

Terms of contract

I. Terms of contract

1. Our offers are subject to change
A contract exists only after our written order confirmation. It conforms exclusively to the content of the order confirmation and general delivery and payment terms, which are acknowledged by the client through the award of contract, or acceptance of the delivered merchandise and performance of services; this also applies even if we do not expressly contradict contrary conditions from the customer.
2. Additional agreements and alterations of these conditions require our written confirmation.

II. Subject matter of contract

1. The agreed prices are valid only with the reservation that the base contract information remains unchanged. Correspondingly, this applies also to the prices given in our offers.
The prices are quoted ex works and plus value added tax. They do not include packaging, freight and postage, insurance, customs and other delivery expenses.
2. Subsequent alterations at the request of the client will be charged to the client. Also regarded as subsequent alterations are repetitions of test runs requested by the client.
3. Sketches, drafts, sample type, test runs, proofs, and similar preliminary work required by the client will be charged, even if the contract is not placed.
Drafts, proposals, and drawings are our intellectual property and may not be copied, duplicated, utilized, or relayed to a third party, without our written consent. Should an order not be placed then these records are to be returned at our request.

III. Payment terms

1. For deliveries within the Federal Republic of Germany we require payment within 14 calendar days of the invoice date.
If there is a delay in payment then default interest will be demanded.
2. Should the fulfilment of the payment claim be endangered due to an actual deterioration, or knowledge of a deterioration, in the financial situation of the client after contract conclusion, then we are entitled to require prepayment, require immediate payment of all open invoices, including those which are not yet due, retain goods not yet delivered, and stop further work on current contracts.
These rights also apply should the client still refuse to pay after receiving a reminder justified on the grounds of payment delay.
3. For deliveries outside the Federal Republic of Germany advance payment is required.

IV. Delivery

1. The risk passes to the client as soon as the goods are passed to the person responsible for transport, this applies also to transportation with our own vehicles. Should the transfer or shipment be delayed due to reasons beyond our control then the risk is transferred to the client on the day upon which the goods are ready for delivery.
We are entitled to insure the goods against possible transport risks at the cost of the client. This, as well as a possible takeover of the transport costs, has no influence on the transfer of risk.
2. Delivery dates are only valid upon written confirmation by us.
3. Should the contractor be delayed with its deliveries, then an appropriate extension is to be granted. After futile expiry of the extension, the client can withdraw from the contract. Section 361 BGB (German Civil Code) is not affected. Compensation for damages caused by delay can only be claimed up to the sum of the contract value (internal labour excluding advance payments and materials).
4. Stoppages – both in our business or in that of our suppliers – especially strike, lock-out, official order, delays in transportation, war, disorder, as well as all other cases relating to acts of God, do not entitle either termination of the contract relationship or claims for damages.
5. Increased or reduced deliveries of up to 20% of the ordered print run are allowable. Suppliers' tolerance rates deviant from this are to be acknowledged.
6. We are entitled to part-delivery.

V. Print authorization

1. The proofs, which are considered "ready to print", unify all wishes given to us. The client is committed to carefully check these proofs himself before giving authorization to print.
2. The risk of any errors is transferred to the client when the latter declares that the proofs are ready for printing/production, provided that they are not errors which have occurred, or have first been identified, after the "ready to print" statement. The same applies to all other release statements from the client for further production.

VI. Guarantees

- Identity cards, transponder cards, chip cards, and key ring pendants are wear-articles.
These are tested by us and leave our premises in perfect condition. There is no guarantee for wear-articles.
1. We guarantee that appliances delivered by us are free from defect, which also includes the absence of promised attributes. The guaran-

tee expires at the end of the lawful guarantee period, provided there are no other agreements.

We do not guarantee used merchandise.

2. For merchandise which we, or businesses connected with us in accordance with section 15 of the Companies Act, have produced, we are entitled under the guarantee obligation to decide to repair or replace the item.
3. The client must send to us on demand the faulty goods, or the appropriate parts thereof, which are under guarantee. Should we acknowledge a liable defect then we shall take over the costs of material, transport and labour arising from repair or replacement of the item. Replaced parts remain subsequently in our possession.
4. Each guarantee obligation expires if repairs or other works are carried out to the defect item without our permission. Normal wear, especially with wear-articles, is not covered under guarantee. We also take no responsibility for defects which have arisen from improper use, excessive strain, insufficient maintenance, use of inappropriate resources, abnormal operating conditions, and other such matters.
5. With repairs and replacements, the same guarantee applies as for the original item, however only up to the date of expiration of the original guarantee.
6. Should the repair or replacement of the item under guarantee fail, then the client can demand reduction of reimbursement or decide to cancel the contract.
7. If the fault proves to be unwarranted, then the client must reimburse all expenditures incurred by us.
8. The liability for the absence of promised attributes is limited to the replacement of such damages which have occurred as a direct result of the non-existence of the debatable attribute.
9. All continuing, or other than in these conditions intended claims of the client, regardless for which legal reason, are excluded.
10. The conclusion of a maintenance contract is normally intended upon expiry of the guarantee period.

VII. Ownership, copyright

1. The delivered goods remain our absolute property until complete payment of all the existing invoices up to the date of the invoice for the goods. Should the value of the securities exceed our demands by more than 20%, then the client is entitled in this respect to request release. Disposal of the conditional sale goods is only possible with our prior written consent.
2. The operational items used by us in the manufacture of the contract products, especially films, clichés, lithographs, printing plates and standing text, remain, even if separately calculated, our property and will not be delivered.
3. The client is solely liable if through the implementation of his contract, the rights, especially the copyrights of third parties, are violated.
The client indemnifies us against all third party claims on the grounds of such infringements of rights.

VIII. Imprint

We have the right to place our imprint on the contract goods.

IX. Liability

1. We are only liable for damages of the client, as far as we, or our vicarious agents, can be proven to have acted with gross negligence and malicious intent. This applies to all compensation claims, independent of whether they are founded on lawful regulations, delictual actions, contractual agreements or their infringement, or other legal reasons. This liability limitation does not however cover direct damages caused through the absence of promised attributes, and such consequential damages, against which the client should carefully safeguard; we are only liable for such consequential damages in the aforesaid restricted manner.
2. Damages caused through gross negligence will only be compensated up to the limit of the amount foreseeable by us at the time of entering into the contract under consideration of all known, or culpable unknown circumstances.

X. Miscellaneous

The place of performance and jurisdiction is Hamburg. We are however entitled to sue the client under any other lawful jurisdiction. The law of the Federal Republic of Germany applies with the exception of the uniform sales law and the uniform sale of goods law. Should a provision of these conditions be ineffective, then it is to be replaced with an effective provision which is closest to the meaning of the original ineffective provision.

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GENERAL DELIVERY AND PAYMENT TERMS

In case of dispute the original German provisions apply.