

General Service and Payment Terms and Conditions

of COT Computer OEM Trading GmbH (hereafter also "COT")

§ 1 Sphere of Validity

(1) All our deliveries, services and offers shall be undertaken exclusively in accordance with these Allgemeinen Leistungs- und Zahlungsbedingungen **[General Service and Payment Terms and Conditions]** (hereafter: "ALB"). The ALB shall be considered to be a component of all contractual agreements which we conclude with the Customer regarding the deliveries or services which we offer insofar as the Customer is an entrepreneur (§ 14 German Civil Code), a juridical person under public law or a special foundation under public law. The ALB shall be valid particularly for contractual agreements regarding the sale and/or the supplying of movable goods (hereafter: "Good") without taking into consideration whether we have manufactured the Good ourselves or purchased it from sub-suppliers (§§ 433, 651 German Civil Code).

(2) References to the ALB in our contractual declarations (request (offer) and/or acceptance) shall always refer to the version which was valid when the declaration was made unless something else has been agreed with the Customer or something else has been derived based upon the circumstances in conjunction with the issuance of the order. If the ALB have become a component of an agreement with a Customer, then they shall also be valid as a framework agreement for future agreements without our being required to once again make reference to them in each individual case; the version shall then be prevailing which, upon the conclusion of the agreement, was most recently respectively provided to the buyer in text form (§ 126b German Civil Code) or available via our website.

(3) Our ALB shall also then be valid if we, while being aware of the Customer's opposing or deviating terms and conditions, unconditionally implement the Customer's order.

(4) Any deviating terms and conditions of the Customer shall not become a contractual component even if we do not specially object to their validity in the individual case. Even if we make reference to a letter which contains the business terms and conditions of the Customer or of a third party or make reference to such business terms and conditions, this shall not constitute consent to the validity of such business terms and conditions. Rather, the inclusion of the Customer's terms and conditions shall require express consent in text form.

(5) Individual agreements with the Customer (including ancillary agreements, supplements and amendments) shall take precedence over the provisions in these ALB. The contractual text and/or our confirmation in text form shall be prevailing for the content of such agreements subject to proof to the contrary.

§ 2 Offer and Conclusion of the Agreement

(1) Our offers shall be considered to be non-binding and without obligation unless they have been

expressly designated to be binding or contain a specific acceptance timeframe. If the Customer's order is issued based upon an offer which we have drafted, then the contractual agreement shall only then be concluded through our order confirmation in text form. If we implement an order before the order confirmation has been issued or without an order confirmation, then the contractual agreement shall be considered to have been concluded when the order implementation begins.

(2) We may accept orders or mandates from the Customer within 14 days by sending an order confirmation or an invoice or by sending the ordered products unless something else is derived from the respective circumstances – particularly stated on the order or in the mandate.

(3) Data provided by COT regarding the object of the delivery or the service (e.g. weights, dimensions, utility values, load-bearing capacities, tolerances and technical data) as well as our depictions of the same (e.g. sketches and illustrations) shall be only prevailing in approximate terms unless the usability for the contractually-prescribed purpose requires a precise correlation or such data have been expressly designated as being binding in the contractual agreement or the order confirmation. They shall not be considered to be guaranteed quality features, but rather descriptions or labelling for the delivery or service. Any deviations which are customary for the industry and deviations which are undertaken owing to legal directives or constitute technical improvements as well as the replacement of components with equivalent parts shall be permissible insofar as they do not restrict the usability for the contractually-designated purpose.

§ 3 Contractual Content and Form Requirement

(1) The contractual agreement concluded in text form – including the ALB – shall be solely prevailing for the legal relationships between us and the Customer. All understandings concluded between the contractual parties with regards to the contractual object shall be comprehensively fixed in writing. Any oral assurances upon our part before the conclusion of this Agreement shall not be legally binding; any oral understandings concluded between the contractual parties shall be replaced by the contractual text unless it has been respectively expressly agreed that they shall continue to have binding validity. If the Customer avails himself of the defence that an oral agreement has been concluded with binding validity, then he shall bear the burden of proof in this regard.

(2) Any supplements of and amendments to the concluded agreements – including the ALB – shall in principle be required to be in written form in order to be effective or, if the agreement has been concluded in text form, text form shall also be required for effectiveness. With the exception of managing directors or authorised signatories – in the respective number with powers of representation, COT's employees shall not

be entitled to conclude any deviating oral understandings.

(3) Unless something else has been agreed, any legally-valid declarations by the parties referring to the contractual relationship must be in text form. This shall be valid particularly for notifications of defects, deadlines and declarations regarding the exercising of formulation rights.

§ 4 Ownership to and Usage of Offer Documents

(1) We reserve the ownership rights and/or copyright to all offers and cost estimates which we submit as well as any sketches, illustrations, calculations, brochures, catalogues, models, tools as well as other documents and auxiliary resources (hereafter: "**Offer Documents**") provided to the Customer.

(2) Offer Documents may be used by the Customer only for his own operational purposes; this shall include – in the appropriate scope that is customary for the industry – particularly the inclusion into the Customer's own offers to his own end customers. However, otherwise, the Customer may, without our express consent, neither make the Offer Documents nor the content therefrom available to third parties, nor disclose them to third parties, nor use or reproduce them for the Customer's own benefit or allow them to be used or reproduced by third parties. Particularly the dissemination to third parties shall be forbidden who intend to use the Offer Documents recognisably in order to assert claims under civil law against COT (e.g. in the case of trial purchases).

(3) Upon our request, the Customer must return all Offer Documents to us and destroy any copies that have been made thereof if they are no longer required by the Customer during proper business operations or if negotiations do not result in the conclusion of an agreement. Any Offer Documents, which have been provided in digital form, must be deleted.

(4) If a special Confidentiality Agreement exists between us and the Customer, then it shall remain unaffected and shall be prevailing in its sphere of validity over these ALB; in this case, in cases of doubt, the objects specified in Para. (1) shall be considered to be covered by the special Confidentiality Agreement.

§ 5 Prices and Payment

(1) The prices shall be valid for the service and delivery scope specified in the order confirmations. Any additional or special services shall be invoiced separately. The prices shall be understood to be in EURO ex works (without packaging and transport, customs duties, fees and other public levies) plus the respectively-valid statutory VAT.

(2) Insofar as COT's listed prices form the basis for the agreed prices and the delivery is supposed to only then be made more than four months after the Agreement has been concluded, COT's listed prices that are valid upon delivery shall be effective (respectively less an agreed percentage or fixed rebate).

(3) Any invoiced amounts must be paid without any deductions within 30 days after delivery unless something else has been agreed. COT's receipt of the respective payment shall be prevailing for the date of the payment.

(4) Any discounts shall require an express agreement. If a discount has been agreed, then it shall nonetheless be excluded as long as COT continues to hold older payment claims that have come due against the Customer.

(5) Checks or bills of exchange shall be accepted only if they have been expressly agreed in advance in text form and only for payment claim satisfaction purposes. All costs associated with them shall be assumed by the Customer.

(6) If the Customer fails to render payment when the respective payment claim come due, then he shall be considered, upon the lapsing of the payment timeframe that is prevailing in accordance with Para. (3) Clause 1 – but nonetheless by no later than in accordance with § 286 Para. 3 German Civil Code – to have entered into payment default without any warning letter being required in this regard; the consequences of the payment default shall be determined in accordance with the statutory rules. However, if the statutory default interest rate lies below 8 % p.a., then COT may nonetheless demand default interest in the amount of 8 % p.a. without any special documentation thereof being required unless the Customer can document lower damages arising from the payment default. The assertion of higher interest subject to the provision of corresponding documentation as well as additional payment default damage claims shall remain unaffected.

(7) In the case of the Customer's payment default (Para. (6)), all our claims existing against the Customer at this point in time shall become immediately payable; any existing payment timeframes shall be rendered invalid. The same shall be valid in the case of the dishonouring of a bill of exchange or check that has been received from the Customer for payment claim satisfaction purposes.

(8) If the Customer intends to make partial payments, § 367 Para. 1 German Civil Code shall be valid unless something else has been expressly agreed. Any unilateral debt settlement provisions of the Customer in accordance with § 367 Para. 2 German Civil Code shall be invalid.

(9) The offsetting with the Customer's counterclaims or the withholding of payments based upon such claims shall be permissible only insofar as the Customer's counterclaims are undisputed or have been legally upheld.

(10) We shall be entitled to implement any still-outstanding deliveries or render any still-outstanding services only against advance payment or the provision of security if, after the Agreement has been concluded, circumstances become known which cast doubt on the Customer's creditworthiness and which put at risk the payment of our outstanding payment claims by the Customer from the respective contractual relationship (including any other individual orders for which the same Framework Agreement is valid).

§ 6 Product Selection and Customer's Specifications

(1) Upon the Customer's request and based upon his intended usage purpose, we shall make recommendations for labels (particularly adhesive, box or RFID labels). However, this shall in principle not con-

stitute any assurance of the suitability for the respective purpose or any other feature. In deviation from Clause 2, we shall be then be responsible for ensuring usage suitability which is specific and has been concretely designated if we have expressly confirmed this in the order confirmation that is sent to the Customer.

(2) If the Customer issues product requirements or specifications or prescribes any other requirements, then we shall not be obliged to examine them for accuracy, plausibility or suitability for the Customer's desired usage purpose unless such an obligation to examine has been expressly agreed.

§ 7 Delivery; Delivery Time and Service Time

(1) Deliveries shall be made ex works.

(2) Any timeframes and deadlines announced by COT for deliveries and services shall always be considered to be approximate unless a fixed timeframe or a fixed deadline has been expressly promised or agreed with binding validity. Insofar as a shipment has been agreed, delivery timeframes and delivery deadlines shall always refer to the time when the delivery is handed over to the carrier, shipper or any other third party commissioned with the transport.

(3) COT may – notwithstanding any rights owing to the Customer's default – demand that the Customer grant an extension of the delivery and service timeframes or a suspension of the delivery and service timeframes by the timeframe in which the Customer does not fulfil its contractual obligations owed to COT.

(4) COT shall be entitled to make only partial deliveries if

- The partial delivery is usable for the Customer based upon the prescribed contractual usage purpose,
- The delivery of the remaining Goods ordered has been ensured and
- The Customer incurs no substantial additional expenditures or additional costs from this or COT declares its willingness to assume these costs.

(5) Deliveries of partial quantities, which correspond to the delivery timetable prescribed in the Agreement or the order confirmation, shall constitute no partial deliveries in the aforementioned sense.

(6) If we are late rendering a delivery or a service or a delivery or a service becomes impossible for us to render – regardless of the reason, then our liability to pay damage compensation shall be restricted in accordance with § 15 of these ALB.

§ 8 Call-Off Orders

(1) In the case of call-off orders without an agreement regarding timeframes, production batch sizes and delivery acceptance deadlines, we may demand a binding determination thereof within three months after the order confirmation has been issued. If the Customer does not fulfil this demand within three weeks after such a demand in text form, we shall be entitled to set an appropriate notice period and, after the fruitless lapsing thereof, to withdraw from the Agreement and/or demand damage compensation. As a rule, a

notice period of ten working days shall be considered to be appropriate.

(2) Insofar as order quantities have been agreed via framework or call-off orders, the Customer shall be considered to have entered into delivery acceptance default as soon as the call-off timeframe that was agreed for a specific order quantity has lapsed. In this case, COT shall be entitled particularly to invoice the order quantity that has not been called off at the agreed prices.

§ 9 Place of Performance, Shipping, Packaging, Transfer of Risk

(1) The place of performance for all obligations arising from the contractual relationship shall be COT's commercial residence in Dieburg unless something else has been agreed.

(2) It shall lie in our own fair discretion to choose the shipping method and the packaging.

(3) Risk shall be transferred to the Customer by no later than the handover of the shipping object to the carrier, shipper or any other third party commissioned with the implementation of the shipment; the beginning of the loading process shall be prevailing in this regard. Clause 1 shall also then be valid if partial deliveries are made or COT has assumed other service obligations (e.g. shipping or installation). If the shipment or the handover is delayed owing to a circumstance caused by the Customer, then risk shall be transferred to the Customer from the date on which the delivery object is ready for shipment and we have notified the Customer of this.

(4) The Customer shall assume the storage costs after risk has been transferred. If COT stores the Goods, the storage costs shall amount to 0.25 % of the invoiced amount for the delivery objects to be stored per completed week unless the Customer can document that only storage costs of a lesser scope have been incurred. The possibility of the assertion of the actual higher storage costs incurred by COT shall remain unaffected.

(5) The shipment shall be insured by COT only upon the Customer's express request to do so and at his own expense against theft, breakage, transport, fire and water damage or other insurable risks.

§ 10 Delivery Acceptance

(1) Insofar as delivery acceptance must be made, the service/product shall be considered to have been accepted when

- a) The delivery or, insofar as COT owes any other service, the other service has been completed,
- b) COT has notified the Customer of this while making reference to the implied delivery acceptance in accordance with this § 9 Para. (1) and demanded that he make delivery acceptance,
- c) Either
 - Fifteen working days have passed since the delivery and/or installation,
 - or

- The Customer has begun using the delivered Good or the rendered service and, in this case, ten working days have passed since the delivery and/or the rendering of the service,

and

- d) The Customer has failed to make delivery acceptance within this timeframe.

(2) Para. (1) shall not be valid if the Customer has, within the prevailing timeframe specified in Para. (1) lit. c), refused to make delivery acceptance subject to the notification of at least one defect which may be a major defect in accordance with § 640 Para. 1 Clause 2 German Civil Code.

(3) With regards to delimitable partial services, the Customer shall be obliged to make separate delivery acceptance; the Paras. (1) and (2) shall be valid for each partial service separately.

§ 11 Warranty, Material Defects

(1) The warranty timeframe shall amount to one year after delivery has been made or, insofar as delivery acceptance is required, after delivery acceptance has been made. In the case of parts which have been designated by the manufacturer as being wear parts, particularly by means of the indication of a usage-dependent (e.g. unit- or quantity-based) service life, the warranty timeframe shall end by no later than when the contractually-agreed service life ends.

(2) Minor colour deviations for labels as well as delivery overages or delivery underages of up to 10% of the overall quantity shall be considered to be production-related and customary for the industry. They shall not be considered to be defects for which COT is responsible.

(3) The delivery objects must be carefully examined promptly after delivery has been made to the Customer or his designated third party. Any obvious defects or any other defects, which become recognisable during a prompt and careful examination of the Goods, must be reported within seven working days after the delivery object has been delivered, any other defects within seven working days after the point in time when the defect becomes recognisable for the Customer during normal usage of the delivery object without any more detailed examination thereof being required, but nonetheless by no later than within seven working days after the actual discovery of the defect. The notification of the defect must be in text form and must be received by COT within the timeframe specified in Clause 2. Notifications of defects, which are submitted to external service providers' employees, carriers or any other third parties, shall constitute no complaints which fulfil the form and deadline requirements.

(4) Any delivered objects shall be considered to have been approved with regards to such defects which have not been reported in a timely manner in accordance with Para. (3). If the Customer documents that the period for the notification of defects was inappropriately short in the individual case in accordance with Para. (3) Clause 2, then the validity of the approval shall not be considered to be effective if the Customer has promptly reported a defect after he has recognised it or must have recognised it.

(5) Upon COT's demand, the delivery object, regarding which a notification of defects has been lodged, must be sent back freight paid to COT; any instructions issued by COT regarding the return – particularly regarding the packaging, freight's transport security and shipping method, must be followed insofar as they do not detrimentally affect the Customer in an inappropriate manner. In the case that a justified notification of defects has been lodged, COT shall provide compensation for the costs of the cheapest shipping method – where applicable, subject to the consideration of the instructions issued; this shall not be valid insofar as the costs increase because the delivery object has been moved to another location than the location designated for the contractual usage.

(6) In the case of material defects to the objects that have been delivered, we may initially choose whether we shall render subsequent performance by eliminating the defect (rectification) or by delivering a flawless Good (replacement delivery); the choice must be made within an appropriate timeframe. We shall be entitled to at least two attempts at subsequent performance (rectification or replacement delivery) unless a second attempt at subsequent performance is unreasonable to the Customer in the individual case. Our right to refuse to render subsequent performance in accordance with the statutory requirements shall remain unaffected. If the subsequent performance is unsuccessful or a notice period that has been appropriately set by the Customer for subsequent performance has lapsed fruitlessly or is dispensable in accordance with the statutory directives, the Customer may withdraw from the Purchase Agreement or reduce the purchase price. However, in the case of a minor defect, the Customer shall have no right to withdraw from the Purchase Agreement.

(7) If a defect is based upon our fault, the Customer may demand damage compensation subject to the requirements specified in § 15.

(8) In the case of defects to the components from other manufacturers which we cannot eliminate ourselves owing to reasons under licensing law or actual reasons, we shall, as we so choose, assert our warranty claims against the manufacturer and the supplier upon the Customer's behalf or assign them to the Customer. Warranty claims against the seller shall be valid for such defects subject to the other requirements and in accordance with these ALB only if the legal assertion of the aforementioned claims against the manufacturer and the supplier was fruitless or, for example, as the result of a bankruptcy, appear to be futile. For the duration of the legal dispute, the statute of limitations period for the Customer's affected warranty claims against COT shall be suspended.

(9) The warranty shall be rendered invalid if the Customer

- Does not follow operational or maintenance instructions issued by COT or has made modifications to the supplied Good – particularly replaced parts – or not used the consumable resources prescribed in the manufacturer's specifications without this having been respectively approved by COT unless the Customer documents that the defect was not caused by this;

- In the case of adhesive labels or coloured ribbons which have been improperly stored – particularly deviating from the storage instructions issued by COT – unless the Customer documents that the defect was not caused by this;
- Without COT's approval, modifies the delivery object, or has it modified by third parties, and thus the elimination of the defect becomes impossible or unreasonable.

In each case, the Customer must assume the additional costs for the elimination of the defect which have been caused as the result of the non-fulfilment of the storage, operating or maintenance instructions or the modification.

(10) If the Customer has moved the delivery or service object to another location than the place of performance, then the Customer shall assume the additional costs incurred therefrom for the subsequent performance (particularly transport, delivery and labour costs) unless the relocation to the other location corresponded to the contractual usage of the delivery or service object.

(11) COT GmbH may assume ownership of any parts replaced during the elimination of the defect without being required to pay special compensation.

(12) A delivery of second-hand objects that has been agreed in the individual case with the Customer shall be made subject to the exclusion of any warranty for material defects.

§ 12 Software Delivery and Software Usage

(1) We shall supply software exclusively in the object code; the Customer shall have no claim to the provision of the source code.

(2) We shall grant the Customer a non-exclusive usage right for the timeframe and usage scope specified in the order confirmation or the license certificate to the standard or individual software which we have supplied. The usage shall be permissible only if the Customer has accepted the licensing terms and conditions as well as the usage terms and conditions (EULA - End User Licence Agreement) of the respective manufacturer.

(3) The Customer shall be entitled to create a back-up copy if this is required in order to ensure future usage. The Customer shall visibly affix the note "back-up copy" as well as a copyright notice from the manufacturer on the back-up copy that has been created.

(4) The editing or the modification of the software that has been provided – particularly the elimination of programme errors – shall not be permissible.

(5) § 11 shall be valid for the warranty. In the warranty case, we shall be entitled to fulfil the warranty as we so choose by way of remote servicing or on the Customer's premises. The rectification obligation shall also be considered to be sufficient if we provide updates together with an automated installation routine for download and offer the Customer telephone support in order to solve any installation problems that arise or to refer the Customer to the manufacturer's corresponding offers which are reasonably feasible.

§ 13 Remote Servicing

(1) If the Customer requests remote servicing (remote support), then he must, at his own expense, ensure the supplying of the remote access and particularly to create the technical requirements. He shall assume the responsibility for the fulfilment of the provisions under data protection law, the suitability of the Internet connection as well as, subject to Para. (2), the suitability and security of the access software utilised and, as required, the instruction of our employees on their usage.

(2) The Customer's responsibility for the suitability of the access software used and the instruction of our employees shall be rendered invalid if the TeamViewer programme from TeamViewer GmbH is used which can be directly procured from its server (www.teamviewer.com). For the usage of TeamViewer GmbH, the licensing terms and conditions of TeamViewer GmbH shall be valid insofar as no agreement has been concluded between us and the Customer.

(3) If the Customer chooses remote servicing, then we shall be liable for our own fault and our employees' fault in the same scope as for on-site servicing.

(4) Except in the case of intentional wrongdoing or gross negligence, we shall not be liable for

- a) The functioning, the lack of malicious code (lack of viruses) and any other lack of errors in the remote access software used or selected by the Customer;
- b) The lack of errors or malicious code in the programme files procured from TeamViewer GmbH or any other third-party provider;
- c) The correct installation of the access software;
- d) The correct execution and operation of the access software by the Customer.

However, if there is a problem that arises with an access software which we discover, we shall be obliged to notify the Customer of this.

§ 14 Proprietary Rights

(1) COT shall be responsible, in accordance with this § 14, for ensuring that the delivery object is devoid of industrial property rights or copyrights that are held by third parties. Insofar as the violation of an industrial property right or a copyright held by a third party is based upon the instructions issued by the Customer with regards to the quality of the objects to be supplied or the work product to be created or the type and manner of the rendering of service, then this shall be valid only if the Customer was unaware of the prevailing proprietary right and COT knew about, or had to know about, the proprietary right.

(2) If COT has claims asserted against it by a third party owing to a proprietary right violation which is based upon an instruction issued by the Customer in accordance with Para. (1) Clause 2, then the Customer must, upon the initial request to do so, indemnify COT from such a claim unless COT is responsible for the proprietary right violation.

(3) Each contractual partner shall promptly notify the other contractual partner in writing if claims are asserted against him owing to the violation of such rights. In the same manner, the contractual partners

shall promptly notify each other as soon as they obtain knowledge of circumstances which imply a proprietary right violation.

(4) In the case that the delivery object violates an industrial property right or a copyright held by a third party, then COT shall, as it so chooses and at its own expense, modify the delivery object in such a manner or replace it so that third-party rights are no longer being violated, but the delivery object continues to fulfil the contractually-agreed functions or procure the usage right for the Customer by concluding a Licensing Agreement. If it fails to do this within an appropriate timeframe, then the Customer shall be entitled to withdraw from the Agreement or to appropriately reduce the purchase price. Any damage compensation claims asserted by the Customer shall be subject to the restrictions of § 15 of these ALB.

(5) In the case of legal violations caused by products from other manufacturers which have been supplied by COT, we shall, as we so choose, assert our claims against the manufacturers and sub-suppliers upon the Customer's behalf or assign them to the Customer. In these cases, claims against COT shall be valid in accordance with this § 14 only if the legal assertion of the aforementioned claims against the manufacturers and sub-suppliers was fruitless or, for example, as the result of a bankruptcy, appears to be futile.

§ 15 Liability for Damage Compensation owing to Fault

(1) COT's liability to pay damage compensation – regardless of the legal reason but particularly owing to the impossibility of performance, default, flawed or incorrect delivery, a contractual violation, the violation of obligations during the contractual negotiations and tortious acts – shall be restricted in accordance with this § 15 insofar as it respectively encompasses fault.

(2) Notwithstanding the following liability restrictions, COT shall be liable, in accordance with the statutory provisions, for loss of life, physical injury and damage to health which are based upon a contractual violation resulting from negligence or intentional wrongdoing upon the part of COT, its bodies, legal representatives, salaried personnel or other vicarious agents as well as for damages which are covered by the liability in accordance with the German Product Liability Act. In the scope in which we have provided a quality and/or durability guarantee with regards to the Good or parts for the same, we shall also be liable based upon this guarantee. For damages which are based upon the absence of the guaranteed quality feature or the durability, but do not occur directly to the Good, we shall nonetheless only then be liable if the risk for such damages is evidently covered by the quality and durability guarantee.

(3) For damages which are not covered by Para. (2), but which are nonetheless based upon a contractual violation resulting from intentional wrongdoing or gross negligence or upon malice upon the part of COT, its bodies, legal representatives, salaried personnel or other vicarious agents, we shall be liable in accordance with the statutory provisions. Unless the damages are based upon intentional wrongdoing or malice upon the part of COT, its bodies, its legal representatives or its vicarious agents, liability shall none-

theless be restricted to the foreseeable, typically-occurring damages.

(4) In the case of damages which are not covered by Para. (2), COT shall be liable for simple negligence upon the part of its bodies, legal representatives, salaried personnel or other vicarious agents only insofar as it encompasses a violation of essential contractual obligations. Essential contractual obligations shall include the obligation to deliver and install the delivery object which is devoid of essential defects in accordance with the respective agreements as well as consulting, protection and due care obligations which are supposed to enable the Customer to contractually use the delivery object or intend to protect the life and limb of the Customer's personnel or intend to protect his property from substantial damage.

(5) Insofar as COT is liable to pay damage compensation on the respective merits in accordance with Para. (4), then this liability shall be restricted to those damages which COT had anticipated upon the conclusion of the Agreement as being a potential consequence of a contractual violation or which COT would have had to have anticipated when exercising due care. Any indirect damages and consequential damages which are the result of defects to the delivery object shall moreover only be subject to damage compensation insofar as such damages are to typically be expected during the contractual usage of the delivery object.

(6) In the case of liability for simple negligence, COT's obligation to pay damage compensation for property damage and any additional resulting financial damages shall be restricted to an amount of 10 million EURO per damage event (based upon the current total coverage amount of its product liability insurance or commercial liability insurance) even if it encompasses a violation of essential contractual obligations.

(7) The aforementioned liability exclusions and liability restrictions shall be valid in the same scope to the benefit of the bodies, legal representatives, salaried personnel and other vicarious agents of COT.

(8) Insofar as COT provides technical information or consulting and this information or consulting is not part of the scope of services which have been contractually agreed and which it owes, this shall be done upon a free-of-charge basis and subject to the exclusion of any liability.

§ 16 Reservation of Ownership

(1) The Good supplied by COT to the Customer shall remain COT's property until payment in full has been rendered for all respectively-valid current and future payment claims held by COT against the Customer from the contractual relationship existing between the contractual partners. The Good as well as the Good replacing it in accordance with this § 16 that is covered by the reservation of ownership shall hereafter be referred to as "Reserved Good".

(2) The Customer shall store the Reserved Good upon a free-of-charge basis for COT.

(3) The Customer shall be entitled to process and sell the Reserved Good upon liquidation in ordinary business dealings in accordance with Para. (8). Any pledges and assignments by way of security shall be impermissible.

(4) If the Reserved Good is processed by the Customer, then it shall be agreed that the processing shall be done in the name and for the account of COT as the manufacturer, COT shall acquire direct ownership or – if the processing is done from the materials of multiple owners or the value of the processed object is higher than the value of the Reserved Good – it shall acquire co-ownership (fractional ownership) to the newly-created object based upon the proportional value of the Reserved Good to the value of the newly-created object. For the case that no such acquisition of ownership by COT should occur, the Customer shall already now assign his future ownership or – in the aforementioned ratio – the co-ownership to the newly-created object for security purposes to COT. If the Reserved Good is combined or inseparably mixed with other objects to form a uniform object and one of the other objects must be regarded as being the main object, then the Customer, insofar as the main product belongs to him, assign COT proportional co-ownership to the uniform object in the ratio specified in Clause 1.

(5) In the case of the resale of the Reserved Good, the Customer shall, for security purposes, already now assign the subsequently-created claim against the buyer – in the case of COT's co-ownership to the Reserved Good, upon a proportional basis corresponding to the co-ownership percentage – to COT. The same shall be valid for any other claims which replace the Reserved Good or are otherwise created with regards to the Reserved Good such as, for example, insurance claims or claims arising from a tortious act in the case of loss or destruction. COT hereby authorises the Customer revocably to collect the payment claims assigned to COT in his own name. COT may revoke this authorisation to collect payment claims only in the case of a liquidation.

(6) If third parties assert claims against the Reserved Good – particularly through a seizure, then the Customer shall promptly notify them of COT's ownership and also notify COT in this regard in order to enable it to assert its ownership rights. Unless the respective third party is able to reimburse COT for the court or out-of-court costs incurred in this context, the Customer shall be liable in this regard to COT.

(7) COT shall, as it so chooses, release the Reserved Good as well as the objects or payment claims replacing it upon the Customer's request to do so insofar as its value exceeds the amount of the secured claims by more than 50%.

(8) If COT, in the case of a contractual violation by the Customer – particularly payment default, withdraws from the Agreement (liquidation), then it shall be entitled to demand the return of the Reserved Good.

§ 17 Force Majeure and Unforeseeable Events

(1) COT shall not be liable for the impossibility of the delivery or for delays in the delivery or any other service insofar as they have been caused by force majeure (e.g. war or warlike actions, comprehensive military mobilisation, civil war, civil unrest; rebellion and revolution, military or any other coup, riot; terrorist acts; sabotage or piracy, currency and trading restrictions, embargo; government-ordered operational closure; expropriation, seizure of factories, requisition, nationalisation; plagues, epidemics and pandemics;

natural catastrophes or extreme natural events; explosion, fire, destruction of equipment) or any other events not foreseeable upon the conclusion of the Agreement (e.g. operational disruptions of any kind, difficulties in procuring materials or energy, transport delays, strikes, legal lockouts, shortages of labour, energy or raw materials, difficulties in the procurement of the required government approvals, government measures or deliveries by sub-suppliers which fail to be made, are not correct or are not timely) for which COT is not responsible.

(2) Insofar as such events make the rendering of the delivery or the service substantially more difficult or impossible for COT and the hindrance is not of merely a temporary nature, COT shall be entitled to withdraw from the Agreement.

(3) In the case of hindrances of a temporary nature, the delivery or service timeframes shall be extended or the delivery or service timeframes shall be suspended by the duration of the hindrance plus an appropriate run-up period.

(4) Insofar as the acceptance of the delivery or service is not reasonable to the Customer as the result of the delay, then he may withdraw from the Agreement by making such a declaration to COT. The declaration must be made promptly after the Customer has become aware of the circumstances which substantiate the unreasonableness in accordance with Clause 1.

§ 18 Final Provisions

(1) For all contractual relationships between COT and the Customer, exclusively the law of the Federal Republic of Germany shall be valid subject to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).

(2) Subject to any mandatory legal directives, exclusively the courts of the Federal Republic of Germany which are competent for COT's commercial residence in Dieburg shall rule on all disputes arising from the contractual relationship. Moreover, for any lawsuits against the Customer, COT may also choose the legal venue which is competent for the Customer's commercial residence.

(3) Insofar as the Agreement or the ALB contain gaps or omissions, in order to eliminate these gaps or omissions, those legal provisions shall be agreed which the contractual partners would have agreed based upon the commercial goals of the Agreement and the purpose of the ALB if they had known about the gap or the omission.