

General Business, Sale and Delivery Terms and Conditions

Gello GmbH Geltechnik, D-48683 Ahaus-Wüllen

§ 1 General conditions

(1) For all deliveries and other services of Gello GmbH Geltechnik with headquarters in 48683 Ahaus-Wüllen (hereinafter known as "Gello"), including any subsequent orders, the following terms and conditions for business, sale and delivery shall apply exclusively; they apply only with respect to companies pursuant to § 310 Section 1 in connection with § 14 of the Civil Code.

(2) Any deviating terms and conditions from the purchaser which are not explicitly acknowledged by Gello shall not be binding, even if Gello does not expressly object to these.

(3) The application and interpretation of these business, sale and delivery terms and conditions and the completion and interpretation of individual legal transactions with the purchaser shall be governed exclusively by the laws of the Federal Republic of Germany. The application of the United Nations Convention for the international sale of goods (CISG) is expressly excluded.

(4) The ineffectiveness of individual provisions of these terms and conditions of business, sale and delivery shall not affect the validity of any remaining provisions of the contract. The contracting parties are obliged, within the bounds of what is reasonable and in good faith, to replace the invalid or impracticable provision with a valid and practicable provision through which equivalent commercial success can be achieved as far as possible, insofar as this does not represent a significant change in the contractual content; the same applies in case an unintended loophole should arise.

(5) Gello expressly reserves all proprietary rights and copyrights on drafts, samples and offers. They must not be made accessible to third parties - in particular competitor companies of Gello - without the express permission of Gello, and are to be returned by the purchaser upon request by Gello.

(6) The place of performance for all obligations resulting directly or indirectly from the respective contractual relationship, including payment obligations, shall be the headquarters of Gello in Ahaus-Wüllen.

(7) The place of jurisdiction for all disputes arising from or in connection with the respective contractual relationship shall be the legal venue responsible for the headquarters of Gello, insofar as the purchaser is a trader. Gello shall be entitled to file proceedings in a court which is responsible for the purchaser's headquarters or branch.

§ 2 Offers, scope of services and conclusion of contract

(1) Contractual offers made by Gello shall be nonbinding, unless they are expressly denoted in writing as being binding.

(2) Gello's order confirmation shall be exclusively valid and authoritative for the content and scope of the contractual performance due. The contract shall only come into effect with the order confirmation from Gello.

(3) Gello reserves the right to make changes in design, in the choice of materials and in the specification and type, even after issuing an order confirmation, insofar as these changes do not infringe on the order confirmation or on the specifications from the purchaser. In addition, the purchaser shall declare their agreement with Gello's modifications, insofar as they are reasonable for the purchaser.

(4) Part deliveries shall be permitted.

(5) Documents such as figures, drawings, weights and measurements, colours or samples on which the offer or the order confirmation is based are generally to be understood merely as approximate values, unless these are expressly denoted as binding.

(6) Gello has the right - if necessary, after setting a deadline - to withdraw from the respective contract, or to demand pre-payment or deposits if after the conclusion of the contract it should become known that the payment claims of Gello are at risk due to a lack of ability of to perform by the purchaser (e.g. through an application to open insolvency proceedings). In case of contracts regarding the production of unreasonable objects (single-piece production), a right of withdrawal can be declared immediately. Claims for compensation by the purchaser shall be excluded in these cases.

§ 3 Prices and conditions of payment

(1) The prices are valid ex works, excluding packaging and other shipping and/or transport costs. The packaging shall be charged at cost price and returns shall only be accepted if the seller is obliged to do so according to mandatory legislative regulations.

(2) Payment of the invoiced amount shall be due on provision of the goods, at the latest within 2 weeks after notification of completion and delivery of the invoice. For orders over €10,000, Gello shall be entitled to demand a pre-payment of up to one third of the invoice value for the further processing of the order or subsequent orders. Withholding of payments or off-setting of payments against counter-claims shall be excluded, insofar as the counter-claim is not acknowledged and legally effective.

(3) Should more than 3 months elapse between the closing of the contract and delivery, without a delay occurring for which Gello is responsible, Gello can increase the price by an appropriate amount in consideration of material, labour and other costs to be borne by Gello. Should the costs increase by more than 50% the purchaser shall be entitled to withdraw from the contract.

(4) The prices and conditions on which an order is based shall be valid only for this individual order. For subsequent orders, Gello can, without particular notification, choose to use the respective prices and conditions valid at that time as a basis.

(5) Should Gello take requests for changes from the purchaser into consideration, the purchaser shall be invoiced for these additional costs.

(6) The purchaser is obligated to pay an appropriate fee for drafts and sample production related to an offer even when an order is not issued or is issued in an amended form.

(7) Should the payment deadline be exceeded, interest shall be charged by Gello on the due amount calculated at eight percent above the respective base interest rate pursuant to § 247 Para. 1 BGB (German Civil Code) whilst reserving the right to make further claims.

§ 4 Withholding and set-off of payments

The set-off of payments with counterclaims of the purchaser or the withholding of payments due to such claims shall only be permissible insofar as the counterclaims are uncontested or legally ascertained.

§ 5 Lead time

(1) The specification of a delivery date is quoted to the best of Gello's knowledge and shall be extended appropriately should the purchaser cause delay on their part, or fail to cooperate as required or agreed. The same applies to work disputes, in particular strikes and/or lock-outs and the occurrence of unforeseen

hindrances which are beyond Gello's control, for example in case of delivery delays by preliminary suppliers, transport and/or operating issues, lack of materials or energy etc. In the last named cases, both parties can withdraw from the contract after the original delivery date has been exceeded by 3 months. In any case, the withdrawal shall be free of charge for Gello.

(2) Changes to the delivered goods prompted by the purchaser shall lead to an appropriate extension of the lead time. Fixed deadlines shall require the written confirmation of Gello.

(3) According to their preference, call-off deliveries can be delivered or cancelled by Gello at the latest 6 months after the order date if these are not demanded by the purchaser. In case a confirmed order is cancelled by the purchaser, then the purchaser shall bear the costs for all the preliminary outlay incurred by Gello. These especially include, for example, raw materials already in storage, storage costs etc.

§ 6 Acceptance, transfer of risk

(1) The delivery shall be deemed duly accepted with the handover and acceptance of the goods without objection.

(2) The risk shall transfer to the purchaser as soon as Gello has made the goods available to the purchaser and has informed the purchaser of this fact. Shipping shall be at the risk of the purchaser, even if the cost is borne by Gello.

Loading, freight and/or customs charges shall be borne by the purchaser. Insurance of the goods will only be taken out under special agreement.

§ 7 Reservation of proprietary rights

(1) Gello reserves the proprietary rights to the delivered goods until such are paid in full. The proprietary rights shall also apply until all payments from the business relationship between the purchaser and Gello are fulfilled, including future and conditional demands.

(2) The purchaser shall have no right to transfer ownership by way of security or to pledge the goods. However, they shall be entitled to sale of the reserved goods in the regulated course of business. Any resulting claims against their business partners are thereby already assigned to Gello. Gello thereby accepts this assignment. Besides Gello, the purchaser shall remain authorised for the collection of claims. Gello shall obligate themselves not to collect claims as long as the purchaser fulfils their payment obligations towards Gello, does not default on payment, does not submit an application to open insolvency proceedings and no other defect of their performance ability exists. However, should this be the case, Gello can demand that the purchaser makes the assigned claims and the debtors known to Gello, provides all information necessary for collection, passes on the associated documents and informs the debtors (third parties) of this assignment.

(3) Should the goods be processed by the purchaser, then the proprietary rights shall be extended to the complete new product. In this case, Gello acquires co-ownership to the proportion which corresponds to the ratio of the value of the goods delivered by Gello compared to the value of the goods of the overall new object.

(4) Should the value of all securities existing for Gello exceed the existing claims from Gello on the purchaser long-term by more than 10%, then, on request by the purchaser, Gello shall release securities of the purchaser's choice to the amount of the exceeding value.

(5) The seller shall be entitled to assert their proprietary rights without previously withdrawing from the respective contract.

§ 8 Claim for defects

(1) If the purchase is a commercial transaction for both parties, the purchaser shall be obliged to examine the goods immediately upon receipt and immediately inform Gello appropriately should any defect be found, at the latest after 8 days. Should the purchaser neglect to inform the seller, the goods will be deemed as accepted unless this involves a defect which was not detectable upon examination. Furthermore, §§ 377 ff. HGB applies. Complaints shall be inadmissible if the rejected goods can no longer be subjected to subsequent inspection by Gello.

(2) Defect claims by the purchaser shall be limited to subsequent fulfilment. In case of failure of this subsequent fulfilment, the purchaser shall have the right to demand either a reduction in payment or withdrawal from the respective contract. The purchaser may not withdraw from the contract if the defect is merely insignificant

(3) If a defect exists, then the necessary expenses for the purpose of examination and subsequent fulfilment, especially transport, travel, working and material costs, shall be borne by Gello. Should the demand for defect rectification by the purchaser prove to be unjustified, then Gello may demand a reimbursement of these costs from the purchaser which have arisen from this matter.

(4) Further claims by the purchaser, in particular for compensation of damages, shall be excluded, insofar as Gello has not fraudulently concealed the defect or accepted a guarantee for the properties of the object. This does not apply in the case of intentional acts, gross negligence or breach fundamental contractual obligations by Gello. If the rejected goods have been processed or worked by the purchaser following receipt in part or in their entirety, then the warranty claim shall no longer apply.

(5) Quantitative deviations may not be rejected by the purchaser if they are within the scope of the commercial framework of plus/minus 10%. The same also applies to materials to be processed (e.g. head cards) which can be stored with Gello for up to a year.

(6) Natural wear and tear and damage caused due to negligent or improper treatment shall be excluded from warranty claims. The warranty shall not cover breakage of or chemical changes to articles or containers (e.g. cold-related breakage, frost damage, UV damage etc.) and changes to the colour or the structure of the delivered article (particularly changes to the plasticizer).

(7) Imprints shall be made at the risk of the purchaser. Complaints regarding faults in the printing or reading difficulties (particularly bar codes) shall not be borne by Gello.

(8) Warranty claims shall be rendered invalid if the article is not immediately presented to Gello free of charge upon establishment of the defect. Liability shall be limited to work and objects which are carried out or made in the factory of Gello. For objects and external services which are not self-produced, the warranty shall be limited to the transfer of any claims against preliminary suppliers. Furthermore, the warranty obligation shall be deemed invalid if - except in emergencies - the defective parts or products have been changed in the meantime by the purchaser or a third party or have been repaired. The conditions on lead times shall also apply for repair work and replacement deliveries.

(9) Claims for defects shall expire one year after the delivery of the purchased goods.

§ 9 Liability

Gello shall only assume liability for compensation to the purchaser in case of intent and gross negligence. In case of basic negligence, Gello shall only assume liability for damages to life, limb or health and for damages arising from a breach of a fundamental contractual obligation, i.e. an obligation, the fulfilment of which renders possible the correct execution of the contract and the fulfilment of which the contractual partner regularly relies on and may rely on. In this case, the liability of Gello shall be limited to the compensation of foreseeable, typically occurring damages.

§ 10 Tools and printing templates

Tools and printing templates (films, final artwork, embossed stamps, screens etc.) shall always remain the property of Gello. The purchaser shall not be entitled to the exclusive right of use for these tools. The same shall apply if Gello makes proportional charges for tool costs.

§ 11 Packaging

The returnable packaging provided for transport shall be made available for a maximum of 2 months free of charge. After expiry of this period, Gello shall charge a rental fee. Containers must never be filled or soiled with foreign products. The return shall be made free of charge to Ahaus-Wüllen. The transport shall be at the risk of the purchaser.

§ 12 Sales tax

The purchaser shall ensure the correctness of their information including the tax number and the identification number which are required for tax purposes. In case of incorrect information relating to the address, tax number or identification number, the purchaser shall obligate themselves to the payment of compensation.

§ 13 Data protection

Prior to entering into contracts, and in certain cases in which it has a justified interest in doing so, Gello GmbH Geltechnik has the credit rating of the other party checked as a matter of course. To obtain the information we require, we avail ourselves of the services of the following credit reference agency: Creditreform Münster, Riegel&Riegel KG, Scharnhorststraße 46 in 48151 Münster, Tel. +49 251 5353-218 or info@muenster.creditreform.de For this purpose we forward the name of the other party and its contact details to Creditreform. The other party will receive detailed information covering how his data is processed in the Creditreform-Information leaflet in accordance with Art. 14 EU-GDPR or at www.creditreform-muenster.de/EU-DSGVO 15.10.2019