General Terms and Conditions of Contract
of ARRI Medical GmbH

1. General terms, scope

1.1 These General Terms and Conditions of Contract (hereafter referred to as "GTCC") apply to all business relationships with our customers (hereafter referred to as the "Customer") in the regular course of business, as well as customers who are legal entities under public law or special funds under public law. The GTCC are not applicable in connection with public invitations to tender.

1.2 Depending on the subject matter of the contract, supplementary terms may apply in addition to the GTCC. If supplementary terms are applicable, such terms are made available to the Customer before the conclusion of the contract.

1.3 If the subject matter is the purchase and/or delivery of a movable object ("Goods") or another object, in particular a software product, these GTCC shall apply irrespective of whether these Goods are manufactured by us or purchased by us from our suppliers or of whether we develop the software ourselves or merely surrender it to the Customer.

1.4 Our GTCC apply to the exclusion of all other terms and conditions. General terms or conditions of the Customer's, or parts thereof, that differ from, are opposed to or supplement our GTCC shall only become part of this contract with our express consent.

1.5 Individual agreements concluded with the Customer on a case-by-case basis (including side agreements, supplements and amendments) always take precedence over these GTCC.

2. Conclusion of contracts

2.1 Our offers are non-binding and subject to change. This also applies in cases where we have provided the Customer with catalogs, technical documentation, or other product descriptions or documents – including in electronic form – to which we reserve property rights and copyrights.

2.2 An order placed by the Customer is regarded as a binding offer of contract.

2.3 The offer may be accepted in writing or by implication, e.g. by delivery of the Goods to the Customer.

2.4 If the subject matter of the contract is a software product, we reserve the right to deviate from the technical condition offered in the contract, provided the agreed usability remains unaffected. Instead of the software version listed in the offer, we may deliver a newer version of the software.
3. Delivery time and default of delivery

3.1 The delivery time is agreed in each case or stated by us when the order is accepted.

3.2 If we cannot keep to agreed delivery times for reasons that are out of our control (non-availability of performance), we will immediately inform the Customer and state a new estimated delivery time. If performance continues to be unavailable during the new delivery time, we may withdraw from the contract in whole or in part; any advance payments made by the Customer will be refunded promptly. Non-availability of performance in this sense may be caused in particular by failure of our suppliers to deliver Goods to us in time if we have concluded a matching cover transaction, if neither we nor the supplier are at fault or if we are not obligated to procure Goods in the individual case.

3.3 The deadline after which we are in default of delivery is determined by statutory regulations.

3.4 Our Customer's rights as per section 8 of these GTCC, and our statutory rights, especially rights relating to an exemption from our duty to perform, e.g. if performance and/or subsequent improvement is impossible or unreasonable, shall remain unaffected.

4. Delivery, transfer of risk, acceptance, default of acceptance, duty to cooperate

4.1 The Goods may be shipped to a destination of the Customer's choosing at the Customer's request and expense (sale by dispatch). Unless otherwise agreed, we may choose the mode of shipping, in particular the forwarder, shipping route and packaging.

4.2 At the very latest, the risk of accidental destruction or accidental deterioration of the Goods passes to the Customer when the Goods are handed over. In the case of a sale by dispatch, the risk of accidental destruction or accidental deterioration of the Goods and the risk of delay passes to the shipping company, carrier or other person or institution charged with the shipping of the Goods as soon as the Goods leave our plant. If an acceptance inspection has been agreed on, this inspection marks the time at which the risk passes to the Customer.

4.3 If the Customer is in default of acceptance, if he fails to cooperate as required for the fulfillment of our contractual duties, or if delivery is delayed for other reasons within the Customer’s control, we may claim damages for the loss and any additional expenditure incurred as a result.
5. Prices and terms of payment

5.1 Unless otherwise agreed in the individual case, the prices that are valid at the time the contract is concluded (plus VAT) shall apply.

5.2 In the case of a sale by dispatch, the transportation costs from the warehouse, and the cost of transportation insurance (if requested by the Customer) will be charged to the Customer. Any customs duties, fees, taxes and other public charges that may apply shall be paid by the Customer. With the exception of pallets, we do not take back transport packaging or other packaging in accordance with the German Packaging Ordinance; this packaging becomes the property of the Customer.

5.3 The Customer shall pay the agreed remuneration within 14 days from the invoice date and receipt of the Goods.

5.4 If payment has not been made by the end of this period, the Customer is in default of payment. During the payment default, we will charge interest on the owed sum in accordance with the legal interest rate for default that is applicable at the time. We reserve the right to claim additional damages caused by the payment default.

5.5 The Customer’s right to offset or retention is limited to claims that are undisputed or have been legally recognized.

5.6 If, after the conclusion of the contract, it becomes clear that our claim to remuneration is at risk due to the Customer’s inability to pay, e.g. if the Customer is forced to declare bankruptcy, we may refuse performance and – after setting an appropriate deadline – withdraw from the contract in accordance with statutory regulations (§ 321 BGB). In the case of contracts for the manufacture of non-fungible goods (custom-built items), we may declare our withdrawal immediately; the statutory regulations on the dispensability of deadlines shall remain unaffected.

6. Reservation of title

6.1 We reserve title to the sold Goods until full payment of all current and future debts from the purchase contract and an existing business relationship (secured debts) has been made.

6.2 The Goods under reservation of title may not be pledged to third parties nor transferred by way of security until the secured debts have been paid in full. The Customer must inform us immediately and in writing if and to what extent third parties gain access to Goods owned by us.

6.3 In the event of a breach of contract on the part of the Customer, in particular failure to pay the due purchase price, we may withdraw from the contract according to statutory regulations and demand the return of the Goods based on the reservation of title and our withdrawal.

6.4 The Customer may resell and/or process Goods under reservation of title within the regular course of business. In this case, the following supplemental terms shall apply:
a. The reservation of title applies to the full value of all products created through the processing or joining of our Goods, where we are regarded as the manufacturer. If our Goods are processed or joined with goods of third parties, and these parties retain ownership of their goods, we acquire a share of the resulting products that is based on the respective invoice values of the processed or joined Goods. In all other respects, the product being manufactured shall be subject to the same provisions as Goods delivered under reservation of title.

b. The Customer shall cede any claims against third parties arising from the resale of the Goods or products to us by way of security, either in whole or in the amount of our ownership share (if applicable) as described in the preceding paragraph. The Customer’s duties specified in 6.2 also apply with regard to the ceded claims.

c. Next to us, the Customer is also authorized to collect the claim. We undertake not to collect the claim as long as the Customer meets his payment obligations towards us, is not in default of payment, does not declare bankruptcy and does not show any other defect of his ability to pay. If the Customer does not meet the above requirements, we may demand that the Customer disclose the ceded claims and their debtors as well as all other information required to collect the claims, hand over the associated documents and inform the debtors (third parties) of the cession.

7. Claims for defects by the Customer

7.1 The Customer's rights in case of material defects and defects of title are determined by statutory regulations unless otherwise stipulated below.

7.2 Our liability for defects is based on the agreement on the quality of the Goods or, where no such agreement exists, on statutory regulations (e.g. § 434 section1cl.2 and 3 BGB). The agreement on the quality of the Goods is defined as the product descriptions designated as such which were given to the Customer before his order or which were incorporated into the contract in the same manner as these GTCC.

7.3 We guarantee that the surrendered software is free of defects at the time the risk is transferred, according to the state of the art in our company and provided that the software is used as intended; in all other respects, the terms of 7.2 apply accordingly to the characteristics of the software. Software defects are defined exclusively as recurrent, and hence reproducible, malfunctions caused by quality defects, and as negative deviations from the described or documented functionality. In particular, our liability for software defects does not include

a. loss of function that is due to defects of non-contractual hardware, environmental conditions created by the Customer or incorrect operation
b. cases where the Customer used the software in another manner or for another purpose than the ones agreed by contract, and especially in these GTCC, and did not train his staff in the use of the software

c. software that was changed or in other ways tampered with by the Customer
d. cases where the surrendered software works with another software that is not included in the contract and for which no designated interface was provided (third-party software), unless the Customer provides evidence when reporting the defect that the respective circumstance was not the cause of the defect.

7.4 The Customer may only assert claims for defects if he has fulfilled his statutory obligations to inspect the Goods and give notice of defects (§§ 377, 381 of the German Commercial Code (HGB)). If a defect is detected during the inspection or at a later point in time, we must be informed immediately and in writing. This obligation is fulfilled if notice of the defect is made within two weeks, where the dispatch of the notice within the two-week period shall suffice. Regardless of this obligation to inspect Goods and give notice of defects, the Customer must give written notice of obvious defects (including wrong or short delivery) within two weeks from delivery; the dispatch of this notice within the two-week period is sufficient. If the Customer neglects to inspect the Goods and/or give notice of defects, we will not accept liability for the defects in question.

7.5 We are entitled to withhold subsequent improvement until the Customer has paid the purchase price.

7.6 The Customer shall give us the necessary time and opportunity for subsequent improvement; in particular, he must hand over the defective Goods for inspection and testing. Subsequent improvement may be made at our discretion by substitute delivery, delivery of a new software version or instruction on how to avoid the consequences of the defect. Where this is possible and reasonable in terms of the consequences of the defect, we will provide an interim solution for bypassing the defect until the defect can be eliminated. In the event of a substitute delivery, the Customer must return the defective Goods to us in accordance with statutory regulations. In the case of software products, subsequent improvement may not always succeed in eliminating the defect completely. The Customer must accept a new software version or the previous software version that does not include the defect if this can be done with reasonable effort. We may either replace or repair defective hardware at our discretion. Replaced hardware becomes our property.

7.7 If the Goods are defective, we will pay the costs of inspection and subsequent improvement, in particular transportation, infrastructure, work and material costs. If, however, the Customer’s claim for defects is found to be unjustified from the outset, we may demand reimbursement of the expenses incurred.

7.8 If subsequent improvement has failed or may be dispensed with according to statutory regulations, the Customer may withdraw from the purchase contract or reduce the purchase price. The Customer does not have the right to withdraw in case of a minor defect.

7.9 The Customer may only assert claims for damages or reimbursement of wasted expenditure within the scope of section 8 of these GTCC; other claims are excluded.
8. Other liabilities

8.1 Unless otherwise stipulated in these GTCC, we accept liability in the event of a breach of contractual and non-contractual duties in accordance with the relevant statutory regulations.

8.2 We accept claims for damages – regardless of their legal basis – in the event of deliberate action and gross negligence, in cases that fall under the Product Liability Act and in cases with an express warranty. In the event of ordinary negligence, we only accept liability
   a. for damage arising from injury of life, limb or health
   b. for damage arising from the breach of a material contractual duty (duty that must be fulfilled to enable the proper execution of the contract and which the contractual partner may and does ordinarily trust to be fulfilled); in this case, our liability shall be limited to foreseeable, typical damage.

8.3 A breach of a contractual duty that is not a defect only entitles the Customer to withdraw from or terminate the contract if the breach is within our responsibility. The Customer does not have an unrestricted right of termination (e.g. acc. to §§651, 649 BGB). In all other respects the statutory conditions and consequences shall apply.

9. Statute of limitation

9.1 § 438 section 1 no. 3 BGB notwithstanding, the general statute of limitation for claims arising from material and legal defects shall be one year from the date of delivery.

9.2 The above periods of limitation that are valid for the sale of goods also apply to contractual and non-contractual claims for damages of the Customer’s that are based on a defect of the Goods, unless the application of the regular statute of limitations (§§ 195, 199 BGB) would lead to a shorter period of limitation in the individual case. The periods of limitation stipulated by the Product Liability Act shall remain unaffected in any case. In all other respects, claims for damages asserted by the Customer in accordance with section 8 "Other liabilities" of these GTCC are subject exclusively to the statutory periods of limitation.

9.3 If the subject matter of the contract includes software, an extension of the scope of use of this software shall not result in an extension of the above periods of limitation.

10. Surrendered material, copyrights and industrial property rights

10.1 Technical documents, tools, drawings, standard sheets, calculations, manufacturing equipment, print templates, gages, models, forms, samples and profiles that originated with us, and all other documents or similar materials that were provided by us for the preparation and execution of the order remain our exclusive property and may not be passed on to third parties or used for other than contractual purposes without our prior express
written consent. These items must be treated with strict confidentiality and returned immediately at our request. They must be kept in good condition, stored safely and insured against damage and loss by the Customer at his own expense. Any repairs and modifications require our prior express written consent.

10.2 The intellectual property rights and expertise represented by these items (see 10.1) also remain our exclusive property. To the extent required for the execution of the contract, and unless otherwise specified in the individual case, we grant the Customer a non-exclusive right of use that is limited to the subject matter of the contract and ends as soon as the contract is complete. Any further use and exploitation that is not permitted by mandatory legislation, in particular processing, renting, distribution in physical or non-physical form and duplication, is only permitted with our prior written consent.

11. Rights to software

11.1 Software that is surrendered by us (on data carriers or electronically) is legally protected. We hold the copyrights, patent rights, trademark rights and other neighboring rights to such software; where such rights are held by third parties, we have appropriate rights of use.

11.2 Ownership of data carriers is transferred to the Customer. In addition, the Customer is granted the non-exclusive right, transferable only as provided by mandatory legislation, to use the contractual software once the purchase price has been paid in full.

11.3 The delivery of software only includes the right to use the software. The software is intended for the Customer’s exclusive use and may only be deployed on one computer system at a time, unless otherwise agreed. Interventions and modifications require our approval. We do not accept liability for damage and loss caused by proper use of a program. We do not give warranty for the faultless functioning of the software or the accuracy of data. The Customer’s rights as described in sections 7 and 8 remain unaffected.

11.4 The Customer may decompile, test, examine and copy the software only within the scope of statutory regulations (§§69a ff. Copyright Act). Any further use and exploitation, in particular any programming activity – for instance, further adaptation of the software to the Customer’s purposes, or continued development or reconversion of the software – is only permitted within the scope described in 10.2, unless such changes are made to eliminate faults and we were first given the opportunity for subsequent improvement.

11.5 The Customer may not remove, change or suppress copyright mentions, serial numbers or other characteristics whereby the software and the manufacturer can be identified.
11.6 The Customer must take suitable measures to prevent unauthorized access of third parties to the software and the documentation. The original data carriers provided, and the backups must be stored in a secure place. The Customer's staff must be informed explicitly about compliance with these contractual terms and with the terms of the Copyright Act.

11.7 We reserve the right to claim damages in the event of a breach of these contractual duties.

11.8 The Customer shall inform us immediately if third parties assert property rights (e.g. copyrights or patent rights) to the software. The Customer authorizes us to handle the conflict with the third party alone. As long as we use this authorization, the orderer may not recognize the third party’s claims without our consent; we will ward off the third party's claims at our own expense and exempt the Customer from all costs involved in the warding off of these claims, unless the claims are based on a breach of duty of the Customer’s (e.g. if the Customer uses the programs in a manner that violates the contract).

12. Requirement of written form

Legally relevant declarations and notices that must be made by the Customer after conclusion of the contract, such as the fixing of deadlines or a declaration of withdrawal, must be in writing to be effective.

13. Legal venue, applicable law

13.1 The exclusive legal venue for all legal disputes is Munich, Germany.
13.2 The contract is governed by German law; the United Nations Convention on Contracts for the International Sale of Goods (CISG) of April 11, 1980 is excluded.
13.3 Dispute resolution procedure by a consumer arbitration body: We are neither willing nor obliged to participate in dispute settlement procedures conducted by a consumer arbitration board.

14. Severability

If a provision of these GTCC is or becomes ineffective, the remaining provisions shall not be affected. In this case, we will work with the Customer to create new, legally effective provisions that most closely approximate the economic purpose of the ineffective provision.