

General Terms and Conditions of Sale

§ 1 General Provisions, Scope of Applicability

- (1) These General Conditions of Sale (GCS) apply to all our business relationships with our customers (hereinafter "Buyer"). The GCS apply only if the Buyer are entrepreneurs (within the meaning of § 14 BGB - German Civil Code), corporate bodies under public law or fund assets governed by public law.
- (2) The GCS apply, in particular, for contracts about the sale and/or the delivery of movable properties (hereinafter also "goods"), irrespective whether we produce the goods ourselves or purchase it from suppliers (§§ 433, 651 BGB). The GCS apply, as amended, as frame agreement also for future contracts about the sale and/or the delivery of movable properties with the same Buyer, without the need for us to refer to them in every individual case.
- (3) Our GCS shall apply exclusively. Any deviating, contrary or supplementary General Terms and Conditions of Business of the Buyer shall become components of the contract only insofar as we have expressly approved their applicability in writing. This requirement of approval shall apply in every case, for example also if we know of the General Terms and Conditions of the Buyer and perform the delivery to the Buyer without reservation.
- (4) Individual agreements entered into with the Buyer in the individual case (including side agreements, supplements and amendments) shall take precedence over these GCS in any case. For the contents of such agreements to take effect an agreement in writing or our written confirmation is essential. All documents and/or records mentioned hereinafter form the basis of the agreement. They shall apply in the following ranking. In case of contradictions, the preceding one shall take precedence over the subsequent one. Applicable are, in this order:
- The Master Agreement on the basis of our order confirmation for the respective order;
 - The Master Agreement on the basis of our order confirmation in case of an individual order;
 - The order confirmation;
 - Our underlying offer and, if no such offer has been provided, our current price list;
 - These General Terms and Conditions of Business.
- (5) Legally binding declarations and notices which the Buyer is to provide us with after entering into the agreement (for example, notices of deadlines, notifications of defects, and statements of withdrawal or reduction) must be in writing to be effective.
- (6) References to the applicability of legal regulations are for clarification purposes only. Therefore, legal regulations are applicable even without such clarifying reference, as far as they have not been specifically amended or expressly excluded in these GCS.
- (7) Within the frame of Internet presence, no liability or guarantee is accepted or can be given for the currentness, accuracy and completeness of the data; its purpose is merely the non-committal presentation of product. It does not constitute a contract offer or an assurance of properties.

§ 2 Conclusion of Contract

- (1) Our offers are subject to confirmation and non-committal. This applies also when we have provided the Buyer with catalogues, technical documentations (for example, drawings, plans, calculations, references to DIN standards), other product descriptions or records – also in electronic form.
- (2) The Buyer's product order is considered a binding contract offer. Unless provided for otherwise in the order, we shall be entitled to accept this contract offer within 2 weeks after receipt. For all orders, the possibility of delivery is reserved.
- (3) The acceptance can be expressed either in writing (for example, by an order confirmation) or by handover of the goods to the Buyer.
- (4) As far as a regulatory permit or approval is required for the execution of the order, the Buyer must obtain these at his own cost. As far as the Buyer provides materials for further processing, he has to deliver these to our premises free of charge, and they must comply with the specifications required for processing.

§ 3 Delivery Term and Default

- (1) The delivery term shall be agreed individually and/or will be stated by us in the order confirmation. Partial deliveries shall be permitted at any time, unless we have not expressly confirmed a specific date.
- (2) If we are not able to meet binding deadlines for reasons not attributable to us (lack of availability of deliverables), we will inform the Buyer thereof without delay and notify him, at the same time, of the probable new date of delivery. If the deliverables are not available within the new delivery term either, we shall be entitled to withdraw from the contract in full or in part; any remuneration that Buyer has already provided will be immediately refunded. Lack of availability of deliverables within this meaning exists, in particular, if our suppliers do not deliver to us in time, when we have arranged for a hedging transaction. Our legal withdrawal and termination rights as well as the legal regulations for the liquidation of the contract in case of an exclusion of the duty to perform (for example, because the performance or after-performance is impossible or cannot be reasonably expected) shall remain unaffected. Also the Buyer's withdrawal and termination rights according to § 8 of these GCS shall remain unaffected.
- (3) The occurrence of default is defined after the legal regulations. In any case is, however, the Buyer must issue a reminder and set a grace period. If we come in default of delivery the Buyer may require flat-rate compensation for damages for default. The lump-sum damage fee for each completed period of 30 days of the delay is 1% of the net price (delivery value), but not more than 5% of the delivery value of the goods which were delivered late. We reserve the option to prove that the Buyer has not suffered any damage at all, or only a significantly lesser damage than compensated by the aforementioned lump-sum fee.

§ 4 Delivery, Passing of Risk, Acceptance, Default in Acceptance

- (1) The delivery is carried out from the works or, respectively, the warehouse, which is also the place of fulfillment. On request and cost of the Buyer, the goods can be sent to another destination (drop-off purchase). Unless specified otherwise, we shall be entitled to choose the way of dispatch ourselves (in particular the shipping company, shipping method, and packaging). From a delivery value of 1,250.00 EUR net, except where otherwise stipulated, the delivery is free to your door or, respectively, free to the German border; this does not affect the determination of the place of fulfillment according to sentence 1. Express costs are always to be borne by the Buyer.
- (2) Insurance against transport damage and losses is taken up only at the express request of the Buyer and on his account. Transport damage and shortfalls must be determined at the receipt of the shipment, and the Seller must be notified without delay.
- (3) The risk of accidental destruction and accidental deterioration of the goods passes to the Buyer at the latest at the time of receipt. However, in the case of drop-off purchase – which is freight-free delivery – the risk of accidental destruction and accidental deterioration of the goods as well as the risk of delay shall pass already with the handover of the goods to the shipping company, the carrier or any other person or institution contracted to execute the delivery. As far as acceptance has been agreed, it shall be decisive for the passing of risk. As for the rest, the agreed acceptance shall be subject to the legal regulations for contract work. The handover or acceptance, respectively, is considered to have been performed if the Buyer is in default in acceptance.
- (4) If the Buyer is in default in acceptance, fails to perform a collaborative action, or if our delivery is delayed for other reasons attributable to the Buyer, we shall be entitled to request compensation for the damage incurred because of that, including additional expenditures (for example, warehousing costs). In such a case, we charge a lump-sum compensation in the amount of 500 EUR per calendar day from the date of delivery or – if there was no delivery – from the date of the notification that the goods are ready to be delivered. The proof of a higher damage and our legal claims (in particular the replacement of additional expenditures, appropriate compensation, and termination) shall remain unaffected; however, the lump-sum fee shall be charged to any further monetary claims. The Buyer is free to prove that we have not suffered any damage at all, or only a significantly smaller damage than compensated by the above fee.
- (5) When manufacturing paper products, a certain percentage of defective products cannot be prevented, and if the portion is less than 2 % of the entire quantity, it shall not be complained about. For printing, normal printing colours are used. When placing an order, special requirements should be clearly pointed out (for example, fastness to light, rub-resistance etc.). Usual tolerances as to the colouring, quality, purity, steadiness and grammage of the goods shall be accepted with every delivery. For printing jobs and special productions, the Seller reserves the right to deliver 3 % more or less in quantity compared to the ordered quantity.

§ 5 Prices and Terms of Payment

- (1) As far as not agreed on otherwise in the individual case, our prices as current at the time of the entering into the contract shall apply, i.e. the prices ex warehouse, plus the VAT applicable on the day of the delivery. As far as the pricing was based on the cost factors valid on the date of the offer, and these factors have changed by the date of the delivery, the Seller shall be entitled to adjust the price accordingly. If the price increases the Buyer shall be entitled to withdraw from the contract. The cost for subsequent changes of the deliverable on Buyer's request will be charged separately, unless provided for otherwise in the order confirmation.
- (2) In case of a drop-off purchase according to § 4(1) the Buyer shall bear the transport cost ex warehouse, and the cost of any transport insurance which the Buyer may possibly wish for. As far as no individual agreements have been made with regard to the coverage of transport costs, a lump-sum fee for the transport costs (transport insurance not included) in the amount of 1,000 EUR (one thousand) is considered as agreed. Any custom duties, fees, taxes and other public charges shall be borne by the Buyer. We won't take back any transport and other packaging on the basis of the Packaging Ordinance; it passes to the ownership of the Buyer; except are Euro pallets.
- (3) Unless regulated otherwise in the order confirmation, the prices / remunerations are immediately payable. The payment shall be made within 30 days upon maturity and receipt of the invoice; the effective date is the Seller's receipt of the payment. Deduction of a discount is admissible only if specifically agreed in writing. However, in the case of contracts with a delivery value of more than 50,000 EUR (fifty thousand) we shall be entitled to request an advance payment in the amount of 30 % of the purchase price. The advance payment is mature and payable within of 14 days of the invoice.
- (4) After the due date of payment, interest and fees will be charged from the day of maturity, according to the usual bank rates for unsecured short-term loans, irrespective of any reminders required by law.
- (5) The failure to comply with the terms of payment, or a decline in the financial standing of the Buyer, shall entitle the Seller to enforce the immediate maturity of all claims, without regard to their term. It shall further entitle the Seller to execute any outstanding deliveries only against prepayment or the provision of securities, or to withdraw from the contract after setting an appropriate grace period, or to claim compensation for damages because of non-fulfilment, irrespective of the right to claim back the goods delivered under the retention of title at the Buyer's cost.
- (6) The Buyer shall have offsetting and retention rights to such an extent only as his claim has been determined without further legal recourse, or is undisputed. In case of defects in the delivery, the provisions of § 7 (6) remain unaffected.

§ 6 Retention of Title

- (1) Upon the complete payment of all our present and future claims from the purchase contract and from a current business relationship, including any open credits (secured claims), we reserve the proprietary right in the sold goods.
- (2) The goods that are subject to our retention of title may not be pawned to third parties, nor assigned as securities, before the secured claims have been paid in full. The Buyer has to inform us in writing without delay, once and as far as third parties gain access to our proprietary goods, or if such access is expected.
- (3) In case that the Buyer fails to comply with the contract, in particular if he does not pay the due purchase price, we shall be entitled to withdraw from the contract according to the legal regulations, and/or to request the goods to be returned on the basis of our retention of title. The request for the returning of the goods does not include any statement of withdrawal; rather, we shall be entitled to only require the returning of the goods and to reserve the option of withdrawing from the contract. If the Buyer does not pay the due purchase price, then we may exercise such rights only if we have, prior to that, granted a grace period with regard to the payment to the Buyer without avail, or if such a setting of grace can be omitted pursuant to the legal regulations.
- (4) The Buyer is entitled to resell or to further process the goods subject to retention of title within his usual course of business. In such a case, the following conditions shall apply supplementary:
- The retention of title shall extend to any products created by means of processing, mixing or combining of our goods at their full value, with us being considered the manufacturers. If, in the case of processing, mixing or combining with goods of third parties, the proprietary titles of such third parties remain in existence, we shall obtain co-proprietary rights in the ratio of the invoicing values of the processed, mixed or combined goods. As for the rest, the same shall apply for the resulting products as for the goods delivered under retention of title.
 - The Buyer already now assigns any claims against third parties arising from the resale of the goods or products to us, in whole or in the amount of our co-proprietary ratio according to the foregoing paragraph, as a security. We accept this assignment. The Buyer's obligations stated in paragraph 2 shall also apply with respect to the assigned claims.

- c) As for the collection of the claim, the Buyer shall remain authorised to perform the collection, in addition to us. We undertake not to collect the claim as long as the Buyer fulfils his payment obligations towards us, is not in default with payments, no application to open insolvency proceedings against him has been made, and no other defect of his performance exists. However, if any of these defects exist, we can request that the Buyer shall disclose to us the assigned claims and the corresponding debtors, provides us with all the information necessary for collection, hands over the appurtenant records, and informs the debtors (third parties) of the assignment.
- d) If the collectable value of the securities exceeds the trade accounts payable by more than 10%, we will release securities of our choice on the Buyer's request.

§ 7 Buyer's Claims for Defects

- (1) As for the Buyer's right with regard to material and legal defects (including wrong and short deliveries) the legal regulations apply, unless provided for otherwise hereinafter. In any case, the legal special regulations for the final delivery of the goods to a consumer remain unaffected (deliverers' regress according to §§ 478, 479 BGB / German Civil Code).
- (2) The basis of our liability for defects is mainly the agreement made with regard to the qualities of the goods. Such an agreement is to include descriptions of the products which are subject to the individual agreement; it does not make any difference whether the description originates from the Buyer, the manufacturer or us. If samples have been submitted prior to the agreement, no agreement about the qualities shall be construed based on such samples. Rather, such samples are to provide an approximate idea of the goods. Therefore, if the features are different from the sample, no defect exists.
- (3) If no particular qualities or features have been agreed on, the legal regulations shall be looked at to assess whether there is a defect or not - see § 434 (1) S 2 and 3 BGB. However, we do not accept any liability for public statements of the manufacturer or other third parties (for example, advertising pitches).
- (4) The Buyer's claims for defects presuppose that he has complied with his legal obligation to examine the deliveries and to give notice of defects (§§ 377, 381 HGB – German Commercial Code). If a defect occurs during the examination or at a later point in time, we must be notified thereof in writing without delay. The notification is considered to be without delay if made within of 8 workdays; for the verification of the term, the timely sending of the notification is sufficient. Without prejudice to this obligation to examine the deliveries and to give notice of defects, the Buyer must report obvious defects (including wrong and short deliveries) within of 8 workdays from the delivery in writing; also in this case, the timely sending of the notification is sufficient. If the Buyer fails to perform the orderly examination and/or give notice of defects, our liability for any unreported defect shall be excluded.
- (5) Should the delivered goods be defective we, firstly, may choose whether we will provide supplementary performance by removing the defect (repair) or by delivering a defect-free object (replacement). Our right to reject the chosen way of supplementary performance under certain legal conditions remains unaffected.
- (6) We shall be entitled to make the due after-fulfilment subject to the payment of the due purchase price by the Buyer. However, the Buyer shall be entitled to retain a part of the purchase price which is in a reasonable relationship to the defect. Apart from that, claims for defects do not justify any withholding of the purchase price in whole or in part, or the setoff of counterclaims.
- (7) The Buyer must allow for a reasonable timeframe and give us the opportunity, for due supplementary performance, to hand over, in particular, the rejected goods for examination purposes. In the case of a replacement, the Buyer is to return the defective goods in accordance to the legal regulations.
- (8) We will bear all the expenses connected with the examination and supplementary performance, in particular any costs of transport, travel, labour and material, if there is indeed a defect. However, if the Buyer's request to remove a defect turns out to be unjustified, we can request the Buyer to compensate us for the cost.
- (9) In urgent cases, for example when operational safety is at risk or disproportionate damage is to be prevented, the Buyer shall have the right to remove the defect himself and to claim from us the refund of the expenses incurred. He shall notify us of such self-help action without delay, and if possible, prior to the action. The right to self-help does not apply if we were entitled to reject the supplementary performance according to the legal regulations.
- (10) If the supplementary performance has failed or the grace period set by the Buyer has expired or can be waived of according to the legal regulations, the Buyer can withdraw from the purchase contract or reduce the purchase price. However, no right to withdrawal exists if the defect is insignificant.
- (11) The Buyer's claims to damages and/or the refund of futile expenses exist only on the basis of § 8 and are otherwise excluded.

§ 8 Other Liability

- (1) As far as no other rules apply according to these GCS, including the provisions below, we shall be liable in the case of a breach of contractual and non-contractual obligations according to the specific legal regulations.
- (2) We are liable for damages in case of intention and gross negligence – irrespective of the legal cause. In case of ordinary negligence, we are liable only:
- For damage resulting from injury to life, body or health;
 - For damage resulting from the violation of a significant contractual duty (a duty which is essential for the orderly performance of the contract and which the contractual partner usually expects to be met and can reasonably expect to be met); however, in this case, our liability shall be limited to the replacement of the foreseeable, typically occurring damage.
- (3) The restrictions of liability resulting from paragraph 2 do not apply if we maliciously conceal a defect or if we provide a guarantee for the features of the goods. The same applies for the Buyer's claims according to the Product Liability Act.
- (4) The Buyer can withdraw from the contract or terminate the contract for a breach of duty only if we are accountable for the breach of duty. A free termination right for the Buyer (in particular according to §§ 651, 649 BGB) is excluded. As for the rest, the legal preconditions and legal consequences apply.
- (5) In cases in which the Buyer is required to warrant after the provisions for the purchase of commodities (§ 474 BGB), the following shall apply for our liability with recourse according to § 478 BGB: The Buyer's claims for damages are restricted to cases in which the defectiveness of the object we have supplied is due to intention; otherwise, claims for damages by the way of recourse according to § 478 BGB are excluded. If the Buyer violates an examination and reporting obligation after § 377 HGB, also the other claims by recourse according to § 478 BGB are excluded.

§ 9 Statute of Limitation

- (1) In deviation from § 438 (1) No. 3 BGB, the general statute of limitation for claims because of material and legal defects shall be one year from delivery. As far as acceptance has been agreed on, the statute of limitation begins with the acceptance. A shortening of the statute of limitation shall not happen in any case of malice or intent of the Seller and/or if the life, body or health, or the freedom, of a person is concerned; the same applies for the liability after Product Liability Act, in case of gross negligence and culpable breach of significant contractual duties.
- (2) Unaffected shall remain also legal special regulations for material claims for surrender of third parties (§ 438 (1) No. 1 BGB), in case of malice on the side of the Seller (§ 438 (3) BGB) and for claims by way of supplier recourse in final deliveries to consumers (§ 479 BGB).
- (3) The above statutes of limitation of the sale of goods law also apply for contractual and non-contractual damage claims of the Buyer based on a defect of the goods, unless the application of the regular legal period of limitation (§§ 195, 199 BGB) would lead to a shorter statute of limitation in the individual case. The periods of limitation according to the Product Liability Act shall remain unaffected in any case. As for the rest, exclusively the legal periods of limitation apply for damage claims of the Buyer according to § 8.

§ 10 Data Protection / Industrial Property Rights

- (1) The Seller shall be entitled, within the frame of regulations of the Federal Data Protection Act, to store and to process any data of the Buyer which are collected within the frame of the business relationship by electronic means for the purposes of the execution of the contract.
- (2) We reserve proprietary rights and copyrights in all and any records. This applies also to the industrial property rights connected with the goods.

§ 11 Choice of Law and Place of Jurisdiction

- (1) For these GCS and all legal relationships between us and the Buyer, the law of the Federal Republic of Germany shall apply, under exclusion of all international and supranational (contract-related) legislations, in particular of the UN Convention on Contracts for the International Sale of Goods. On the other hand, the preconditions and effects of the retention of title according to § 6 are subject to the law at the respective place where the object is situated, as far as, with regard to this object, the choice of law in favour of the German law would be inadmissible or ineffective.
- (2) If the Buyer is a merchant within the meaning of the Commercial Code, a corporate body under public law, or funds assets under public law, the exclusive – also internationally – place of jurisdiction for all disputes resulting directly or indirectly from the contractual relationship shall be the place of business of the Seller as entered in the Commercial Register. However, we shall be also entitled to take legal action at the general place of jurisdiction of the Buyer.