other conditions remain binding even if individual conditions prove invalid. Invalid conditions are to be replaced with regulations most closely representing the intended financial intentions.
2. Modifications or supplements to these conditions and to confirmed orders must be made in writing. The requirement of the written form can only be rescinded upon written agreement between the parties.
3. These General Terms and Conditions shall be governed solely by the laws of the Federal Republic of Germany. In case of legal disputes arising from these General Terms and Conditions and from individual orders resulting therefrom, it is agreed that the exclusive jurisdiction is Munich District Court 1. Irrespective of this, SCANLAB is entitled to file claims against the customer in a competent court of jurisdiction.
4. Because of SCANLAB's certification as Authorized Economic Operator (AEO) suppliers agree by accepting orders that:
   a) goods, which are produced, stored, forwarded or carried by order of SCANLAB, which are delivered to SCANLAB or which are taken for delivery from SCANLAB
      - are produced, stored, prepared and loaded in secure business premises and secure loading and shipping areas
      - are protected against unauthorized interference during production, storage, preparation, loading and transport
   b) reliable staff is employed for the production, storage, preparation, loading and transport of these goods
   c) business partners who are acting on their behalf are informed that they also need to ensure the supply chain security as mentioned above.

This English translation of SCANLAB's general terms and conditions is supplied as a convenience. The original German version of SCANLAB's general terms and conditions is the binding version.

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