§ 1 GENERAL, SCOPE OF APPLICATION

(1) The following General Terms and Conditions of Sale and Delivery (hereinafter referred to as “GTSD”) shall apply to all deliveries and other services of Allied Vision Technologies (Shanghai) Co., Ltd. (hereinafter referred to as “Allied Vision”). They shall also apply to all future deliveries and other services, even if no separate reference is made to them. Any terms and conditions of purchase or other general terms and conditions of the customer shall not be recognized by Allied Vision, even if their validity is not separately objected to in individual cases, unless Allied Vision agrees to their validity in text form.

(2) The content of subsidiary agreements and amendments to the contract shall depend on Allied Vision’s confirmation in text form.

(3) Allied Vision’s General Terms and Conditions of Repair apply to all maintenance services (repairs) provided by Allied Vision for cameras and accessories sold by Allied Vision.

(4) These GTSD shall apply only to persons who, at the time of conclusion of the contract, are acting in the exercise of their commercial or independent professional activity (entrepreneurs) as well as to legal entities under the applicable law or a special fund under the applicable law.

§ 2 CONCLUSION OF CONTRACT, OFFER DOCUMENTS

(1) Allied Vision’s offers are non-binding. The contract shall only come into effect through the order confirmation in text form.

(2) Allied Vision reserves all (including intellectual and industrial) property rights and copyrights to cost estimates, drawings and other documents; they may only be made accessible to third parties after prior approval by Allied Vision. Drawings and other documents belonging to offers shall be returned immediately upon request if the order is not placed with Allied Vision. In the reverse case, this shall also apply to the customer’s documents. However, these may be made accessible to third parties to whom Allied Vision has permissibly assigned deliveries and services.

§ 3 SCOPE OF PERFORMANCE, RELEVANT STANDARD, ENGINEERING SAMPLES

(1) The scope of deliveries and services shall be governed by a contract signed by both parties. In the absence of such a contract, the order confirmation of Allied Vision in text form shall prevail or - in the absence of such a confirmation - the order of the customer shall prevail.

(2) If agreed, the scope of services also includes the necessary operating software and technical documentation.
The subject of performance must comply with the agreement reached on the quality of the goods. The agreement on the quality of the goods shall be deemed to be the product descriptions designated as such (including those of the manufacturer) which were provided to the customer prior to his order or were included in the contract in the same way as these GTSD.

However, Allied Vision assumes no liability for public statements made by the manufacturer or other third parties (e.g. advertising statements). Such public statements shall not be deemed as contents of the contract.

Unless expressly agreed otherwise, Allied Vision designs, manufactures and delivers in accordance with the standards of “Machine Vision”. In the case of requirements of the customer that go beyond this, such as those that occur when used as a component of medical products, the customer shall

(a) notify Allied Vision of the specific use for each model prior to the first order so that the models in question can be separated out from the standard processes, if necessary, using their own part numbers; and

b) either prior to the execution of the contract or prior to purchasing, enter into a quality assurance agreement with Allied Vision to legally establish its requirements.

For Engineering Samples, the following specification applies additionally: Engineering Samples are only intended and suitable for the customer’s internal development, but not for distribution to third parties. Engineering Samples meet the legal requirements with regard to product safety, electromagnetic compatibility (EMC) and substance restrictions in the EU, USA, Canada, China and Singapore as well as the basic functions of image streaming. Other product defects may still occur with Engineering Samples and are not defects. Engineering Samples are marked in the offer and on the product with the prefix “E.” in front of the product name.

If, after acceptance of orders, technical improvements are introduced that do not affect the form, fit and function of the product, Allied Vision reserves the right to supply the improved products. This will be published on Allied Vision’s website at https://www.alliedvision.com/en/support/product-change-notifications/ as a product change notice.

§ 4 DELIVERY, PARTIAL DELIVERY, PARTIAL ACCEPTANCE

The terms of delivery shall be governed by Incoterms® 2020. Unless otherwise agreed between Allied Vision and the customer, delivery shall be made in accordance with Incoterms® 2020 FCA at Allied Vision’s loading dock as defined in the offer or order confirmation by Allied Vision (either located at 4621 Canada Way #300, Burnaby, BC V5G 4X8, Canada or located at Taschenweg 2a, 07646 Stadtroda, Germany).

Allied Vision shall only be entitled to make partial deliveries if
- the partial delivery is usable for the customer within the scope of the contractual intended purpose,
- the delivery of the remaining ordered goods is ensured and
- the customer does not incur any significant additional expenses or costs as a result (unless Allied Vision agrees to bear such costs).

In the event of partial default or partial impossibility, the Purchaser may only withdraw from the entire contract or claim damages for non-performance of the entire obligation if the partial
performance of the contract is of no interest to him. In all other respects, the provisions of the following § 5 shall apply accordingly in the case of partial default.

(4) If the acceptance of a certain quantity has been agreed, a change in the total quantity to be delivered is only possible with the express consent of Allied Vision. For clarification: The prices confirmed by Allied Vision in the order confirmation shall only apply upon acceptance of the agreed quantity.

§ 5 DELIVERY TIME

(1) Delivery dates and delivery periods shall be confirmed separately by Allied Vision or agreed with the customer in text form and shall only be binding in such cases. Early delivery is permissible.

(2) If the customer is obligated to procure certain documents, such as permits, releases, etc., himself or to make a down payment, the delivery period shall not commence before Allied Vision has received all documents to be procured by the customer or a down payment to be made has been received by Allied Vision.

(3) If Allied Vision is unable to meet binding delivery deadlines for reasons for which Allied Vision is not responsible (non-availability of performance), Allied Vision shall inform the customer of this immediately and at the same time inform the customer of the expected new delivery deadline. If performance is also not available within the new delivery period, Allied Vision shall be entitled to withdraw from the contract in whole or in part; Allied Vision shall immediately refund any consideration already paid by the customer. The following in particular shall be considered as a case of non-availability of performance in this sense
   (a) Allied Vision’s failure to obtain supplies on time if Allied Vision has entered into a congruent hedging transaction, neither Allied Vision nor its supplier is at fault, or Allied Vision is not obligated to procure supplies in the individual case,
   (b) force majeure, e.g. mobilization, war, acts of terrorism, riots, epidemics, pandemics or similar events (e.g. unjustified strike, unforeseeable supply bottlenecks) as well as official orders based thereon, which could not be foreseen at the time of conclusion of the contract,
   (c) virus and other attacks by third parties on the IT system of Allied Vision, insofar as these occurred despite compliance with the usual care for appropriate protective measures.

(4) The occurrence of the delay in delivery shall be determined in accordance with the statutory provisions. In any case, however, a reminder with an appropriate deadline must be sent by the customer.

(5) Liability in the event of delayed delivery shall be governed by § 13 of these GTSD. In all other respects, the statutory rights of the customer and of Allied Vision shall remain unaffected, in particular in the event of an exclusion of the obligation to perform (e.g. due to impossibility or unreasonableness of performance and/or subsequent performance).

§ 6 PRICES AND TERMS OF PAYMENT

(1) Prices shall be understood in accordance with the respective valid price list [EXW] (Incoterms® 2020) premises of Allied Vision Technologies, (Shanghai) Co., Ltd., 2-2109 Hongwell Int. Plaza, 1602# ZhongShanXi Road, Shanghai 200235, China – plus statutory value added tax including packaging costs if these do not exceed 0.5% of the value of the goods per shipment.
(2) Allied Vision shall deliver the goods in customary sales and transport packaging suitable for normal shipping. If the customer requires special packaging, he shall be charged for the costs thereof.

(3) Invoices are payable net within 30 days from the date of the invoice; the credit entry on the account designated in the invoice is decisive. In the event of default of payment by the customer, the statutory provisions shall apply.

(4) The customer shall only be entitled to rights of set-off or retention insofar as its claim is based on the same contractual relationship, has been legally established or is undisputed.

§ 7 PRICE ADJUSTMENT

Allied Vision reserves the right to adjust its prices at its reasonable discretion to the development of external costs which are not the responsibility of Allied Vision and which are not foreseeable and which are decisive for the price calculation. A price increase can be considered and is to be made if, for example, the costs for the procurement of raw materials (e.g. transport costs or packaging costs), the costs for the procurement of energy (e.g. electricity or gas) or the costs due to government regulations (e.g. changes in tax measures and environmental charges or government market regulations such as the setting of new minimum prices) and the effects of force majeure (e.g. pandemics, epidemics, war, strike, etc.) lead to a changed cost situation. Increases in these external cost factors shall be taken into account for a price increase to a reasonable extent, in particular taking into account the respective relationship between performance and counter-performance as well as the interests of the customer. The customer shall be left to prove lower increases of the external cost factors and price reductions according to the same parameters.

§ 8 TRANSFER OF RISK

(1) The risk of accidental loss or deterioration shall pass to the customer in accordance with the agreed Incoterms clause. This shall also apply to partial deliveries and in the event that Allied Vision has exceptionally assumed the shipping costs.

(2) If shipment is delayed as a result of circumstances for which the customer is responsible, in particular at the customer’s request, the risk shall pass to the customer as of the date of notification of readiness for shipment; however, Allied Vision shall be obligated to effect insurance at the customer’s request and expense. The customer’s payment obligations shall remain unaffected.

§ 9 RETENTION OF TITLE

(1) Allied Vision retains title to the goods until all claims arising from the business relationship with the customer - including future claims - (also including all ancillary claims, e.g. financing costs, interest) have been settled in full. If a current account was agreed with the customer, the retention of title shall exist until full settlement of the recognized current account balance (“Reserved Goods”). According to the applicable law, Allied Vision may register the title retention of the Reserved Goods with the competent PRC authority, and the customer shall provide all the necessary assistance for such title retention registration.

(2) The customer is obliged to treat the Reserved Goods with care, in particular to insure them adequately at replacement value against damage caused by fire, water and theft at his own expense.
(3) If the Reserved Goods are combined by the customer with other goods, Allied Vision shall be entitled to co-ownership of the new item in the ratio of the invoice value of the Reserved Goods to the invoice value of the other goods plus the processing value. If Allied Vision’s ownership expires due to combination, mixing or processing, the customer shall already transfer to Allied Vision at the time of combination, mixing or processing the ownership rights to the new item to which it is entitled to the extent of the invoice value of the Reserved Goods and shall hold them in custody for Allied Vision free of charge. The property rights to which Allied Vision is entitled as a result shall be deemed to be Reserved Goods within the meaning of para. (1).

(4) The customer already now assigns to Allied Vision the purchase price, compensation for work or other claims arising from the resale or further processing or for any other legal reason (e.g. in case of insurance or tort) with respect to the Reserved Goods including the recognized balance from a current account agreement in the amount of the invoice value of the Reserved Goods; Allied Vision accepts the assignment. The assignment of claims according to sentence 1 above serves as security for all claims - including future claims - arising from the business relationship with the customer.

(5) Subject to revocation by Allied Vision, the customer is entitled to collect claims from the resale for Allied Vision in its own name. This authorization to collect may only be revoked if the customer does not properly meet his payment obligations. At Allied Vision’s request, the customer shall in such a case provide the information on the assigned claims required for collection, provide corresponding documents and notify the debtor of the assignment.

(6) In case of seizure, confiscation, damage and/or loss of the delivered items, the customer shall inform Allied Vision immediately; a breach of this obligation shall give Allied Vision the right to withdraw from the contract. The customer shall bear all costs that had to be incurred, in particular in the context of a third-party action, to successfully lift an attachment and, if applicable, to successfully recover the delivered items, unless they can be confiscated from third parties.

(7) The right to resell and process the Reserved Goods and to collect the assigned claims shall expire in the event of a suspension of payments by the customer, an application for the opening of insolvency proceedings against the customer’s assets or a seizure of the Reserved Goods. Payments received thereafter for assigned claims shall be immediately accumulated in a special account.

(8) If Allied Vision has effectively withdrawn from the contract, Allied Vision shall be entitled to take back the Reserved Goods if the taking back has been threatened with a reasonable period of time. The costs arising from the exercise of the right of repossession, in particular for transport, shall be borne by the customer. Allied Vision shall be entitled to realize the repossessed goods subject to retention of title and to satisfy Allied Vision from the proceeds thereof, provided that the realization was previously threatened with reasonable notice. If the proceeds exceed the outstanding claims from the contractual relationship, this surplus shall be released to the customer.

(9) Allied Vision undertakes to release the securities to which Allied Vision is entitled upon request of the customer to the extent that the realizable value of the securities exceeds the claims to be secured not only temporarily by more than 10%. The aforementioned coverage limit of 110% shall be increased by this value added tax amount to the extent Allied Vision is charged with value added tax upon realization of the collateral, which arises from a delivery of the customer to Allied Vision subject to value added tax. The customer shall also be entitled to demand release of collateral if the estimated value of the goods assigned as collateral exceeds 150% of the claims to be secured. The selection of the securities to be released shall be incumbent upon Allied Vision. In case any collateral is agreed upon by the parties as securities (such as pledge or mortgage) under the applicable law,
Allied Vision has the right to register such collateral with the competent PRC authority, and the customer shall provide all the necessary assistance for such pledge or mortgage registration.

(10) In the event that cash payment or advance payment has been agreed upon, ownership shall already pass to the customer in full upon delivery. If Allied Vision agrees on a deferral with the customer or delivers to the customer despite knowledge of payment difficulties, Allied Vision shall waive the extended and prolonged retention of title and deliver under simple retention of title (i.e. goods delivered by Allied Vision remain the property of Allied Vision until they have been paid for).

§ 10 SECURITY FOR THE PURCHASE PRICE IN FOREIGN BUSINESS

(1) If a prolonged or extended retention of title pursuant to § 9 (3) to (5) is not effective under the applicable law of the place where the Reserved Goods are located, the customer shall not be entitled to resell the Reserved Goods unless it grants Allied Vision another corresponding means of security and performs the acts required for this purpose.

(2) If a retention of title is not effective at all under the applicable law, the parties shall agree on and effectively agree on a functionally equivalent means of security.

§ 11 WARRANTY FOR NON-CONFORMITY

(1) The statutory provisions shall apply to the customer’s rights in the event of defects of the goods and defects of title, unless otherwise stipulated below. In all cases, the special statutory provisions shall remain unaffected in the case of final delivery of the goods to a consumer (supplier recourse).

(2) Claims for defects by the customer require that the customer has properly fulfilled its statutory obligations to inspect the goods and give notice of defects. If a defect becomes apparent during the inspection or later, Allied Vision shall be notified thereof immediately in writing or in text form. The notification shall be deemed immediate if it is made within two weeks of discovery of the defect, whereby timely dispatch of the notification shall suffice to meet the deadline. If the customer fails to duly inspect the goods and/or notify Allied Vision of a defect, the goods shall be deemed approved.

(3) If the purchased item is defective, Allied Vision shall be entitled and obligated, at Allied Vision’s discretion, to remedy the defect (subsequent improvement) or to deliver a new item free of defects (subsequent delivery). Allied Vision shall bear the expenses necessary for the purpose of subsequent performance, in particular transport, travel, labor and material costs, provided that the expenses are not increased by the fact that the purchased item was taken to a place other than the place of intended use.

(4) Allied Vision is entitled to make the subsequent performance owed dependent on the customer paying the purchase price due. However, the customer shall be entitled to retain a part of the purchase price that is reasonable in relation to the defect.

(5) If the subsequent performance fails or if a reasonable deadline to be set by the customer for the subsequent performance has expired unsuccessfully or is dispensable according to the statutory provisions, the customer shall be entitled to demand rescission or reduction at its discretion. In the case of an insignificant defect, however, there shall be no right of withdrawal. In addition, the
customer shall have the following rights in accordance with § 13 of these GTSD, the customer shall also be entitled to claim damages.

(6) A case of liability for defects shall not be deemed to exist if defects are
− due to circumstances that occurred after the transfer of risk,
− caused by improper use or improper maintenance or repair work by the customer,
− based on arbitrary changes of the product by the customer,
− due to normal wear and tear, or
− otherwise attributable to the sphere of the customer.
Allied Vision may charge the customer for the additional costs incurred in the aforementioned cases.

§ 12 INTELLECTUAL PROPERTY RIGHTS THIRD PARTIES

(1) Allied Vision shall be liable in accordance with this § 12 that the delivery item is free of industrial property rights or copyrights of third parties in the People’s Republic of China (for the purpose of this GTSD, the territory does not include Hong Kong, Macao and Taiwan). Each contracting party shall notify the other contracting party in writing without delay if claims are asserted against it due to the infringement of such rights.

(2) In the event that the delivery item infringes an industrial property right or copyright of a third party, Allied Vision shall, at its discretion and at its expense, modify or replace the delivery item in such a way that no rights of third parties are infringed anymore, but the delivery item continues to fulfill the contractually agreed functions, or procure the right of use for the customer by concluding a license agreement. If Allied Vision does not succeed in doing so within a reasonable period of time, the customer shall be entitled to withdraw from the contract or to reduce the purchase price appropriately. Any claims for damages of the customer are subject to the limitations of § 13 of these GTSD.

§ 13 LIABILITY

(1) Allied Vision shall be liable without limitation for damages arising from injury to life, body or health that are based on a negligent breach of duty by Allied Vision or on an intentional or negligent breach of duty by Allied Vision’s legal representative or vicarious agent, and in the case of mandatory strict liability, in particular under the PRC Product Quality Law, and in the case of liability for a contractual guarantee.

(2) Allied Vision shall be liable for other damages to property based on an intentional or grossly negligent breach of duty by Allied Vision or on an intentional or grossly negligent breach of duty by Allied Vision’s legal representative or vicarious agent. In the event of gross negligence, liability shall be limited to the typically foreseeable damage at the time of conclusion of the contract.

(3) In the event of intentional or negligent breach of an essential contractual obligation, Allied Vision shall only be liable for the typically foreseeable damage at the time of the conclusion of the contract. An essential contractual obligation is such an obligation which makes the proper fulfillment of the contract concluded with the customer possible in the first place and on which the customer relied and was entitled to rely and whose culpable non-fulfillment endangers the achievement of the purpose of the contract.
(4) In all other cases, Allied Vision’s liability is excluded to the extent permitted by the applicable law.

(5) Insofar as the liability of Allied Vision is excluded or limited on the basis of the above provisions, this shall also apply to the personal liability of Allied Vision’s employees, representatives and vicarious agents.

§ 14 STATUTE OF LIMITATION

(1) In the case of supplier recourse in the supply chain of a consumer goods purchase, in the case of mandatory strict liability, in particular under the PRC Product Quality Law, and in the case of contractual guarantee liability, the statutory limitation period shall apply.

(2) In the event of damage resulting from injury to life, body or health due to a negligent breach of duty by Allied Vision or an intentional or negligent breach of duty by Allied Vision’s legal representative or vicarious agent, in the event of other damage, which are based on an intentional or grossly negligent breach of duty by Allied Vision or on an intentional or grossly negligent breach of duty by Allied Vision’s legal representative or vicarious agent, as well as for damages which are based on an intentional or negligent breach of material contractual obligations under the respective contract by Allied Vision or its legal representative or vicarious agent, the statutory warranty period shall also apply.

(3) In all other cases, the limitation period for liability for product quality defects under Article 45 of the PRC Product Quality Law shall be two years from the time when the interested party knows or should know that its rights and interests have been damaged.

(4) Subject to the above paras 1, 2 and 3, claims for damages in tort or under contract shall become statute-barred after 3 years from the time when the interested party knows or should know that its rights and interests have been damaged.

§ 15 ASSET AND CREDIT DETERIORATION

(1) If the customer’s assets deteriorate after conclusion of the contract, Allied Vision shall be entitled to perform outstanding deliveries and services only against provision of security for paying the purchase price. If the customer is not able to provide the required security within a reasonable period of time, Allied Vision shall be entitled to withdraw from the respective contract.

(2) The same shall apply if, after conclusion of the contract, Allied Vision becomes aware facts that give rise to justified doubts about the solvency or creditworthiness of the customer, unless the customer can prove that Allied Vision was already aware of these facts at the time of conclusion of the contract or should have been aware of them if it had exercised necessary due diligence.

(3) In the aforementioned cases, Allied Vision shall be entitled to initially credit payments of the customer against the most recent claims despite payment instructions to the contrary and shall waive with such crediting the extended and/or prolonged retention of title for the associated Reserved Goods. Allied Vision shall inform the customer about this and shall bear the interest disadvantage caused by this.
Furthermore, in the aforementioned cases, Allied Vision shall be entitled to prohibit the further processing and resale of the Reserved Goods according to § 9 and to revoke the collection authorization pursuant to § 9 para. 5.

§ 16 APPLICABLE LAW, PLACE OF PERFORMANCE AND JURISDICTION

(1) The laws of the People’s Republic of China (“PRC”) shall apply to these GTSD and all legal relationships between Allied Vision and the customer. The applicability of the CISG (UN Convention on Contracts for the International Sale of Goods) is excluded.

(2) The place of performance for all obligations arising from the contractual relationship shall be Allied Vision’s plant in Shanghai.

(3) All disputes arising directly or indirectly from the contractual relationship shall be settled by the competent court at the registered office of Allied Vision in Shanghai.