General Terms and Conditions of Purchasing

DERMALOG

Dermalog Identification Systems GmbH

1. General

Solely the General Terms and Conditions of Purchasing (GTCP) apply; contrary terms and conditions or such that deviate from these GTCP are not recognised by DERMALOG Identification Systems GmbH (hereinafter "DERMALOG") unless DERMALOG has explicitly consented to their validity in written form and by signature (including fax and signed PDF by e-mail).

2. Conclusion of contract

Only orders issued in writing are binding. Verbal side-agreements are only binding after written confirmation from DERMA-LOG. The same applies for amendments and supplements to orders.

3. Prices

The agreed prices are fixed rates. They include all costs associated with the deliveries and services to be provided by the Contractor. Unless otherwise explicitly agreed, costs of transport including packaging, insurances and all other ancillary costs will be borne by the Contractor.

4. Terms and conditions of payment and invoice

Unless otherwise agreed, payment by DERMALOG will be done within 14 days with a 3% cash discount or within 30 days without deduction. The payment deadline commences with the receipt of the performance pursuant to the contract and of a correct invoice. Invoices must comply with the respective valid statutory requirements. If deliveries are accepted before the agreed delivery date, however, the deadline commences at the earliest with the agreed delivery date.

5. Delivery

Unless otherwise agreed in writing, all prices named by the Contractor and deliveries carried out by the Contractor are named and carried out on the basis of DDP (place of destination named) pursuant to Incoterms 2010.

6. Delivery times

Agreed delivery times and deadlines are binding. A threat of a delay in delivery is to be notified to DERMALOG immediately. Partial or complete deliveries may only take place before the agreed delivery time with prior written consent from DERMALOG.

7. Delay

If the Contractor does not comply with delivery or performance deadlines, it is in arrears without a reminder being required. DERMALOG is entitled to demand a contractual penalty of 0.3% of the contractual value for each calendar day on which the Contractor is in arrears. In total, however, the amount of the contractual penalties to be paid pursuant to this regulation may not be more than 10% of the order value. This does not affect any other compensation claims.

8. Transfer of risk, acceptance, ownership rights

In the case of delivery without installation, set-up or assembly, risk is transferred to DERMALOG with receipt at the delivery address indicated by DERMALOG and in the case of delivery with installation, set-up or assembly with the successful completion of the acceptance. The putting into operation or usage does not replace the declaration of acceptance by DERMALOG. Ownership of the subject of delivery will be transferred to DERMALOG with payment. Any extended or enhanced right of retention is excluded.

9. Subcontractors

As a general rule, the Contractor is not permitted to transfer the provision of the service to subcontractors either in its entirety or in part. If the commissioning of a subcontractor should become necessary, consent from DERMALOG is to be obtained beforehand. With regard to data protection, all subcontractors deployed are to be obligated in the same form as the Contractor itself. On request, proof of these obligations is to be furnished to DERMALOG.

10. Force majeure

Interruptions to production due to unavoidable events entitle DERMALOG to withdraw from orders. For the rest, with all hindrances to acceptance that are not the fault of either party, the time of delivery and payment will be extended by the duration of the delay.

11. Quality management

The Contractor must monitor the quality of its service at all times. Before the respective delivery of the items of delivery, the Contractor will assure itself that the items of delivery intended for delivery are free of defects and correspond to the agreed technical requirements and will give written assurance of this.

12. Liability for defects

On receipt of the goods, DERMALOG will only check the goods with regard to damage and deviations in identity and volume that are externally discernible. Such defects will be notified by DERMALOG immediately. Furthermore, DERMALOG will give notice of defects as soon as they are ascertained pursuant to the circumstances of the normal course of business. In this regard, the Contractor waives the plea of delayed notification of defects.

The Contractor has to vouch for the items of delivery being free of material or legal defects.

Unless agreed otherwise in writing, the claims for defects for the items of delivery become time-barred 24 months from when the end product is put into operation or use.

DERMALOG is entitled to the statutory claims for defects in full. At the discretion of DERMALOG, the Contractor must provide subsequent improvement or substitute delivery free of charge.

The Contractor is entitled to a maximum of two attempts at subsequent fulfilment within an appropriate period of time. If, after the notification of the defect, the Contractor discernibly does not want to or cannot perform the subsequent fulfilment as required to avert disproportionate damage, DERMALOG has the right to eliminate the defect itself or have it eliminated by third parties, to make covering purchases and to demand reimbursement of the necessary costs and expenses. If the Contractor has not eliminated the defect after the expiry of an appropriate deadline set by DERMALOG in writing, or if the elimination of the defect has definitively failed, DERMALOG is also entitled to reduce the purchase price, withdraw from the purchase contract or to demand reimbursement of expenses or compensation of damage.

13. Liability

The Contractor is liable pursuant to the statutory regulations. In particular, it is liable for all damage including consequential damage that DERMALOG incurs through a delivery or performance by the Contractor that is not pursuant to the contract, unless the Contractor provides proof that it is not responsible for this damage.

14. Intellectual property rights

The Contractor vouches for no intellectual property rights of third parties being infringed in connection with its delivery. If claims are filed against DERMALOG by third parties because of such an infringement, the Contractor must indemnify DERMALOG against all claims and bear all costs and expenses associated with the claim.

15. Non-disclosure

The Contractor is obligated to treat all information received under the business relationship with DERMALOG, including the orders by DERMALOG, and the information about the data and materials provided by DERMALOG as strictly confidential and not to disclose them or make them accessible to third parties without written consent from DERMALOG. The Contractor will only forward confidential information to its employees if and to the extent that this is necessary to carry out its tasks under the business relationship with DERMALOG. The obligation to non-disclosure also applies after the business relationship with DERMALOG has ended. If necessary, further agreements regarding non-disclosure will be stipulated separately.

16. Data protection

The Contractor will comply with the respective valid provisions of the Federal Data Protection Act (BDSG) and obligate both its employees and any subcontractors as well as other agents that it uses to fulfil this order to comply with these provisions.

17. Place of performance

The place of performance for deliveries and services is the place of destination indicated by DERMALOG.

18. Other provisions

- 18.1 The place of jurisdiction is the registered office of DER-MALOG; however, DERMALOG is entitled to also file legal action against the Contractor at the responsible court for its domicile or registered office.
- 18.2 The law of the Federal Republic of Germany applies. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded
- 18.3 These GTCP also remain valid if individual provisions of the GTCP should prove to be invalid. The respective provision is then to be replaced in agreement between the contractual parties so that the commercial and legal purposes originally intended with it are reached as far as possible.