General terms and conditions of EasternGraphics GmbH “General GTCs” (status 2010-12-15)

I. Applicability, additional terms of contract
(1) EasternGraphics GmbH's general terms and conditions of business (“General GTCs”) are applicable to all contractual relationships with customers arising from or associated with goods and services supplied by EasternGraphics GmbH (“EGR”) and/or software and/or internet services (“Internet GTCs”), subject to the point of transfer to the customer. In the version up to date at the relevant time, the “General GTCs” shall apply also to future business relations with the same customer without its being necessary for EGR to state its validity to the customer at the time of each individual contract. The customer shall at all times have the right to require EGR to supply him or her with an up-to-date version of the GTCs-General GTCs.

(2) These “General GTCs” are applicable exclusively. Any GTCs of a customer which deviate from, contradict or complement the “General GTCs” shall become an integral element of any contract insofar as EGR has agreed to them expressly and in writing. This requirement of agreement shall apply in all cases and especially when EGR, knowing the customer’s GTCs, supplies goods or services to or on behalf of the customer without reservation.

(3) The “General GTCs” shall, where necessary, be complemented by the contractual terms and conditions for transfer or licensing of software (“Software GTCs”), by the contractual terms and conditions for software maintenance (“Maintenance GTCs”), by the contractual terms and conditions for supply of services (“Services GTCs”), by the contractual terms and conditions for rental of software (“Rental GTCs”) by the contractual terms and conditions for software development (“Development GTCs”) and/or by the contractual terms and conditions for internet services (“Internet GTCs”). Clause I. (1) of these “General GTCs” shall apply as is appropriate also to the additional GTCs listed in Clause I. (2).

II. Price quotations, conclusion of contract
(1) Price quotations made by EGR shall be binding if they expressly contain a closing date for their binding nature. In any other situations, price quotes made by EGR are not binding and are subject to alteration. The same shall apply if EGR has provided the customer in advance of conclusion of contract with catalogs, product descriptions or technical documentation (such as user handbooks, computer generated and other calculations).

(2) Each order or commission on the part of the customer shall be construed as the binding offer to enter into a contract insofar as it implies no other offer. EGR’s right to reject offers of the customer (counteroffers) may be exercised for 4 weeks from its receipt by EGR. Such acceptance may be declared either in writing (e.g. by confirmation of order) or by the supply of thesoftware/licences and/or services to the customer.

(3) The customer is aware that software is subject to constant development. Insofar as such is reasonable for the customer, EGR may therefore supply and/or produce modified or adapted software, or provide other services in deviation from what has been agreed. It shall in particular be seen as reasonable for the customer if such modification in no way impairs the functionality agreed.

III. Supply, dispatch, transfer of risk
(1) Supply of software programs (by which shall also be understood storage media, user handbooks, other documentation where included) or of other goods shall be made no other instructions, EGR shall have the right to transfer to the customer user handbooks or other documentation in electronic form. There shall be no absolute right to the receipt of a printed version. If the customer should so require, the software programs or other goods shall be supplied to the customer free of charge, in electronic form for 4 weeks from its receipt by EGR. Such acceptance may be declared either in writing (e.g. by confirmation of order) or by the supply of the software/licences and/or services to the customer.

(2) The risk of the goods being accidentally delayed or impaired is transferred at the point of transfer to the customer. The point of transfer shall be unaffected by whether the customer is late in accepting the goods. Risk of accidental delaying or impairment shall in cases of forwarding as freight transfer immediately on surrender of the goods to the forwarding agent, the freight company or the person otherwise designated for execution of delivery.

(3) Agreed dates for delivery shall only be understood as binding if they have been confirmed as binding by EGR expressly in writing. Insofar as binding dates of delivery have not been agreed, EGR shall not be in arrears unless the customer sends a written reminder.

(4) A precondition of the meeting of delivery dates shall be that the customer provides all information necessary to delivery in due time, and particularly that he or she fulfills the duty of cooperation in the matter. If this precondition is not fulfilled, the date for delivery shall be postponed appropriately. This shall not apply if the delay is the fault of EGR.

(5) If the missing of the date of delivery is caused by act of God, such as war, riot or flood or similar events, unless agreed otherwise, supply by a subcontractor, the date for delivery shall be postponed appropriately.

(6) EGR shall have the right to supply goods or services in part rather than in full. This shall not apply if such partial supply is unreasonable for the customer. In particular, EGR shall only be entitled to a delay of supply by the customer may only withdraw from the contract insofar as the delay to supply is the fault of EGR. It shall be the customer’s duty to declare to EGR at the latter’s request whether the former is to withdraw from the contract on account of the delay in supply, or continues to insist on supply.

(7) Insofar as the supply of goods or services proves impossible, the customer shall have the right to demand damages if such insufficiency is the fault of EGR. However, the damages shall not be limited to 25 % of the net value of that part of the goods to be supplied which could not be put to use on account of the insufficiency.

(8) Insofar as the supply of goods or services proves impossible, the customer shall have the right to demand damages if such insufficiency is the fault of EGR. However, the damages shall not be limited to 25 % of the net value of that part of the goods to be supplied which could not be put to use on account of the insufficiency.

IV. Conditions of payment and means of payment
(1) Insofar as no fixed prices have been expressly agreed, the price for the goods and/or services shall be in the amount given in the EGR price list applicable at the time of the confirmation of order. Prices shall be understood as net ex-registered office of EGR with no deductions and with the addition of the turnover tax legally applicable in the circumstances.

(2) EGR shall have the express right to refuse checks or bills of exchange. Acceptance of such by EGR (discount), if such is reasonable for EGR shall be understood to be subject to the payment of the discount charges and expenses shall be the responsibility of the customer and be due immediately.

(3) Details of how to pay shall be taken from the invoice sent to the customer. If the customer is in arrears with payment, EGR may demand interest at 8 % above base rate without the necessity of further proof, in accordance with § 247 of the German Civil Code (BGB).

(4) The defining point for payment and in particular for its timeliness is the receipt of the payment in the registered office by EGR.

(5) The customer shall only have a right to offset anything against payment if his or her counterclaims have been legally determined or have been acknowledged in writing by EGR. The customer shall only have the right to withhold any payment if the claim on which he or she bases the withholding relates to the same contractual relationship and has either been legally determined or formally recognized by EGR.

(6) If the customer is in arrears with payment, EGR shall have the right to interrupt provision of services under the same contractual relationship as EGR has accepted in the past, and to demand payment immediately in this relationship as being immediately due. In such a situation, any dates or deadlines set for execution of outstanding supply or delivery shall no longer apply and there shall be no requirement on EGR to indicate this specifically.

V. Reservation of ownership and rights
(1) Until all payments, including those not yet due, for the current business transaction have been paid, EGR reserves all rights to the products and/or services.

(2) EGR’s goods and services may be neither pledged to third parties nor given as security. Each and every transfer to third parties of all or part of the debt in legal or contractual terms. Should EGR be in arrears with payment and in particular has not filed for insolvency or ceased his or her payments. Should this, however, be the case, EGR may demand that the customer gives EGR all details necessary to the collection of the payments, and passes over the relevant documentation and informs the debtors of the transfer of the rights. EGR hereby agrees to lift the controls on security to the extent that the realizable value of the securities exceeds the payments to be secured by more than 10 % if the customer so requests. The choice of which securities to free of control lies with EGR.

VI. Defects, customer’s duty of cooperation
(1) The customer shall have a duty immediately to inspect goods and services supplied as to their completeness or any obvious defects, in particular as to obvious short quantities or damage and to compensate to these of EGR forthwith, at the latest within two weeks of receiving delivery of the goods or services, in writing, by email or fax. Where defects have not been obvious, or were hidden, the customer shall be
obliged to complain of these immediately on their discovery to EGR in writing, but at the latest within the period named in Clause IX. Should the customer fail to make the complaints described above, liability for the defect not complained of shall be excluded. The onus of proof that the obligation to complain has been kept and kept punctually, also for the presence of the defect and for the time of its discovery shall lie with the customer.

(2) The customer is reminded of his or her duty to take care that his or her data is backed up daily to current technical standards, in order to avoid damage.

(3) The customer shall fulfill without charge his or her duty of cooperation in the context of the goods or services to be provided by EGR. Included in this duty is in particular that the customer shall transfer all information necessary for EGR’s use, such as details of the customer’s aims and requirements, without express solicitation and in due time. The customer shall furthermore make available in due time the equipment which may be necessary for the installation or operation of the goods or services. Should any complaint prove unfounded, the customer shall reimburse to EGR all costs arising therefrom.

VII. Receipt and acceptance of goods and services

(1) EGR may require from the customer a written declaration after each supply of goods or performance of service that the goods or service were correct, complete and free of obvious defect (statement of due fulfilment of contract). The terms of Clause VI. (1) remain unaffected hereby.

(2) EGR shall prove to the customer in a test run beforehand, where this has been expressly agreed, that the essential specifications have been fulfilled.

(3) In the case of goods and services supplied in part, the declaration of acceptance shall not extend to features which can only be tested in connection with goods and services to be supplied later. As soon as goods and services supplied in part are being used productively by the customer, they shall be understood to be accepted.

(4) Goods and services shall be understood to have been accepted after 7 days if the customer makes use of them after their transfer without fulfilling any duty of complaint as detailed above.

VIII. Liability

(1) EGR’s liability or that of a representative or agent of EGR shall be governed by currently applicable law in the case of intent or gross negligence.

(2) EGR’s liability shall be governed by the currently applicable law in any instance of breach of a fundamentally contractual obligation (known in German as a "Kardinalpflicht") or of harm to life and limb.

(3) EGR’s liability shall be limited to foreseeable damage typical in the case of such contracts if there has been breach of a substantial contractual duty on EGR’s part.

(4) EGR shall not be liable for loss of data if the harm would not have arisen if data in the customer’s sphere of responsibility had been duly backed up. Data shall be construed as duly backed up if the customer can prove that he or she stores it daily in a machine readable form and ensures thereby that the data can be retrieved with reasonable effort. EGR’s liability for loss of data, insofar as it is caused neither by intent or gross negligence on the part of EGR, is limited to the typical costs of retrieval which would arise if the data had been duly stored.

(5) The like restriction shall apply to EGR’s liability if defects and/or faults have arisen after conditions of use or operation have been changed, after faults in operation, after intervention in the software program such as modification, adaptation, connection to other programs and/or use in breach of contract, unless the customer can prove that defects were already present on transfer of the goods and services or have arisen with the customer’s consent.

(6) The extent to which EGR’s liability is excluded or limited shall also apply to the personal liability of EGR’s employees and shall apply to third parties acting as EGR’s agents.

(7) Insofar as claims for compensation are excluded or limited in accordance with the clauses above, the exclusion or limit shall extend also to any compensation in addition to or instead of provision of goods or services, for whatever legal reason, in particular in a situation of competing claims in respect of defect, breach of obligation under the contractual relationship, prohibited action and/or claims for compensation under § 284 of the BGB. For liability in respect of arrears, the terms of Clause III. (7) shall also apply and for liability in respect of infeasibility the terms of Clause III. (8).

(8) Liability under German product liability law (Produkthaftungsgesetz) shall remain intact.

IX. Limitation

Any claims on the part of the customer to compensation for whatever legal reason shall lapse within one year from the start of the guarantee period or else from the time the claim arose. Should legal provisions set shorter periods of time, the foregoing shall not apply. The statutory period for lapse of claims shall however apply in the following cases:

- cases of claims for defects if EGR has intentionally failed to declare them or has given a guarantee for the specifications;
- cases of claims for harm to life and limb;
- cases of claims for compensation based on intended or grossly negligent breach of obligation;
- cases of claims under the German law on product liability (Produkthaftungsgesetz).

X. Setting of time limits, lodging of claims for compensation, withdrawal and cancellation

(1) Insofar as the customer has the right in law to require compensation in lieu of goods or services or compensation for costs after he or she has set a reasonable time limit and this has elapsed, the communication setting the time limit must also specify that the customer will go to law on expiration of the period.

(2) The clause above shall apply in proportion to the extent the customer has the right to withdraw from the contractual relationship with EGR or to cancel it for good reason after a reasonable time limit set by him or her has elapsed fruitlessly.

XI. Rights of third parties

EGR shall exempt the customer from all claims of third parties against him or herself arising from breach of rights of patent to the software transferred. It shall be a prerequisite to this liability that the customer inform EGR of the claims of third parties immediately they arise, that the customer do not recognize the claimed breach of patent rights and that the customer either leave all dispute, including any out-of-court settlement, to EGR or conduct this in unanimous agreement with EGR. Insofar as the customer is responsible for breach of patent, claims against EGR shall be excluded.

XII. Secrecy, confidentiality

(1) Insofar as the partners to the contract exchange confidential business or technical information or details are made known to one partner to the contract from the field of the other partner which are normally seen as business secrets, such as customer data, the partners shall agree to treat such information as strictly confidential and neither to make it accessible to third parties without the agreement of the other partner nor to use it in any way outside the confines of the execution of the present contract. Excluded from the mutual obligation of secrecy shall be such information which can be proved a) to be in the public domain or to become so without intervention of a partner to the contract, b) to become known to a partner to the contract from another source which is not under an obligation of secrecy, c) have to be disclosed by one of the partners for the purposes of law enforcement (in particular before courts, criminal prosecution agents and statutory authorities).

(2) Each party to the contract shall agree to return to the other partner at any time after the appropriate request any confidential information physically handed over or, at the choice of the other partner, to destroy it without retaining copies or notes thereof. A partner’s own notes, compilations and evaluations which contain confidential information shall be destroyed forthwith at the request of the other partner; confidential information which has been transferred and/or stored electronically shall be deleted. The deletion or destruction which has been carried out shall be confirmed in writing to the other partner on request.

(3) This confidentiality agreement shall remain valid for a period exceeding the period of validity of the contract by five years.

XIII. Miscellaneous

(1) The place of fulfilment for any supply and the place of payment shall be Ilmenau, Germany. The place for hearings shall be Erfurt, Germany, insofar as this is legally permissible. The same shall apply in a situation where the customer has no general place for hearings within Germany. EGR shall however also have the right to go to law in the place of the registered office of the customer.


(3) Any supplementary agreements or modifications to the contracts and to the “General GTCs” shall be valid only in writing. This shall be true even for waiving of the requirement for the written form. Electronic documents such as email without a qualified electronic signature as defined in the German Digital Signature Act (Signaturgesetz) shall not be construed as fulfilling the requirement for the written form.

(4) If any individual clause should not be legally effective or should lose its legal effect because of later circumstances or if there should be an omission, the legal effect of the remaining clauses shall nonetheless remain intact. In place of the ineffective clauses or to remedy the omission a term or condition shall if and as far as possible apply which is reasonable and approximates most closely to what would have been the wish of the partners if they had thought about the point in question.
I. Applicability

EasternGraphics GmbH's terms and conditions concerning transfer ("Software T&C" or "SoftT&C") are applicable to all contractual relationships with customers arising from or associated with rental of software from EasternGraphics GmbH ("EGR") and are repeatedly understood as an integral element of the contract. If these General terms and conditions have not been individually agreed in writing between EGR and the customer, the SoftT&C are complementary to the GT&C (general terms and conditions), which are themselves, besides the SoftT&C, an integral part of any software supply contract.

II. EGR's services

(1) EGR shall transfer to the customer the software indicated in the price quotation, the confirmation of order or the contract. No transfer shall be permitted in cases where the customer has expressly required that the software be transferred in executable object code. The software shall not be sold but licensed. Depending on feasibility and/or the customer's wishes, the software shall be transferred either on a storage medium or by remote data transfer (such as download from the Internet).

(2) Details shall be given in other manual and/or other documentation for the software concerning the functions and services performed by the software if used in accordance with the agreement ("specified products and services"). The relevant specified products and services shall be the sole definitive description of the nature of the software subject to the contract and of its appropriate use. No public statements, commendations or advertisements shall constitute contractually stated features of the software programs.

(3) EGR's services in the context of the transfer of the software shall not consist in the possibility of updates, the installation or customizing of the software, nor of training on it, nor of the performance of any activity over and above transferring the software. In particular, EGR shall be under no obligation to provide services enabling connection and data exchange between the agreed and other software, whether not otherwise contained in the license obtained from EGR. With regard to such connection, and any of the additional services mentioned above, shall be furnished by EGR solely upon receipt of payment in the context of a separate agreement to be concluded with the customer.

III. Customer's duty of cooperation

(1) In EGR's confirmation of order and/or the documentation relevant to the software there shall be a binding statement of the hardware and software environments (system environment) which are required for proper operation of the software. The customer shall be obliged to ensure a suitable system environment is available in due time. Should this be absent and the software supplied be solely for this reason incapable of use, the customer shall bear the responsibility alone.

(2) Any software error reported by the customer shall be the obligation to test all functions of the software under the customer's system environment conditions before commissioning the software. In like manner, the customer shall inspect the storage media, user handbooks and other documentation on receiving them to establish freedom from defects. If the customer finds defects, they shall be reported to EGR immediately in writing, by email or fax.

(3) The customer shall be under an obligation to prevent unauthorized access to the software. The customer shall store the original storage media in a place made safe from unauthorized access.

(4) The duty of cooperation described above shall constitute a substantial contractual obligation.

IV. Granting of rights (licence)

(1) EGR shall grant to the customer for an unlimited period the non-exclusive and non-transferable right to use the software in accordance with these T&C. This right of use is subject to reservation in respect of full payment in due time of the software.

(2) The customer is permitted to install and use the software in accordance with the number of program licences named in the price quotation, confirmation of order and/or software transfer agreement (as appropriate). The customer shall be permitted to use the software on any hardware he or she has available. On changing the hardware he or she shall delete the software from the hardware used to date. Simultaneous storage, stockage or use of more licences than are agreed in the contract shall not be permitted.

(3) The customer shall be permitted to reproduce the software insofar as the reproduction is required for the licensed use of the software. Such licensed use shall include installation of the software from the original storage medium onto the main memory of the hardware being used and the loading of the software into the random access memory of the hardware. The customer shall be entitled to create a backup copy which must be marked as such. This shall be used exclusively for backup purposes and shall not be passed on to third parties. Simultaneous use of the original and the backup copy shall not be permitted. No further reproductions shall be created. Reproduction by output of the program code is included in this prohibition. Only one printout or copy of the user handbook and/or other documentation shall be permitted to be made. Any further reproduction of the software, user handbook or other documentation by the customer shall require the prior written agreement of EGR.

(4) The client shall be entitled to pass on the software once in all to a third party. Any transfer shall take place exclusively in that the customer passes on the original storage medium and any copies he or she has made of the software to the third party. The customer shall be entitled to create a backup copy for the software. The customer shall be entitled to pass on the software to a third party under an obligation to observe these T&C, and notifies EGR of the transfer and of the written agreement of the third party.

(5) The above clause shall also apply if the customer only passes the software temporarily to the third party. The customer shall have no right to hire out the software or parts of the software.

V. Restrictions on right of use, overuse

(1) The customer shall not be authorised to make any changes whatever to the software, even in order to remedy defects. EGR shall, in the context of a software maintenance contract to be agreed, facilitate remedy of defects even after the guarantee period has elapsed.

(2) Neither back translation of the program code supplied into other forms of code (decompilation) nor any other form of reverse engineering of the various production stages in the software shall be permitted. Permission to undertake translation of code forms for purposes of achieving interoperability with an independently developed computer program shall not be affected as long as the conditions named in § 69 e of the German Copyright Act (UrhG) are fulfilled.

(3) The information obtained through activities which are in accordance with § 69 e Sentence 2 of the UrhG shall not be permitted to be used for other purposes than those named there or to be passed on to third parties. Use of the information to create or market a program in an essentially similar form or for any other activity which breaches copyright shall likewise be prohibited.

(4) The customer shall be forbidden to make illegible the copyright notices, stickers, labels or trademarks of EGR which are contained in the software or in the user handbook and/or other documentation.

(5) Commercial use of the software of the kind known as Application Service Providing (ASP) shall not be permitted. Furthermore, any use of the software which exceeds that described here, in particular simultaneous use of more licences than which have been contractually agreed, constitutes use of the software in breach of contract. The customer shall be under an obligation to notify EGR immediately if the software is no longer used for the purposes which have been contractually agreed and has agreed to pay compensation for the period of non-agreed use in accordance with EGR's price list.

VI. Use of protective technology

(1) EGR shall have the reserved right to supply the software equipped with a protective technical mechanism (copy protection), for example in the form of a dongle or software key.

(2) If EGR supplies the software with a dongle and if this fails to function, the customer shall be permitted to demand its replacement on return of the defective dongle. Replacement shall be without charge within the guarantee period named in Clause VII. (2) for any claims in respect of software defects. After the guarantee period for software defects has elapsed, the customer shall pay for the replacement dongle in accordance with the price list at the time of its supply. In case of theft or other loss of the dongle the customer shall have no right to its replacement.

(3) Circumvention or removal of the protective technical mechanisms shall be a breach of EGR's rights and may constitute an offence in law.

VII. Liability for defects

(1) The legal provisions shall apply to the rights of the customer in respect of defects in the software transferred unless otherwise laid down in the following clauses.

(2) Claims in respect of software defects shall be governed by a guarantee period of one year. This one-year period shall commence on transfer of the software to the customer. The guarantee period set in German law shall, however, apply if EGR has deliberately failed to disclose a defect or has given a guarantee for the software. The guarantee in respect of specifications shall take effect only if given in writing.

(3) EGR shall ensure that the software fulfills the specifications described if used in accordance with the contract and that it is non-defective as such. The customer shall be entitled to a right to claim in respect of the defect only if the defect notified is reproducible or can be demonstrated in machine-generated output.

(4) EGR shall remedy a defect properly notified by the customer by way of supplementary performance, repair or replacement. The right of choice of the means of the supplementary performance for the remedy of a defect shall lie in the first instance with EGR. The right of EGR under the applicable law to refuse the chosen type of supplementary performance shall remain unaffected. Insofar as such is reasonable for the customer, EGR shall have the right to provide the customer with a new version of the software by way of remedy of defect (for instance an update or patch), which either neither contains the defect complained of or will remove it; or to develop an alternative solution.

(5) If the supplementary performance has failed to provide a remedy within a reasonable period, the customer shall set a reasonable extension for EGR to facilitate a repeat attempt as long as to set such an extension is reasonable for the customer and as long as EGR has not made a final refusal of supplementary work. If both of these conditions are fulfilled, the customer shall be permitted to withdraw from the contract after failure of the second attempt or to reduce the purchase price and if appropriate because EGR is at fault to demand compensation in lieu of performance or recompense for time and effort applied in vain. When the last extension has brought no success, the customer shall declare within a reasonable period whether he or she is continuing to demand supplementary performance or is claiming the
rights named above. There shall be no right of withdrawal in the case of
insignificant defects. All claims by the customer to supply of defect-free software
shall lapse on declaration by the customer of withdrawal or of reduction.
(7) EGR shall have no liability in respect of defects if defects in the software have
arisen after alterations to the conditions of use or operation, after alteration of the
system environment, after faults in installation or operation (as long as these faults
are not caused by defects in the user handbook), after manipulation of the software
such as modification, adaptation, connection to other programs and/or after use in
breach of contract: unless the customer proves that the defect was already present
on transfer of the software or has in no way been caused by the events listed here.
(8) EGR shall have no liability for the correctness of data from the customer or third
parties to be found in the software or for any defect resulting therefrom.
(9) Should it transpire that a defect notified by the customer does not in fact exist
or is not caused by the software, the customer shall pay EGR for the effort involved
in analysis and other work in accordance with calculations based on the current
price list of EGR for the tasks in question.
(10) EGR shall be entitled in the case of justified withdrawal on the part of the
customer to demand reasonable compensation for the extent to which the customer
has benefitted by using the software up to the dissolution of the contract. This
compensation for benefit from use shall be calculated on the basis of a total period
of four years of use of the software, with a reasonable deduction for the impairment
of the software due to the defect which caused the withdrawal.

VIII. Applicability of the GT&C
The terms of the GT&C relating to such matters as conclusion of contract, supply,
payment and means of payment, reservation of ownership and rights, liability,
limitation, place for hearings, etc. shall likewise be applied in an appropriate
manner to contractual agreements for transfer of software programs.