



Remote Service Support Agreement

Between:

Customer*

Address*
ZIP / City*
Country*

Hereafter called Customer

and

Gallus Ferd. Rüesch AG

Harzbüchelstrasse 34
9016 St. Gallen
Schweiz

Hereafter called Gallus

Gallus Ferd. Rüesch AG
Harzbüchelstrasse 34
9016 St. Gallen
Switzerland

SGA.HelpdeskKoordinat
ion@heidelberg.com

1 Preamble

- 1.1 The Customer possesses Gallus printing systems.
- 1.2 In order to support the Customer in achieving best results with his Gallus machines, the parties agree on this remote service support agreement.

2 Subject Matter of the Contract

- 2.1 This contract regulates the services to be rendered by Gallus for one machine of the Customer as well as the rights and obligations of the contract parties associated to these services. The information regarding the model and serial number of the machine is provided by the Customer through completing a registration form available on Gallus' website.

3 Services and Obligations

3.1 Services to be rendered by Gallus

- 3.1.1 Gallus offers three remote service support levels: «Classic», «Plus» and «Premium». The three service levels and the services to be rendered in connection with the level chosen are described in attachment 1. The list of services described in attachment 1 is exhaustive.
- 3.1.2 The Customer has chosen the service level for his machine in the registration form.
- 3.1.3 This Remote Service Support Agreement shall cover the machine according to § 2.1. Any extensions or additions, the Customer may add to the machine after delivery are not covered by this agreement.
- 3.1.4 Services not covered by the flat rate are due in the following cases. In cases excluded from the flat rate, the Customer can ask Gallus for additional services (labor, parts and related expenses) which will be charged at the regular rates applicable at the moment of the rendering of the services. Gallus shall inform the Customer in advance if it is of the opinion that a service requested by the Customer is not covered by the flat rate:
 - i. services requested after the Customer has not complied with its obligations to co-operate as per section § 3.2.2;
 - ii. relocation and re-commissioning of machine;

- iii. services necessary in the customers operational environment to secure a remote support through Gallus by phone, e-mail, or direct online support of the machine;
- iv. services necessary for repair of damage caused by Customer's negligence, use of equipment for purposes other than those for which it was designed, improper use or maintenance, failure to provide a suitable environment and external impacts including but not limited to accident, fire, water, power line voltage (or fluctuations) etc.;
- v. services in connection with third parties software involved or with virus infection of the machine or other software
- vi. services in connection with installing operating supplies or for performing operator or key operator functions as specified in the operator's manual including but not limited to cleaning of the machine, job set ups or rendering or imaging;
- vii. services in connection with OEM equipment not installed or sold by Gallus;
- viii. services on site in the customer's premises;

3.1.5 Gallus may amend attachment 1. If Gallus wishes to amend attachment 1, it shall provide a new version to the Customer at least 120 days before the end of the contract term. Should the Customer not protest against this new version within 20 days after receipt, then the new version of attachment 1 shall deem to be accepted.

3.1.6 Gallus may nominate third parties to carry out services due under this agreement under Gallus' responsibility.

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3.2 Obligations of the Customer

3.2.1 Remuneration to be paid by Customer

3.2.1.1 The following contract prices shall be applicable per machine (see overview below):

Press type / Service Level	Classic or Classic Plus	Plus	Premium
Gallus ECS 340	990 €	5'990 €	7'990 €
Gallus Labelmaster	990 €	5'990 €	7'990 €
Gallus EM 280 (V3)	990 €	-	-
Gallus EMS 430	1'990 €	7'990 €	10'990 €
Gallus EMS (other than EMS 430)	1'990 €**	-	-
Gallus TCS 250 (V2 & V3)	1'990 €	7'990 €	10'990 €
Gallus RCS 330 (R1)	1'990 €	7'990 €	10'990 €
Gallus RCS 430 (R1 & R2)	1'990 €	7'990 €	10'990 €

** For EMS 410 and EMS 510 only the service level "Classic" is available (see attachment 1).

3.2.1.2 The respective price of the contract depends on the machine type and the selected service level. The Customer's information regarding the machine type and the chosen service level are provided by submitting the registration form. Gallus shall confirm the information by email.

3.2.1.3 Services and deliveries not covered by the chosen service level shall be charged to the Customer at the regular rates applicable at the moment of the rendering of the services or deliveries.

3.2.1.4 The price (contract price) of the chosen service level for the Customer's machine shall be paid by the Customer for the entire term per annual invoice. The customer has to make the payment in advance (before the beginning of the contract according to § 8.1.1).

3.2.1.5 If the Customer does not comply with the payment terms related to this contract despite a written payment reminder from Gallus, Gallus may terminate this agreement as per § 8.1.4. Until the outstanding payments have been settled by the Customer, Gallus may suspend all services under this agreement or charge the regular rates applicable at the moment of the rendering of the services.

3.2.2 Obligation to co-operate by Customer

3.2.2.1 If the machine of the Customer is equipped with a remote system used by Gallus (e.g. Secomea), the Customer shall have the machine under this contract continuously connected to Gallus remote service system via internet; technical instructions shall be provided by Gallus. The Customer shall refrain from any actions that might interrupt such connection.

3.2.2.2 The Customer undertakes to keep working and to update the operating systems, firewall and anti-virus programs at all times.

3.2.2.3 During the term of this agreement, the Customer shall use original Gallus spare parts and consumables for the Gallus machines only. In addition it shall only install spare parts or upgrades (including respective software) for extensions or additions provided by third suppliers with the written consent of Gallus. Should the Customer not comply with one of these obligations, Gallus may terminate this agreement as per § 8.1.4, or the extra efforts in solving the problem will be charged to the Customer at the regular rates applicable at the moment of the rendering of the services.

3.2.2.4 The Customer has to make sure that person on-site solving the problem on behalf of the Customer with the remote service support of Gallus has sound technical expertise.

4 Processes

4.1 Contract conclusion via registration form

4.1.1 Gallus will provide a registration form on a website set up accordingly during the offer period. The Customer must fill out and submit the registration form in order to conclude this Remote Service Support Agreement with Gallus. All information collected through the registration form will be treated as strictly confidential and will only be used for the purpose of concluding this Remote Support Service Agreement and the associated services.

4.1.2 When filling out the registration form, the Customer must provide all required information, among other things: name, job-title, telephone and e-mail of the Customer's responsible contact person, the Customer's company name, address, country, the correct machine type and serial number as well as the chosen service level for the Customer's machine.

4.1.3 After the Customer has filled in and submitted the registration form, Gallus shall process the information within 5 working days. If no further inquiries are necessary after processing the Customer's data, Gallus shall send an email to the Customer's responsible contact person. In this email Gallus shall confirm the information given by the Customer in the registration form. The parties agree that this confirmation email by Gallus is a binding part of the contract and reflects all the information provided by the Customer when he filled out the registration form.

4.1.4 In addition, the confirmation email by Gallus shall contain the invoice for the Customer.

4.1.5 After the customer has paid the invoice, the term of the contract begins according to § 8.1.1 and Gallus sends the customer a copy of the Remote Service Support Agreement.

4.1.6 Remote Service Support Agreements requested by submitting the registration form are valid without the signature of the parties.

4.2 General processes

4.2.1 The person responsible for this service agreement on Gallus' side and the contact details are listed in attachment 2. The person responsible for this service agreement on the Customer's side and the contact details are provided by the Customer when completing the registration form. The parties may nominate new responsible persons at any time. They will inform each other about such changes (including new emergency phone numbers) and will then execute a new version of attachment 2.

4.2.2 The service hours during which the Gallus Helpdesk shall be reachable and the response times depend on the service level chosen and are listed in attachment 1. Should the Customer wish to have support performed outside of the service hours as per the level chosen, then the labor cost for the services rendered shall be charged at the regular rates applicable at the moment of the rendering of the services.

4.2.3 Gallus can be reached by phone or by email mentioned in attachment 2. For inquires the customer is asked to provide the completed case report beforehand, if possible. This will make the case resolution process much more efficient. The case report will be provided to the Customer in electronic form and is available on the Gallus Internet page. On request of Gallus, the Customer shall determine priorities, if more than one request is pending.

4.2.4 Gallus may - at its sole discretion - install updates of the software installed on the Customer's machine. It shall inform the Customer about it. Such updates shall be covered by the contract price (§ 3.2.1.1).

4.2.5 Gallus may - at its sole discretion - offer to the Customer upgrades of the software installed on the machine under this agreement that include new features. The Customer is free to purchase such upgrades. However Gallus will not support more than two versions of software.

5 Warranty by Gallus

5.1 Gallus warrants that the services rendered under this agreement shall be performed properly and in accordance with general known good practice.

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- 5.2 Services rendered on-site, during remote service support, are not covered by Gallus warranty.
- 5.3 Repair parts installed by the Customer during remote service support, are not covered by Gallus warranty.

6 Liability of Gallus

- 6.1 Gallus shall be liable for any damage caused to the Customer by rendering improper Remote Services Support only as far as the Customer can prove that Gallus has acted with intent or gross negligence.
- 6.2 Gallus is only liable for claims arising from inadequate advice and the like, or from a violation of secondary obligations, if it can be demonstrated that there was willful intent or gross negligence on Gallus' part.

7 Exhaustive regulation of warranty and liability of Gallus

- 7.1 The regulation of warranty and liability of Gallus in § 5 and 6 is exhaustive. The Customer shall in any event of improper performance of Gallus's obligations under this agreement not have any other claims but those expressly mentioned in these chapters.

8 Final Provisions

8.1 Beginning, Duration, Termination

- 8.1.1 Gallus will inform the Customer of the exact start date of the contract term in writing and within an appropriate time after Gallus has received the payment of the contract price according to § 3.2.1.
- 8.1.2 This agreement shall have a limited term of one year (365 days). Gallus will inform the customer in writing of the exact date of the end of the contract period.
- 8.1.3 During the contract period, each party may terminate this agreement by giving 3 months written notice to the end of a month.
- 8.1.4 At any time and without notice, either party can terminate the agreement based on substantive grounds. Substantive grounds are defined as any situation making it unreasonable for the party terminating to continue to adhere to the agreement in good faith, in particular:
 - (i) if the other party is manifestly unable to pay its debts;
 - (ii) bankruptcy proceedings are initiated or probate proceedings are introduced (compensation proceedings) in connection with the other party;
 - (iii) straightforward breach of contractual obligations by the other party, either gross, or repeated despite warnings, especially (but not limited to) in the cases expressly mentioned in this agreement;
 - (iv) in case a new location shall not comply with Gallus' requirements;
 - (v) if a force majeure event (see § 8.2.4) extends for a period in excess of 30 days in the aggregate.
- 8.1.5 In case of ordinary termination by one party, the parties' obligations as per this agreement shall remain in force until the end of the contract.
- 8.1.6 If one of the parties terminates the contract prematurely, Gallus shall only refund to the Customer the proportionate amount of the contract price that is related to the period between the early termination date and the originally intended end of the contract term. The proportionate amount of the contract price, which relates to the contract period before the termination date, will not be refunded or will remain due. Gallus reserves the right to offset the payments to be refunded against claims arising from other contractual relationships with the Customer.

8.2 Miscellaneous

- 8.2.1 If any provision of this agreement is declared invalid or unenforceable, it is mutually agreed that this agreement shall endure except for the part declared invalid or unenforceable by order of such court. The parties shall consult and use their best efforts to agree upon a valid and enforceable provision which shall be a reasonable substitute for such invalid or unenforceable provision in light of the intent of this agreement.
 - 8.2.2 No modification or change may be made in this Agreement except by written instrument.
 - 8.2.3 This agreement enters into force without the signature of the parties. The contracting parties agree that the Customer's contact person according to the registration form is authorized to represent the Customer in order to request and conclude this agreement.
 - 8.2.4 A party shall not be deemed in default of this agreement, nor shall it hold the other party responsible for, any cessation, interruption or delay in the performance of its obligations (excluding payment obligations) due to earthquake, flood, pandemic, fire, storm, natural disaster, act of God, war, terrorism, armed conflict, labor strike, lock-out, boycott or other similar events beyond the reasonable control of the party, provided that the party relying upon this provision:
 - (i) gives prompt written notice thereof, and
 - (ii) takes all steps reasonably necessary to mitigate the effects of the force majeure event.
 - 8.2.5 Any assignment of rights derived from this agreement to a third party shall be valid only with the written consent of the owing party.
 - 8.2.6 The attachments, the information provided by the Customer in the registration form and the confirmation email by Gallus (see § 4.1.3 i.c.w. 4.1.4) form parts of this agreement.
- 8.3 Governing Law and Place of Jurisdiction**
- 8.3.1 This agreement shall be governed by Swiss Law.
 - 8.3.2 Place of jurisdiction shall be St. Gallen, Switzerland.

Attachments:

- 1 Description of Services
- 2 Contacts
- 3 General Conditions of Supply for New and Used Plant, Machinery and Spare Parts

Version June 2021

1 Service description/levels

- 1.1 Remote support with login options for detailed status analysis and remote operation. Gallus experts can link up over internet connection to the equipment for more detailed and comprehensive problem analysis and make changes where necessary.
- 1.2 Gallus offers the remote support levels Classic, Classic Plus, Plus and Premium. The levels differ in availability of the Gallus helpdesk, in the reaction time and priority. Table 1 shows the specification of the support levels.

2 Services provided

- 2.1 Calls to the helpdesk will as a rule be answered immediately. If this is not possible, we strive for the maximum reaction time indicated in table 1. The reaction time is the time from first contact with Gallus helpdesk Switzerland, until our expert will call you back. After office hours, (see table 1) the first contact with Gallus helpdesk has to be by telephone.
- 2.2 The connectivity to the press is based on the technical capabilities of the particular equipment.
- 2.3 Measures are taken based on the results of the investigation. If spare parts are required, it is taken from the on-site warehouse or express-shipped from the factory, depending on the level of service selected.
- 2.4 For emergency cases, especially during out of office hours (see table 1) Gallus is allowed to order and ship electrical and electronic parts for emergency repair with a total value not exceeding 2000 EUR. The Customer will compensate Gallus for it, although no official Customer order has been received.
- 2.5 If the situation requires a service technician to be deployed, an appointment will be arranged in consultation with the Customer.
- 2.6 For emergency cases, a service technician ordered by Gallus should be deployed without an official PO from Customer. A corresponding email from the person on customer's side reporting the case shall be considered sufficient. Gallus will be compensated by the Customer for it although no official PO has been received.
- 2.7 Field service and parts are not covered by the Gallus Remote Support agreement and will be charged at the regular rates applicable at the moment

of the rendering of the services or deliveries. Gallus will inform the Customer beforehand, if services are required, that are not included and have to be billed separately. For official orders, beyond emergency cases 2.4, 2.6 for Field Service and parts, customer has to issue an official PO to Gallus

- 2.8 After office hours, (see table 1) an emergency support with reduced resources for truly unplannable cases is available. The main objective during this time is to bring the machine back into full/partial production. In depth, analysis to find out and eliminate the root cause of failure, or complex repairs will be carried out during the office hours, where all experts are available.

During the after-office hours (see table 1) the following services cannot be supported due to reduced resources:

- Machine stop problem solving
- Installation and commissioning support
- Advice for maintenance work

3 Services excluded

- 3.1 The services according to table 1 are not available on the following holidays:
- Easter
Thursday from 4 p.m. till the first Tuesday after Easter at 6 a.m./ (CEST)
 - Christmas
24th Dec. from 4 p.m. till 27th Dec. at 6 a.m./ (CET)
 - New-Year
31st Dec. from 4 p.m. till 2nd Jan. 6 a.m./ (CET)

4 Language

- 4.1 Gallus Helpdesk support is granted only in English and German language.

Remarks

Not for all press types all levels of remote support are available.

Table 1

Gallus Remote Support Service	Classic	Classic-Plus	Plus	Premium
Availability (CET/CEST) For system support	Monday to Friday During office hours from 8 a.m. to 5 p.m.	Monday to Friday During extended office hours from 6 a.m. to 10 p.m. <i>Exclusively for customers outside of time zone CET/CEST*</i> <i>* not valid for RCS 330 (V1)</i> <i>* not valid for EMS 510</i> <i>* not valid for EMS 410</i>	Monday 6 a.m. till Fri- day 10 p.m. <i>not available for RCS 330 (V1), EMS 510 and EMS 410</i>	Sunday 7 p.m. till Saturday 7 p.m. <i>not available for RCS 330 (V1), EMS 510 and EMS 410</i>
Reaction Time (hours)	6	6	4	2
Priority	3	3	2	1

Version June 2021

Customer

Company Name*
Address*
City*
Country*
Contact person*
Function / Job Title*
Telephone*
e-mail*

* This information is provided by the Customer through completing the register form available on Gallus' website

Gallus

Company	Gallus Ferdinand Ruesch AG
Contact person	Joyce Fritzsche
Address	Harzbüchelstrasse 34
City	9016 St. Gallen
Country	Switzerland
Telephone	+41 71 242 88 45
e-mail	SGA.HelpdeskKoordination@heidelberg.com

List of Gallus systems included in the Remote Support agreement:

Press Type	Serial number	Support Level	VIP Code
*	*	*	**

* This information is provided by the Customer through completing the register form available on Gallus' website

** VIP code is only required for Service Level "Classic-Plus", "Plus" and "Premium", it may be provided by Gallus

Proceeding

1. How to contact Gallus Helpdesk:

When	To whom	Contact details	Information to provide
Office hours (08:00 – 17:00 CEST)	Helpdesk Coordination Desk	SGA.HelpdeskKoordination@heidelberg.com Tel. +41 71 242 88 45	- Machine System - Serial Number - Contact person - Problem encountered
After Office hours (17.01 – 07:59 CEST)	Helpdesk (via ACD)	Tel. +41 71 242 88 45 (VIP Code required)	- VIP Code - Machine System - Serial Number - Contact person - Problem encountered

Outside office opening hours, it is essential to leave a voice message in which the required information is given in full. Only in this way can a qualified callback be guaranteed within the agreed reaction time.

2. How to escalate problems:

- **First contact** Helpdesk-Coordinator / Joyce Fritzsche
- **Second contact** Head of Helpdesk Services / Michel Reich
- **Third contact** Head of Services Operation / Thomas Hagen

General Conditions of Supply for New and Used Plant, Machinery and Spare Parts



A Heidelberg Group Company

01.04.2014

Gallus Ferd. Rüesch AG
Harzbüchelstrasse 34
9016 St. Gallen
Switzerland

1. General

- 1.1 These General Conditions of Supply apply to all purchase contracts containing a reference to said Conditions. They also apply to ongoing business relations between the parties, in particular all further services provided by Gallus at a later date in connection with the supplies, such as repair and service work and the supply of spare parts and consumables.
- 1.2 For the purposes of these General Conditions of Supply, Gallus Ferd. Rüesch AG (vendor) is referred to as **Gallus** and Gallus' customer (buyer) as the **Customer**.
- 1.3 The contract between Gallus and the Customer shall be deemed to have been entered into either upon signature by both parties of a purchase contract or, if no such contract is signed, on receipt of Gallus' written confirmation that it accepts the order (confirmation of order).
- 1.4 Unless otherwise expressly agreed in writing, quotations from Gallus shall be non-binding.
- 1.5 In order to be valid, all agreements entered into and material declarations made by the parties to the contract must be in writing.
- 1.6 Any provisions made by the Customer shall only be valid if they have been expressly accepted, in writing, by Gallus.

2. Scope of supplies and services

- 2.1 Gallus' supplies and services are exhaustively specified in the purchase contract and/or confirmation of order and any appendices thereto. Gallus is entitled to make any changes which lead to improvements, provided such changes do not result in a price increase.
- 2.2 Unless otherwise agreed, brochures and catalogues are not binding.

3. Technical documents and software

- 3.1 Each party to the contract retains all rights to technical documents supplied to the other party. These include drawings, layouts, manuals and spare parts catalogues. The party receiving such documents recognises these rights and shall not – without the previous written consent of the other party – make these documents available to any third party, either in whole or in part, or use them for purposes other than those for which they were supplied.
- 3.2 If the supplies and services include electronic data processing equipment and software, Gallus grants the Customer a right of use to the software that is, in principle, non-transferable and non-exclusive. This simply entitles the Customer to use the software as intended within the electronic equipment supplied. In particular, the Customer shall have no right to distribute, copy or edit the software. Transfer shall be permissible by way of an exception if the Customer has a justified interest in passing on the software to a third party and relinquishing its own right of use, for example if the supplies are resold. In such a case, the Customer undertakes to contractually oblige the recipient to respect Gallus' rights. The valid version of the general conditions of the holder of rights to the relevant software for transfer of use for software also applies. The fonts and programs required to operate the delivery item are subject to the usual copyrights and industrial property rights and shall remain the property of Gallus and/or the relevant holder of rights.

4. Regulations in force in the country of destination and safety devices

4.1 New plant, machinery and spare parts

- 4.1.1 All new plant, machinery and spare parts shall comply with the mandatory operational safety and accident prevention regulations in force for putting them on the market at the manufacturer's domicile and in the EU. Gallus accepts no responsibility for compliance with the aforementioned regulations in respect of machinery or spare parts provided by the Customer.
- 4.1.2 The Customer shall, at the latest when placing the order, notify Gallus of additional import or operating standards and regulations that apply in the country of destination. Any costs incurred as a result of ensuring conformity with such regulations will be invoiced separately.

4.2 Used, reconditioned plant, machinery and spare parts

- 4.2.1 Used, reconditioned plant, machinery and spare parts shall, as a minimum, comply with the mandatory operational safety and accident prevention regulations in force at the time they were put on the market at the manufacturer's domicile. Gallus gives no guarantee that the equipment purchased will meet the requirements for import into the country of destination and operation there. It strongly advises the Customer to check before signing the purchase contract whether it may import the items into the country of its choice and operate them there.
- 4.2.2 If the Customer wishes Gallus to look into and subsequently implement possible additional safety and protection measures, it must advise Gallus accordingly at the latest when placing the order. The costs of looking into such measures and making the necessary adjustments if possible will be invoiced separately.

4.3 Used, non-reconditioned plant, machinery and spare parts

Gallus is under no obligation whatsoever to check or comply with operational safety or accident prevention regulations in respect of used, non-reconditioned plant, machinery and spare parts; such products must, in principle, be repaired or reconditioned by the purchaser prior to use. Nor does Gallus give any guarantee that the equipment purchased will meet the requirements for import into the country of destination or operation there. The Customer is obliged to check before signing the purchase contract whether it may import the items into the country of its choice and operate them there.

5. Prices

- 5.1 All prices shall be deemed to be net and ex works St. Gallen (EXW in accordance with Incoterms 2010), excluding packaging for sea, land or air transport, without any deductions whatsoever.

All additional costs, such as freight charges, insurance premiums, and fees for export, transit, import and other permits as well as for certifications, shall be borne by the Customer. The Customer shall also pay any indirect taxes, fees, levies, customs duties and similar charges applying to the supplies and services provided under this contract or shall reimburse Gallus accordingly, on submission of appropriate proof, should the latter be obliged to make payment. This shall also apply if Gallus arranges for third parties to provide services (such as assembly or service work) at its expense.

- 5.2 Prices may change after the contract has been signed if:
- a) a subsequent change is made to the delivery date on grounds which are beyond the control of Gallus, or a new delivery date is agreed upon;
 - b) the scope of the agreed supplies and/or services has changed;
 - c) the design or configuration of the item to be supplied is changed because the documents and samples supplied to Gallus by the Customer did not reflect the actual circumstances or were incomplete, or because it becomes apparent that the Customer does not meet the basic conditions notified in writing by Gallus (environmental conditions, materials used, etc.);
 - d) a subsequent change to regulations at the point of delivery makes such changes to the delivery item necessary.

6. Terms of payment

- 6.1 Payments shall be made by the Customer at Gallus' domicile according to the agreed terms of payment, without deduction of any discount for cash payment, expenses, taxes, levies, fees, duties and the like.
- 6.2 Unless otherwise agreed, the price for plant, spare parts and machinery shall be due for payment 10 days after the contract is signed.
- 6.3 All other services provided by Gallus must be paid for following performance against presentation of an invoice.
- 6.4 The payment obligations shall be deemed to have been fulfilled once the amount owed has been placed at the free disposal of Gallus at its domicile.
- 6.5 Payment deadlines must be observed even if transport, delivery, assembly, start-up or acceptance of the supplies or services is delayed, rendered impossible or otherwise significantly impaired for reasons beyond the control of Gallus, or if parts are missing or subsequent work which does not prevent use of the supplies proves necessary.
- 6.6 If the Customer fails to observe the agreed payment deadlines, it shall be required, without the need for a reminder to be sent, to pay interest in the amount of 2.0 percent per month from the time of the agreed due date; however, this shall not in any way affect the due date of the debt. The Customer shall have the opportunity to prove that no loss has been incurred due to the delay or that it is far lower than the aforementioned fixed percentage.
No interest shall be charged on advance payments made. If the Customer breaches the contract, Gallus shall be entitled to use the advance payment to cover the resultant losses and reserves the right to claim compensation for losses exceeding this amount. Gallus shall be free to decide the specific loss against which the advance payment is offset.
- 6.7 The Customer may offset undisputed or legally established claims of its own. No other offsetting by the Customer shall be permitted.

7. Reservation of title

- 7.1 Gallus shall retain title to all its supplies until such time as it has received payment in full as per the contract.
- 7.2 The Customer shall be obliged to cooperate in any measures required to justify or maintain Gallus' reservation of title. Moreover, upon entering into the contract, it authorises Gallus to unilaterally enter or provisionally enter the reservation of title in public registers, books or similar records at the Customer's cost, all in accordance with relevant national laws, and to complete all the necessary formalities without the Customer's involvement.
- 7.3 During the period of reservation of title, the following shall apply:
- a) The Customer must keep the delivery item in perfect condition. It must also, at its own cost, insure the item for the benefit of Gallus against breakdown, fire, theft and mains water damage, and also provide Gallus with proof of such insurance and payment of the relevant premiums if so requested.

- b) The Customer shall have the right to use the delivery item but not to transfer it to third parties, to sell it or to encumber it.
- c) The Customer must, at its own expense, ensure the delivery item is not seized by third parties and promptly notify Gallus of any threat of seizure, including seizure of the Customer's premises.
- d) Gallus' prior written permission shall be required to relocate the delivery item and any such relocation must be performed by employees of Gallus or its authorised representatives.
- e) The Customer shall permit Gallus or its authorised representatives to inspect the delivery item and shall, for this purpose, grant access to its premises without claiming any compensation.

8. Delivery dates

- 8.1 Unless otherwise expressly agreed in writing, delivery dates shall be non-binding. The date of delivery ex works shall be deemed to have been met if, by the appropriate time, notification of readiness for shipment has been sent to the Customer. It is up to the Customer to complete all official formalities in time, such as obtaining import, export, transit and payment permits and import licences, in order that delivery can actually take place once the supplies are ready for shipment.
- 8.2 In order for the delivery date to be honoured, the Customer must fulfil its contractual obligations. Gallus shall be entitled to withhold delivery if the Customer has not made all the payments and furnished any securities provided for at the time the contract was signed and stipulated as being required prior to delivery.
- 8.3 A reasonable extension to the delivery date shall be granted:
- a) if the information required by Gallus for performance of the contract is not received in time, or if the Customer subsequently changes it, thereby causing a delay in the delivery of the supplies or services;
 - b) if hindrances occur which Gallus is unable to prevent despite application of due diligence, regardless of whether they affect Gallus itself, the Customer or a third party; such hindrances include epidemics, mobilisation, war, insurgence, significant business interruptions, accidents, industrial disputes, late or deficient delivery by sub-contractors of necessary raw materials or semi-finished/finished products, deficient manufacture of key items, official actions or omissions by any state authorities or public bodies, and acts of God;
 - c) if the Customer or a third party appointed by it is behind schedule with work it has to execute, or with the performance of its contractual obligations.
- 8.4 If delivery of the item is delayed at the Customer's request or due to circumstances that lie within the Customer's own area of risk and responsibility, the Customer must reimburse Gallus for the storage costs incurred. In the event of storage by Gallus, the entitlement shall amount to at least 1 percent of the purchase price for each month or part thereof; proof of lesser losses may be provided. Having granted a reasonable extension to no avail, Gallus shall be entitled to obtain the delivery item elsewhere and to deliver the replacement item to the Customer within a reasonably extended period.
- 8.5 Should Gallus be unable to make delivery within a period acceptable to the Customer, it shall be entitled to terminate the contract in writing. In such a case, it must pay the Customer any compensation for delays as provided for in Clause 8.4 and refund any advance payment received in exchange for the return of all supplies already delivered.
- 8.6 If Gallus is unable to remedy any ascertained defects within a maximum of 180 days of delivery, it shall be entitled to terminate the contract and request the return of the delivery item in exchange for refunding the sums already received from the Customer and paying lump sum compensation (under all titles) amounting to 15 percent of the total purchase price. Gallus shall be entitled to collect the delivery item from the Customer

at its own expense within 4 weeks of the notification of termination.

9. Claims for defects

9.1 If the delivery item is defective, the Customer shall have the following rights:

- a) Gallus undertakes to ensure supplementary performance, either remedying the defect or delivering non-defective supplies as it chooses. Parts replaced shall become the property of Gallus.
- b) If supplementary performance fails, the Customer shall be entitled to terminate the contract or reduce the purchase price. Termination shall not be permitted if Gallus has only committed a minor violation of obligations.
- c) The Customer must allow the necessary time and opportunity for Gallus to undertake all improvements it feels are necessary and make replacement deliveries. Otherwise, Gallus shall be released from any liability for the consequences. If, for operational reasons, the Customer wants Gallus to send out an emergency service engineer or perform work outside normal working hours, it must pay the associated additional costs incurred by Gallus (e.g. overtime premiums, longer journeys).
- d) The period of limitation for claims relating to defects shall be one year from delivery. The Customer must notify Gallus of any defects promptly.

9.2 Claims for defects shall not be permitted:

- a) For used plant or other used items, unless liability for defects is expressly agreed.
- b) For wear and tear to materials and parts which, due to their nature, are subject to unavoidable and normal wear and tear; liability for defects does not include this.
- c) If the Customer operates the delivery item in functional conjunction with hardware or software components already present or obtained from third parties, insofar as the fault is caused by these components or their lack of compatibility with the Gallus delivery item. Any guarantee provided by Gallus of compatibility with third-party products shall only apply to the current version at the time this guarantee was provided and not to older or future versions of this product (software upgrades, service releases or software updates).
- d) If and insofar as a fault is due to the Customer's failure to ensure compliance with basic technical conditions specified in the documentation and supporting documents.
- e) If and insofar as a fault is due to the Customer's failure to carry out maintenance work as detailed in the operating manuals or to have this work carried out.
- f) The Customer must pay for the service callouts required to remedy the faults referred to in Clauses a) to e) in accordance with the relevant service conditions applied by Gallus and at the rates applying to individual service assignments.

9.3 The Customer shall have sole responsibility for losses resulting from unavoidable, normal wear and tear, defective or negligent handling, excessive operational demands, unsuitable operating equipment, an inappropriate installation location, in particular the ground surface, any lack of stability or inadequate safeguarding of the power supply, chemical, electrochemical or electrical influences, the weather or other natural influences.

9.4 The Customer shall pay additional supplementary performance costs associated with taking the delivery item to a location other than the delivery location.

9.5 On discovering a defect in consumables, such consumables must be isolated in the condition in which the defect was discovered and made available to Gallus for examination. Otherwise, they shall be deemed to have been approved in the condition in which they were delivered with no further liability for Gallus.

9.6 The Customer undertakes to ensure that all operating staff receive training appropriate to the complexity of the delivery item. Gallus cannot be held responsible for problems arising as a result of inadequate training of the Customer's personnel.

10. Compensation

10.1 In the event of injury to life, limb or health resulting from an intentional or negligent violation of obligations on the part of Gallus or one of its legal representatives or agents, Gallus shall be liable in accordance with the statutory provisions.

10.2 The following shall apply to other losses:

- a) For losses resulting from an intentional or grossly negligent violation of obligations on the part of Gallus or its legal representatives or agents, Gallus shall be liable in accordance with the statutory provisions.
- b) For losses resulting from the violation of fundamental contractual obligations due to ordinary negligence on the part of Gallus, its legal representatives or agents, Gallus' liability shall be limited to the foreseeable losses typical of such a contract, up to the maximum value of the delivery item.
- c) Compensation claims resulting from the violation of accessory obligations or non-fundamental obligations due to ordinary negligence shall not be accepted.
- d) Compensation claims resulting from delays due to ordinary negligence shall not be accepted; this shall be without prejudice to the Customer's legal rights following a reasonable grace period.

10.3 The liability exclusions and limitations shall not apply if Gallus maliciously conceals a defect or has guaranteed the item's properties.

10.4 This shall be without prejudice to the Customer's claim to reimbursement of expenses incurred in vain instead of the compensation claim in lieu of payment / performance.

11. Indirect losses

Except in cases of intentional actions or gross negligence, Gallus shall not be liable for indirect losses resulting from a deficient delivery, such as a production stoppage, loss of profit or use of additional material.

12. Gallus' right of recourse

If personal injury or damage to the property of third parties occurs as a result of actions or omissions on the part of the Customer or of persons employed or appointed by it to perform any of its obligations, and if a claim is made against Gallus in this connection, then the latter shall be entitled to take recourse against the Customer.

13. Assignment

Gallus' written permission shall be required to assign the Customer's rights under the contract.

14. Salvatory clause

Should parts of these General Conditions of Supply or the purchase contract become ineffective or invalid, the rest of the contract will not be affected. The ineffective or invalid part must be replaced according to the principles of good faith.

15. Choice of law and court of jurisdiction

15.1 The purchase contract that these General Conditions of Supply form part of and any contracts covering additional services in connection with the delivery item shall be subject to Swiss law (to the exclusion of the UN Convention on the International Sale of Goods of April 11, 1980).

15.2 As long as such an agreement is permissible, any disputes between the parties arising out of or in connection with a purchase contract shall be subject to the jurisdiction of the ordinary courts in St. Gallen, Switzerland.