

General Terms and Conditions

SALZBRENNER media GmbH, Industriegebiet See 1, 96155 Buttenheim, Germany

I. General Provisions

- 1.1. The following General Terms and Conditions (GTC) shall apply to all business relationships between Salzbrenner media GmbH (hereinafter referred to as Salzbrenner) and its customers affiliated with our products and services, as well as to all information published in prospectuses, manuals, ads and price lists, regardless of whether such information has been provided verbally or via remote communications. The term customer shall refer to consumers and other natural or legal entities that are not considered consumers (e.g. entrepreneurs). Products shall be the goods listed in our aforementioned publications, including third party products and software.
- 1.2. Salzbrenner's customers' terms shall not apply if they deviate from our GTC.
- 1.3. Modifications of contracts and amendments of these GTC must be agreed upon in writing. This shall also apply to the abolishment of the written form requirement.
- 1.4. In the absence of our express consent, it shall be prohibited to assign rights and obligations from the contract to third parties.
- 1.5. In the event that individual provisions included in these GTC or the contract should be or become impermissible, they shall remain in effect in the permitted scope. If this should not be possible, they shall be superseded by a provision that ensures the intended success of the voided provisions as closely as possible. In any event, this shall not affect the effectiveness of the remaining provisions.

II. Closing of the Contract

- 2.1 Our quotations shall be subject to change. Orders and purchase orders may be placed verbally or by using a remote communications tool (e.g. letter, phone, Internet). A contract shall not be established until Salzbrenner issues an order confirmation.
- 2.2 Consumers shall have the right to object pursuant to Article XIII.
- 2.3 Information provided in Salzbrenner's prospectuses, manuals, ads, price lists, etc. shall be part of contractually presumed condition only if they have been included in writing in a quotation or order confirmation. Given the frequent developmental advancements of our products, we reserve the right to make design modifications attaining at least the same functions. Customers shall not be entitled to the implementation of design modifications.
- 2.4 If a contract should not be executed, plans, drawings and other documents provided by Salzbrenner shall be promptly returned to Salzbrenner.

III. Prices

- 3.1 None of Salzbrenner's list prices shall include transportation costs, applicable VAT, early payment discounts or other discounts, etc. The price to be paid by the customer shall be specified in the Salzbrenner order confirmation and invoice.
- 3.2 In the event of production cost changes, as well as changes in freight charges and insurance premiums or the introduction or change of import duties, taxes or other fees, Salzbrenner reserves the right to adjust its prices accordingly.
- 3.3 In the event of significant price changes, consumers shall have the right to terminate the contract. Significant increases shall be any that result in an increase of the quoted price by more than 10 percent.

IV. Delivery, Execution

- 4.1 If acceptable for the customer, Salzbrenner shall have the option to make partial shipments or render partial services, but shall be under no obligation to do so.
- 4.2 Services shall be rendered at the venue stipulated in the order confirmation. If Salzbrenner is rendering contractually agreed upon services within the customer's operation, Salzbrenner shall retain all instruction privileges vis-à-vis its assigned employees.
- 4.3 When providing installation/service work, the customer shall provide Salzbrenner with all required inventory and design plans, in particular diagrams, prior to the start of any work without having to be prompted to do so. The customer shall provide staff and other operating resources at customer's expense. At the venue, the customer shall provide options for the storage of materials and tools.
- 4.4 Salzbrenner shall strive to comply with the provided delivery/completion dates. In the absence of an express written assurance, the dates we indicate shall, however, only be approximate and shall in particular be subject to the condition of timely, proper and sufficient receipt of supplies from Salzbrenner's vendors.
- 4.5 If the customer should be in default of acceptance Salzbrenner incurs related damages, in particular also reasonable waiting costs and required travel by Salzbrenner staff, as well as any additional costs incurred for storage and pre-financing shall for customer's account.
- 4.6 Salzbrenner shall not be in default of delivery until a written earning notice, which shall be sent at the earliest two weeks after the non-binding delivery/completion date has been received. A right to rescind shall exist only if Salzbrenner is liable. In this case, the customer shall undertake, upon our request, to declare in writing within 2 weeks whether customer intends to rescind from the contract due to delivery/completion default and/or intends to demand damage compensation or insists on a replacement delivery. If Salzbrenner has agreed to the return of the products, they shall be sent at customer's expenses in their original condition and packaging.
- 4.7 Products Salzbrenner delivers or installs may contain technologies and software that are subject to the export control provisions of the Federal Republic of Germany or other countries. The customer shall undertake to observe these provisions and to ensure compliance by third parties.

V. Title Retention

- 5.1 Title to products delivered or installed by Salzbrenner to the customer shall not transfer until the contract price and all other existing current or future accounts receivable affiliated with the delivered or installed product have been paid by the customer. If the customer should fail to meet the contractual obligations, in particular the mandate to pay, Salzbrenner shall have the right to seize the delivered or installed products and it shall be mandatory for the customer to surrender them. This shall not yet constitute a rescission of the contract.
- 5.2 The customer shall undertake to promptly notify Salzbrenner of third party involvement (e.g. attachments). Customer shall absorb the costs for measures defending or eliminate such involvement, unless third parties reimburse Salzbrenner for such costs.
- 5.3 Customer shall have the right to resell the products in conjunction with normal business operations. However, customer shall herewith assign all resulting claims up to the invoice amount to Salzbrenner. Salzbrenner herewith accepts this assignment. Customer shall retain the right to collect the assigned accounts receivable. Salzbrenner reserves the right to collect accounts receivable in Salzbrenner's own name if the customer is in default of customer's payment obligations.
- 5.4 Any processing of products shall be performed in Salzbrenner's name and for Salzbrenner's account. If goods are processed with third party products, Salzbrenner shall become a co-owner of the new product at the value ratio of the products vis-à-vis each other. The same shall apply in the event of blending.
- 5.5 If the product should be linked to a land parcel, the customer shall assign to Salzbrenner any receivables accrued against third parties as a result as collateral. The customer shall undertake to render any participation obligations upon first request. Salzbrenner herewith accepts this assignment.
- 5.6 Collateral that exceeds the value of Salzbrenner's accounts receivable by more than 20% shall be refunded to the customer in part upon request or Salzbrenner shall agree to an exchange.

VI. Payment, Late Payment

- 6.1 With regard to the (preliminary) services rendered by Salzbrenner, the invoices issued by Salzbrenner shall be due upon receipt by the customer and shall be paid no later than within one week after receipt of the invoice, whereby the timeliness of the payment shall be based on the date of receipt by Salzbrenner, not the date the customer sends the payment.
The invoice shall be deemed received by the customer no later than on the third business day after the invoice date/drop off at the post office. If the customer should be in default of payment, Salzbrenner shall have the right to charge late interest in the amount of 9 percentage points, and in the case of consumers, 5 percentage points above the respective statutory prime rate, without the need to send a prior reminder (e.g. in the event of § 286 II, Sect. 2 BGB = German Civil Code) for the duration of the default (§§ 286 II Sect. 2, 288 II, I, BGB). Salzbrenner reserves the right to charge higher interest or claim higher damages (§ 288 III, IV, V BGB).
- 6.2 Salzbrenner shall accept bank drafts or checks only upon express agreement as payment tenders, subject to the exclusion of any liability for the timeliness and propriety of presentation and protest.
- 6.3 All payments shall be exclusively to Salzbrenner. Representatives or other third parties shall be authorized to accept payments only if they present a written money acceptance power of attorney.
- 6.4 If the customer should fail to comply with significant obligations arising from the contract or these GTC or if we should become aware of circumstances that could render the customer's credit rating questionable, in particular if an affidavit of indigency is submitted, insolvency proceedings are applied for or initiated targeting customer's assets, Salzbrenner shall have the right to withhold deliveries or deliver only against advance payment or the provision of collateral, our right to rescind from the contract notwithstanding. In the event of rescission, Salzbrenner shall have the right to demand a lump sum damage compensation payment in the amount of 20 % of the contractual price. The customer shall have the option to prove to Salzbrenner that no damages or no damages in the claimed amount have been incurred.

VII. Acceptance, Transfer of Risks

- 7.1 Work for Hire Contracts
7.1.1 A formal acceptance of Salzbrenner's work shall be conducted in the presence of a person holding power of attorney that has been designated by Salzbrenner. A log shall be generated of this acceptance. A separate acceptance process may be demanded for independent partial services.

7.1.2 If, contrary to Sect. 7.1.1, a formal acceptance should not be conducted, the risk shall transfer to the customer upon customer's start of use of the service Salzbrenner has provided (e.g. start-up of equipment).

7.2 Purchase Contracts

7.2.1 This subject shall be governed by §§ 446, 447 BGB.

VIII. Warranty

8.1 Work for Hire

8.1.1 The declaration of certain characteristics shall be binding only if the declaration is made in an explicit, written document.

8.1.2 The customer shall promptly report any obvious deficiencies to Salzbrenner.

8.2 Purchase Contracts

8.2.1 The declaration of certain characteristics and the suitability of the product for a certain contractual purpose shall be binding only if the declaration is made expressly and in writing.

8.2.2 Upon receipt of delivery, the customer shall promptly inspect the products and report any deficiencies right away.

8.3 If any of Salzbrenner's products/services should be deficient, Salzbrenner shall have the right to either eliminate the deficiencies or ship replacements. To determine the appropriate action, Salzbrenner shall have the right, at its sole discretion to inspect the goods at our premises or the customer's premises. We shall acquire title to the products or parts thereof we have replaced. In the event that the attempt to eliminate the deficiencies should fail twice within a reasonable period of time, the customer shall have the right to either demand the reduction of the contract price or rescind from the contract.

8.4 Salzbrenner shall not assume any warranty for deficiencies caused by improper use, improper set-up or manipulations made by unauthorized third parties.

8.5 If it should prove impossible to take planned remedial action for reasons the customer is liable for, Salzbrenner shall have the right to bill its costs for the delay.

8.6 Based on the current state of the art, it is not possible to rule out software errors even if the greatest diligence is exercised. Hence, Salzbrenner shall assume only the obligation to develop the also delivered in-house made software to the best of its knowledge and to update it accordingly. For software that is not usable due to a defect, Salzbrenner shall either attempt to implement a temporary workaround or to eliminate the deficiency as part of an update.

8.7 Any software we do not make in-house shall be governed by the licensing terms in the respective licensing agreement. Salzbrenner shall enclose any required software programs with the products and the customer shall be required to accept the licensing terms.

8.8 Warranty claims shall be subject to a statute of limitations of 1 years as of the risk transfer date. Warranties for used products shall not be available.

8.9 Consumers

8.9.1 Warranty claims shall be subject of a statute of limitations of 2 years.

8.9.2 If consumers purchase used products, the statute of limitations shall be 1 year.

8.10 The above warranty provisions shall be without prejudice to any warranty entitlements the customer may have.

IX. Damage Compensation

9.1 Principally, Salzbrenner shall assume liability only for acts of intent or gross neglect.

9.2 In the event of minor negligence, Salzbrenner shall assume liability only in the event of personal injuries and in the event of the breach of cardinal contractual obligations that jeopardize the purpose of the contract and only for the foreseeable, contract typical damages.

9.3 Any other damage compensation claims, regardless of their legal grounds, shall be excluded. This shall in particular apply to the replacement of indirect damages (consequential damages, lost profits, damages that did not affect the contract products as such, but were caused by their use, inability to use or in any other way to devices, objects or persons).

9.4 Claims arising from the product liability act because of malicious failure to disclose, lack of assurance and pre-contractual liability shall not be affected by the aforementioned liability limitations.

9.5 Salzbrenner shall not assume any liability for the conduct of its employees, as long as such actions occur outside of the fulfillment of our contractually agreed upon services.

X. Acceptance of the Return of Electronic Devices

10.1 Products delivered by Salzbrenner within the scope of the provisions of the Law on the Distribution, Return Acceptance and Environmentally Acceptable Disposal of Electrical and Electronic Devices (ElektroG) shall be properly disposed of by the customer at the end of their useful life at customer's own expense and in compliance with the respective statutory provisions. The customer shall indemnify Salzbrenner against the obligations pursuant to § 10 Sect. 2 ElektroG and any related third party claims. This shall not apply in the event of remedial fulfillment.

10.2 In the event that the customer should be selling our products commercially to third parties who are also businesses, the customer shall require these third parties to properly dispose of these products at the end of their useful life at their expense and in compliance with the applicable legal provisions. If they are resold, the customer's buyer shall also impose these requirements upon any buyers. If the customer should breach this obligation, the customer shall accept the return of these products at customer's expense and shall properly dispose of them in compliance with applicable legislation.

10.3 Our entitlement to customer's acceptance/indemnification shall not be subject to a statute of limitation that ends prior to the completion of two years of use of the product. This term shall not be activated any earlier than upon receipt of a written notice from the customer by Salzbrenner.

XI. Place of Fulfillment, Place of Jurisdiction

11.1 The agreed upon place of fulfillment for contracts with merchants, legal entities under public law and public law based special entities for all deliveries and payments and as the place of jurisdiction for all litigation shall be Salzbrenner's business domicile. However, Salzbrenner reserves the right to file suit against the customer at the competent court of jurisdiction at customer's domicile or branch location or any other competent court.

11.2 If the customer should not have a domestic general place or jurisdiction or if the customer, after the closing of the contract, should relocate customer's place of residency or usual place of dwelling to a location outside of the territory of the Federal Republic of Germany, the place of jurisdiction shall be Bamberg, Germany. This shall also apply in the event that the place of residency or usual place of dwelling should be unknown at the time the respective lawsuit is filed.

XII. Governing Law

These GTC shall be governed by the laws of the Federal Republic of Germany. The applicability of the UN Convention on the International Sales of Goods (CISG) shall be excluded.

XIII. Advice Concerning the Right to Revoke

13.1 Right to revoke: The customer (consumer) shall have the option to revoke, in text format, any contractual declaration within two weeks without citing any reasons (e.g. by letter, fax, e-mail) or, if the object is provided to the customer prior to the end of the aforementioned term, by returning the object. The term shall not begin until a contract document, the application or copy of the former has been handed over. If a remote sales agreement for the delivery of goods has been executed, the term shall not begin prior to the receipt of the goods by the recipient. If services are to be rendered, the term shall not begin prior to the closing of the contract. In both cases, it shall not begin prior to Salzbrenner fulfilling its obligations pursuant to § 312c Sect. 1 S.1 BGB in combination with § 3 BGB-InfoV. To meet the revocation period, it shall suffice to send off the revocation or the object in a timely manner.

The revocation notice shall be addressed to:

SALZBRENNER media GmbH

Industriegebiet See, 96155 Buttenheim | Germany

Phone: 09545-440-0, Fax: 09545-440-111; Email: info@salzbrenner.com

In the case of remote sales contracts for the delivery of goods made in compliance with customer specifications or that are clearly tailored to personal needs or that are not suitable for return shipment because of their condition, the right to revoke shall not exist. The same shall apply to remote sales contracts for the delivery of audio and video recordings or software, provided the seals on the delivered data media have been broken by the consumer.

13.2 Consequences of revocation: In the event of effective revocation, the deliveries already made shall be returned and payments made shall be refunded. Any benefits received (such as interest) shall be surrendered. If the customer should be unable to return the services received as a whole or in part or only in impaired condition, the customer shall refund Salzbrenner for the lost value. This shall not apply to the provision of goods if the decline of the object has to be attributed exclusively to its inspection, such as one that would have been possible at a store. Incidentally, the customer may avert the obligation to replace the value for any purpose compliant initial use of the object by not using the object as if it were customer's own and refrains from doing anything that would impair the value. Objects suitable for return via parcel post shall be returned at Salzbrenner's risk. The customer shall pay for the return postage if the delivered goods are congruent with those ordered and if the price of the returned goods does not exceed EUR 40.00 or if the customer, at the time of revocation has not yet paid a higher price or made a contractually agreed upon partial payment at the time. In all other cases, the customer shall have the option to send back the package without paying for postage. Any items not suitable for return via parcel post shall be picked up at the customer's end. Obligations to reimburse payments shall be fulfilled within 30 days. For the customer, the term shall begin upon sending of the revocation notice and for Salzbrenner upon receipt of the former. For services, the customer's right to revoke shall end prematurely if the performance of the service, upon customer's express consent began prior to the end of the revocation period or if the customer has initiated the former. End of the Advice Concerning the Right to Revoke.