ISIMAT
a KURZ company

Terms of Services of Isimat GmbH Siebdruckmaschinen ("**Isimat-ToS**")

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1. Validity

1.1 These Isimat-ToS shall apply exclusively to the performance of services, in particular maintenance, repair, installation, commissioning, support and consulting services, at home and abroad (referred to as "**Services**") rendered by Isimat GmbH Siebdruckmaschinen ("**Isimat**") on the basis of a contract concluded with a business customer ("**Customer**"). The Customer and Isimat collectively are hereinafter referred to as "**Parties**" or individually as "**Party**".

1.2 Deviating terms from the Isimat-ToS shall not apply unless Isimat has expressly agreed to them in writing, just as acceptance of advance and intermediate payments or the performance of Services shall not be regarded as an acceptance of terms and conditions diverging from these Isimat-ToS.

1.3 The Isimat-ToS shall apply in the context of a continuous business relationship also for future business between Isimat and the Customer, even if, in individual cases, Isimat did not expressly refer to the inclusion of the Isimat-ToS at the time of conclusion of a contract.

1.4 Amendments to the contract shall be made in writing.

2. Compensation

2.1 The compensation for working, travel and waiting time, overtime and other costs and expenses (e.g. accommodation costs) within the framework of Services shall be subject to the respective cost rates of Isimat currently in force.

2.2 For the use of equipment, Isimat shall charge a rental fee from the day of dispatch until the day of return to Isimat's plant. The rental rate per piece of equipment and group of devices shall be stipulated in the contract depending on the respective combination of devices. This rental rate shall also cover the costs of provision (inspection- and transport costs).

2.3 The costs of materials (e.g. foil) and other deliveries (e.g. spare parts) shall be charged on the basis of actual expenses. Deliveries shall be subject to the "Terms of Delivery of Isimat GmbH Siebdruckmaschinen" and "Terms of Delivery for Machines of Isimat GmbH Siebdruckmaschinen" in their currently valid versions.

2.4 Isimat shall be entitled to set off any costs incurred in case the commencement or performance of the Services is deferred beyond the agreed dates for any reasons for which Isimat is not responsible.

2.5 If no request for making a written and binding cost estimate is made prior to placing an order, and the Customer does, however, set a cost limit, and if subsequently the Services cannot be performed within that cost limit, or if Isimat deems additional services necessary or desirable to be done, then Isimat shall obtain Customer's prior consent for such cost limit overrun or additional services if the cost limit is expected to be exceeded by more than 15 %.

3. Terms of Payment, Setoff, Right of Retention

3.1 Isimat may demand a reasonable advance payment prior to beginning its Services.

3.2 Furthermore, Isimat may invoice its Services corresponding to the progress of its performance.

3.3 Unless otherwise agreed, the invoice of Isimat is due for immediate payment without any deduction.

3.4 The Customer can only set off a counterclaim against a claim of Isimat or exercise the right of retention if its counterclaim is undisputed or confirmed by a final and unappealable judgment. In case of Material Defects, or Defects in Title of the Services, the counterclaim of the Customer shall remain unaffected in accordance with 8.11

3.5 If the Customer is in default of payment, suspension of payment, opening or applying for bankruptcy, insolvency or composition proceedings or rejection of such due to non-existing assets, protest of a bill, valuation of the Customer with a high business risk by a recognized information or rating agency, or in the event of comparable sustainable reasons which suggest the Customer's insolvency, Isimat is entitled to demand immediate payment of all claims which are not yet due.

4. Time Schedule, Delay

4.1 The time schedule shall be mutually agreed between Isimat and the Customer in the contract. Observance of the agreed dates/periods is conditional on the timely receipt of complete documents, necessary permits and approvals, especially of plans to be provided by the Customer as well as fulfillment of the agreed terms of payment and Supply as defined in 6. and other obligations by the Customer. In case these conditions are not fulfilled on time, the dates/periods shall be extended accordingly; this shall not apply if Isimat is solely responsible for the delay. The dates/periods are interrupted for the duration of the time used for the examination (e.g. of test prints, samples) by the Customer.

4.2 If non-observance of the dates/periods is due to events such as natural disasters, mobilization, war, terrorist acts, computer virus and further attacks by third parties on the IT-system of Isimat despite compliance of Isimat with the safety precautions of the usual security measures, riot, strike, lock-out, epidemic, pandemic, impediments resulting from German, US-American and other applicable national, European or international foreign trade laws, breakdowns in production or other plant interruptions, traffic problems or other comparable circumstances for which Isimat is not responsible ("**Force Majeure**"), the dates/periods of Isimat shall be extended reasonably. Should any event of Force Majeure last for a period of more than 60 calendar days, the Customer or Isimat shall be entitled to rescind the contract in whole or in part. In such case no Party shall have a right to seek damages against the other Party. This shall also apply if any event of Force Majeure occurs at the time when Isimat is in delay.

4.3 In the event that Isimat is responsible for delay of Services and provided that the Customer can credibly establish that a damage for such delay has occurred, the Customer may seek liquidated damages of 0.5 % for every completed calendar week of delay but in no event shall the aggregate of such damages exceed a total of 5 % of the net price for that part of the delayed Services which due to the delay could not be put to the intended use by the Customer. The obligation to pay the liquidated damages requires proof by the Customer that any damage has occurred, but not of its amount. Isimat shall be entitled to provide evidence that the Customer suffered lower or no damage.

4.4 Further claims and remedies of the Customer due to delay in particular indirect or consequential damages, loss of profit or loss of production are excluded. This shall not apply in case of liability of Isimat based on intent, gross negligence or due to loss of life, bodily injury or damage to health.

4.5 Claims for damages due to delayed Services by the Customer as well as claims for damages instead of performance or reimbursement which exceed the limits specified in 4.3 shall be excluded, even after expiry of a time limit for the Services set by the Customer.

4.6 The Customer shall only be entitled to rescind the contract provided that Isimat is solely liable for the delay of Services and after reaching the maximum amount of compensation in 4.3 and the Customer has set an adequate time limit to Isimat within Isimat has to supply Services and such time limit has expired. A change in the burden of proof to the detriment of the Customer shall not be implied hereby.

4.7 At the request of Isimat, the Customer shall declare within a reasonable time limit whether the Customer will rescind the contract due to the delayed Services or insist on the performance of Services.

5. Performance of Services

5.1 To the extent required for the performance of the Services, Isimat shall be entitled to inspect company records, technical documentations and remote control systems of the Customer.

5.2 The Customer shall continue to be responsible for taking industrial safety measures within its company. This shall also apply to Isimat personnel and to the equipment, materials, personal protective equipment, etc. used by Isimat. Isimat personnel shall observe the safety regulations and other regulations applicable on site and comply with respective instructions given by the Customer's safety officers. If Isimat personnel should not comply with safety regulations, Customer shall inform Isimat immediately.

5.3 If any respective item must be disassembled for the purpose of providing a cost estimate, Isimat shall only be obligated to reassemble that item upon Customer’s explicit request and against payment of the reassembly costs. This shall not apply if the work performed by Isimat was unnecessary or if an order is placed on the basis of such a cost estimate.

6. Supply of the Customer

6.1 The Customer shall, at its own cost, perform preparatory work and provide assistance ("**Supply**") while Isimat performs its Services, including without limitation thereto:

a. perform deliveries and services, which are necessary for the performance of the Services, e.g. machines, substrate, materials, protective equipment, as well as lab- and test equipment.
b. assist Isimat personnel in their performance of Services.
c. unpack machine and machine parts and deliver them to the installation site.
d. provide suitable personnel in the required number and for the required time. Isimat shall have the right to issue instructions to such personnel without this affecting the authority of the superiors of such personnel.
e. provide required devices and heavy tools and any other required items and materials.
f. provide heating, lighting, electricity, water, pressed air, internet and the connections required respectively.
g. provide dry, illuminated and lockable rooms with sanitary facilities for Isimat personnel, as well as for storage of Isimat tools and devices.

6.2 Customer's Supply shall warrant that Services can begin immediately after arrival of Isimat personnel and can be performed without delay until acceptance by the Customer.

6.3 Should the Customer fail to meet its obligations despite being requested to do so, Isimat may perform Customer's obligations in Customer's place and at his expense after giving Customer notice of its intent to do so.

7. Completion of Services

7.1 If according to the terms of the contract, Services have to result into a certain achievement / output (contract for work), the Customer is obliged to accept the Services as soon as completion of Services has been indicated and, if agreed upon, an acceptance test has been performed. If Services have not been performed as required by the contract, Isimat shall remedy any defect. This shall not apply if the defect is irrelevant to the Customer under an objective point of view or if it is based on a circumstance attributable to the Customer. Customer may not reject acceptance due to a minor defect, if Isimat expressly recognizes its obligation to remedy that defect.

7.2 Services shall be deemed to have been accepted, independent of any acceptance test being performed, if the item of Services is put into productive operation by the Customer or if acceptance does not take place within 2 weeks after notification of completion of the Service for reasons for which Isimat is not exclusively responsible.

7.3 With acceptance of Services, liability of Isimat for visible defects shall cease, if Customer does not reserve the right to assert a particular defect.

7.4 In case of any Services other than a contract for work (7.1), Isimat will indicate the completion of Services to the Customer.

8. Warranty for Material Defects

8.1 In case Services of Isimat do not match with the agreed achievement / output (contract for work) at the time of transfer of risk ("**Material Defect**"), Isimat shall within the statute of limitations, at its discretion, either correct or re-perform at no charge all parts of Services that show any Material Defect ("**Supplementary Performance**").

8.2 No further period of limitation begins with Supplementary Performance (8.3).

8.3 Claims for Material Defects of the Customer against Isimat are subject to a statute of limitations of 12 months from the date of acceptance. Mandatory statutory provisions concerning limitation periods shall remain unaffected in the case of intent, gross negligence or due to culpable loss of life, bodily injury or damage to health or fraudulent concealment of a defect or non-compliance with guaranteed characteristics. The statutory provisions on suspension and recommencement of limitation period shall remain unaffected.

8.4 The Customer shall give a written notice of Material Defect to Isimat immediately. The notice of Material Defect shall include information relating to the data of the respective Services (e.g. offer number).

8.5 Insofar as the Customer grants Isimat no opportunity for Supplementary Performance within a reasonable period of time, Isimat is exempted from liability for a Material Defect.

8.6 In the event that Supplementary Performance fails, the Customer shall be entitled to rescind the contract or reduce the respective compensation for the Services.

8.7 There shall be no claim for Material Defect by the Customer in cases of an insignificant deviation from the agreed quality, negligible impairment of usability, natural wear and tear or damages that occurred after the completion of the Services as a result of faulty or negligent handling, excessive strain, unsuitable production facilities or operating resources, or particular external influences which were not specified in the contract.

8.8 The Customer shall have no claim with respect to costs incurred in the cause of Supplementary Performance, especially transport, travel, labor and material costs, to the extent that expenses were increased due to the Services being supplementary performed at a place other than the original place of performance of the Services.

8.9 Claims for damages due to a Material Defect are conclusively regulated in clause 8.

8.10 Any further claims or claims other than those stipulated in clause 8. or 10. of the Customer against Isimat due to a Material Defect shall be excluded. The right of the Customer to rescind the contract shall remain unaffected.

8.11 In the case of a notice of Material Defect, the Customer may withhold payments to an amount that is in a reasonable proportion to the Material Defect. The Customer, however, may withhold payments only in case of a notice of Material Defect which meets the requirements of 8.4. The Customer has no right to withhold payments to the extent that its claim for Material Defect is time-barred. Any unjustified notice of Material Defect shall entitle Isimat to demand reimbursement of its expenses by the Customer.

9. Warranty for Defects in Title

9.1 Unless otherwise agreed, Isimat shall provide Services free from industrial property rights, copyrights of third parties and/or any other third party right ("**Third Party Right**") with respect to the country at the place of performance. If a third party asserts justified claims against the Customer due to an infringement of a Third Party Right by Services which were used in conformity with the contract ("**Defect in Title**"), Isimat shall be liable to the Customer, within the stipulated limitation period in 8.3, as follows.

9.2 In the case of a liability according to 9.1, Isimat shall at its option and free of charge for the Customer either obtain a right to use the Services, modify the Services so as not to infringe the Third Party Right or re-perform the Services. If this is not possible for Isimat at reasonable conditions, the Customer shall have the right to rescind the contract or reduce the price. The provisions in 8.6 shall apply accordingly.

9.3 The fulfillment of the obligations in 9.2 shall be subject to the condition that the Customer immediately notifies Isimat in writing of the claims asserted by the third party, that it does not acknowledge an infringement and that the protective measures and settlement negotiations are exclusively reserved for Isimat. If the Customer ceases to use the Services to reduce the damage or for other important reasons, the Customer shall make it clear to the third party that the suspended use does not mean acknowledgment of an infringement of a Third Party Right.

9.4 Claims of the Customer shall be excluded if the Customer is liable for the infringement of the Third Party Right.

9.5 Claims of the Customer shall also be excluded if the infringement of the Third Party Right was caused by specific demands of the Customer, by use of the Services not foreseeable by Isimat or the Services being altered by the Customer or being used together with products not provided by Isimat.

9.6 In addition, the provisions of 8. shall apply accordingly to a Defect in Title.

9.7 Claims for damages due to a Defect in Title are conclusively regulated in 10.

9.8 Any further claims or claims other than those stipulated in 9. or 10. of the Customer against Isimat due to a Defect in Title shall be excluded. The right of the Customer to rescind the contract shall remain unaffected.

10. Other Liability, Damages

10.1 Unless otherwise specified in the Isimat-ToS, including the following provisions, Isimat shall be liable in case of a breach of contractual and non-contractual obligations in accordance with the statutory provisions.

10.2 Isimat provides application guidelines and other advices to the best of its knowledge and therefore does not constitute any liability for damages by the Customer against Isimat. The Customer shall not be released from its obligation to examine the intended use of the Services at its sole responsibility. This shall also apply if the Customer's intended use of the Services is known to Isimat.

10.3 Isimat is liable for damages, irrespective of the legal basis:

- in case of intent or gross negligence,
- in case of culpable loss of life, bodily injury or damage to health,
- in the event of non-compliance with guaranteed characteristics,
- in case of fraudulent concealment of a Material Defect or Defect in Title,
- in case of a claim of the Customer under the applicable mandatory product liability regulations (e.g. the (German) Product Liability Act) or
- for damages resulting from the culpable breach of a material contractual obligation (the fulfillment of which is the only way to ensure that the contract is properly implemented and that the other Party is allowed to rely on regularly). In case of breach of a material contractual obligation by negligence other than gross negligence, the liability is limited to the replacement of the foreseeable, typically occurring damage.

10.4 In any other case the Customer shall have no claim for damages against Isimat.

10.5 The liability limitations resulting from 10. shall also apply in the case of a breach of an obligation by or in favor of persons whose fault is attributable to Isimat (e.g. personal liability of employees, personnel and other vicarious agents of Isimat), but not to the personal liability of legal representatives and of executives.

10.6 A claim for damages according to 10., which is based on Material Defect or Defect in Title, shall be time-barred in 12 months from acceptance, unless there is a liability according to 10.3.

10.7 A change in the burden of proof to the detriment of the Customer shall not be implied hereby.

11. Impossibility of Performance, Contract Adjustment

11.1 In case the supply of the Service is impossible, the Customer shall have the right to claim damages unless Isimat is not responsible for the impossibility. The right of the Customer to claim for loss or damages shall be limited to 10 % of the net price of that part of the Service which due to the impossibility cannot be put to the intended use by the Customer. This limitation shall not apply in case of liability based on intent, gross negligence or due to loss of life, bodily injury or damage to health. A change in the burden of proof to the detriment of the Customer shall not be implied hereby. The right of the Customer to rescind the contract shall remain unaffected.

11.2 The contract shall be reasonably adjusted in compliance with the principle of good faith where incidents of Force Majeure substantially change the commercial importance or the content of the Service or have a material adverse effect on the business of Isimat. Where this adjustment is not economically justifiable, Isimat shall have the right to rescind the contract. Isimat shall inform the Customer of the exercising of the rescission of the contract without delay upon awareness of the consequences of the incident, even if initially an extension to the time schedule had been agreed with the Customer.

12. Confidentiality

12.1 Each Party shall not without the prior written consent of the other Party pass to third parties information, knowledge, templates, including such documents as illustrations, drawings, plans, construction documents ("**Information**") received from the other Party. This shall not apply to Information which at the time of receipt are generally known or were already known by the receiving Party without being obliged to maintain confidentiality or were transferred by a third party lawfully in possession thereof and who has the lawful power to disclose such Information or were independently developed by the receiving Party without using any Information of the disclosing Party. Information shall be returned by the receiving Party without delay if a contract is not awarded. A right of retention by the receiving Party is excluded.

12.2 A third party within the meaning of 12.1 shall not be deemed to be a company affiliated with Isimat as well as a person or company entrusted with the task of performance of the contract by Isimat insofar as they have been obliged to keep confidential in an equivalent manner.

12.3 Neither Party shall use the Information received from the other Party for purposes over and beyond the scope of the contract between the Parties without the express prior written consent of the other Party.

12.4 The obligation of confidentiality shall begin upon receipt of the Information and ends 5 years after the end of the business relationship.

13. Assignment

The assignment of a claim or of a right under the contract is permitted only with the prior written consent of the other Party. This shall not apply to a monetary claim.

14. Corporate Social Responsibility

14.1 As a member of the KURZ-Group, Isimat is committed to respect and to observe the KURZ Code of Business Conduct.

14.2 The Customer confirms to observe the applicable law and legislation; the Customer shall not tolerate any kind of corruption or bribe, respect basic rights and the ban on child labor and forced labor. Furthermore the Customer shall take responsibility for the health and safety of its employees, shall ensure a fair compensation and reasonable working hours, shall act in accordance with the applicable environmental laws and shall use its best efforts to promote the observance of these principles among its suppliers.

15. Applicable Law

The substantive law of the Federal Republic of Germany shall apply exclusively. The United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 shall be excluded.

16. Jurisdiction

The exclusive place of jurisdiction is Ellwangen, Germany.