

General Terms and Conditions of Business, Delivery and Payment

I. Applicability, Contract Formation

Orders shall be completed in accordance with the following conditions. Any conditions differing from these must be provided in writing.

II. Prices

1.The prices specified in the offer shall apply on condition that the ordering information that serves as the basis for the submission of tender remains unaltered for a period of at least four months after receipt of the offer by the contracting party (Contractor). With respect to orders delivered to third parties, the party placing the order shall be deemed the Client provided no other arrangement has been agreed to.

Contractor prices do not include Value Added Tax (VAT).

Prices apply post-printing and do not include packaging, freight costs, postal charges, insurance and other shipping costs.

2.Subsequent changes made at the behest of the Client, including those resulting from machine downtime, shall be charged to the Client. Subsequent changes also include repetitions of trial proofs requested by the Client due to minor deviations from a submitted sample.

3.Sketches, drafts, typesetting specimens, trial copies, templates, proof sheets or similar preparatory work initiated by the Client shall be charged to the Client.

III. Payment

1.Payment shall be effected immediately upon receipt of the invoice and without deduction. Any potential cash discount agreement made shall not apply to freight, postage costs, insurance or other shipping charges. The invoice is to be issued on the day of delivery, partial delivery or stock availability (obligation to collect goods, default of acceptance).

Bills of exchange are accepted only upon separate agreement and upon undertaking to pay without a cash discount. Discounts and expenses shall be borne by the Client and are to be paid promptly. The Contractor shall not be liable for upon non-payment where it submits the bills of exchange in a timely manner or where it objects to, provides notification of or returns such bills, except insofar as there is no intent or gross negligence on the part of the Contractor or the Contractor's agents.

2.Appropriate advance payment may be requested for extraordinary preliminary work.

3.The Client may only set off claims if it has an uncontested and legally enforceable claim. A Client registered as a registered trader in accordance with the German Commercial Code (HGB) is not entitled to a right of retention. The rights under Section 320 of the German Civil Code (BGB) remain nevertheless intact where and insofar as the Contractor has not met his duties under Section VI (3).

4.If fulfillment of the obligation to make payment is endangered due to deterioration in the Client's financial circumstances which occur or become known post-completion, the Contractor shall be entitled to demand an advance payment, withhold undelivered goods and discontinue further work. The Contractor is also entitled to these rights when the client is in default of payments for deliveries based on the same legal relationship.

5.In the event of a delay in making a payment, interest at a rate of 2% above the current base rate of interest of the German Central Bank shall be due. This provision does not affect the right to enforce further claims attributable to such delay/default.

IV. Delivery

1.If the Contractor has undertaken to effect delivery, he shall exercise reasonable care in doing so for the Client and shall be liable only where intent and gross negligence are involved. The Client shall assume risk at the moment when the shipment is forwarded on to the person responsible for transport.

2.Delivery deadlines are only valid where such have been expressly agreed to by the Contractor. Where a contract has been concluded in writing, confirmation of delivery deadlines must also be in writing.

3.Should the Contractor be delayed in providing delivery, he shall be granted a reasonable grace period to effect delivery. Upon this grace period expires without successful delivery being effected, the Client shall be entitled to withdraw from the contract. Section 361 of the German Civil Code remains unaffected by this provision.

4.Interruption of business operations – either those of the Contractor or those of a supplier – in particular strikes, lockouts or any other acts of God, shall not constitute grounds for withdrawal from the contractual relationship. The principles relating to frustration of contract remain hereby unaffected.

5.Pursuant to Section 369 of the German Commercial Code, the Contractor is entitled to exercise a right of retention with respect to master copies, stamp templates, manuscripts, raw materials and other objects supplied by the Client pending fulfillment of all outstanding claims arising from the business relationship.

6.The Contractor shall accept the return of packaging pursuant to the obligations set forth in the German Packaging Ordinance. The Client may return packaging to the Contractor's place of business during normal business hours upon providing the latter timely notification in advance, unless the Client is aware of a different collection point. Return of packaging shall be accepted only immediately after delivery of the goods, or, with respect to follow-up deliveries only upon prior notification and upon preparation of packaging for collection. The Client shall bear the costs of transporting used packaging. If a specified collection point is located farther away than the Contractor's place of business, the Client shall bear only those transportation costs that would be incurred in transporting packaging for the distance required to reach the Contractor's place of business. Returned packaging must be clean, free of foreign objects and sorted according to packaging type. Otherwise the Contractor is authorized to demand payment for additional costs incurred in the disposal of such packaging.

V. Retention of Title

1.All delivered goods remain the property of the Contractor until payment has been made in full.

2.The following terms apply only with respect to commercial transactions:

All delivered goods remain the property of the Contractor until payment has been made in full on all outstanding claims existing as at the date of the invoice. The Client is authorized to resell goods only in the ordinary course of business. The Client thereby transfers its claims arising from resale to the Contractor and the Contractor thereby accepts transfer. The Client undertakes to identify the transferred claims to him by the Contractor at the latest in the event of default. If the value of the Contractor's existing securities exceeds that of claims by more than 20%, the Contractor shall release securities to the extent that the Contractor chooses upon request from the Client or any third party thereby impaired as a result of the over-collateralization on the part of the Contractor.

3.The Contractor shall be considered as manufacturer within the meaning of Section 950 of the German Civil Code (BGB) with respect to workmanship, processes and all products which it owns and the Contractor shall retain ownership of such products at all times during all phases of processing. Where third parties are involved in such processing, the Contractor will be entitled only to a jointly-ownership to the extent of the invoice value of the goods that are subject to retention of title. The property thus acquired shall be deemed reserved property.

VI. Complaints, Warranty

1.In each case, the Client shall examine preliminary and interim products sent and also whether all goods delivered conform to the contract. Risk of potential defects passes to the Client upon declaration of the goods being ready to print/manufacture but only insofar as the effects are not such that they occur or can be identified following a declaration of readiness. The same applies to all other declarations of approval/release by the Client.

2.Complaints are only valid if made within one week from the date of receipt of the goods. Claims relating to latent defects not identified upon inspection immediately following delivery must be brought within the statutory warranty period.

3.In respect of legitimate complaints and to the exclusion of other claims, the Contractor is obliged to either rectify or replace the goods (the choice of which is at his discretion) up to the amount of the order value, except for instances where a warranted characteristic is missing or where the Contractor or its agent are liable due to intent or gross negligence. The same provision applies with respect to complaints relating to rectification or replacement. In the event that rectification or replacement is delayed, fails or is aborted, the Client is entitled to demand a reduction of compensation (mitigation) or a rescission of the contract (annulment).

4.Defects in parts of the delivered goods do not constitute grounds to object to delivery as a whole unless where such partial delivery is of no interest to the Client.

5.With respect to color reproductions in all production processes, slight deviations from the original do not constitute grounds for complaint. The same applies to any comparison between samples and production runs.

6.With respect to inconsistencies in the quality of materials employed, the Contractor is only liable up to the amount of its own claims against the relevant supplier. In such an event, the Contractor is freed of liability if he transfers his claims against the supplier to the Client. The Contractor is liable where claims against suppliers cannot be enforced or are not enforceable owing to the fault of the Contractor.

7.Deliveries (including data storage media) made by the Client or via a third party engaged by the Client are not subject to an obligation to inspect on the part of the Contractor.

8.Deliveries amounting to either an excess or reduction of up to 10% of the ordered print run do not constitute grounds for complaint. This shall be calculated based on the amount delivered. For orders of customized paper less than 1000kg this percentage shall increase to 20% and for orders of less than 2000kg to 15%.

VII. Liability

1.In principle, the Contractor shall only be liable insofar as damages are the caused by the Contractor's own intentional or grossly negligent actions.

2.In other cases, Contractor liability for negligence is governed by the following provision: Claims for damages relating to consequential damages due to defects resulting from an express breach of contract, entering into default upon completion and liabilities in tort are excluded. Where the subject matter of the order involves further refining work (i.e. of printed materials), the Contractor shall not be liable for impairments caused thereby to those products that have been further refined.

Claims for damages arising from frustration (impossibility of performance) and delay are limited to the amount of the order value (the Contractor contribution excludes preparatory work and material).

3.The foregoing limitations on liability apply to the same extent to agents and vicarious agents of the Contractor.

4.In commercial transactions, the Contractor shall always bear liability for damages caused by intentional or grossly negligent actions.

5.The foregoing limitations on liability do not apply to the intentional breach of essential contractual obligations ("essentialia negotii") insofar as such breach places fulfillment of the contractual purpose at risk, to the absence of warranted characteristics and to cases of mandatory liability under the Product Liability Act.

VIII. Periodic Tasks

Contracts governing regularly recurring tasks may be terminated upon 3 months' notice to the month's end.

IX. Data Security

Our business partners pledge not to pass on to unauthorized third parties any data arising from our business relationship and to securely store and protect such data from access or misuse by unauthorized persons.

X. Copyright

The Client shall be liable only where completion of his order violates the rights, in particular copyrights, held by third parties. The Client shall release the Contractor from all third-party claims arising from such an infringement.

XI. Legal Notice

Upon approval by the Client, the Contractor may make reference to his company on the manufactured products in a suitable manner. The Client may withhold such approval only when he has an overriding interest to do so.

XII. Place of Performance, Court of Jurisdiction, Effectiveness

1.Where the client is a duly registered trader within the meaning of the German Commercial Code or has in general no domestic place of jurisdiction, the place of performance and court of jurisdiction for all disputes arising out of this contractual relationship including proceedings relating to checks, bills of exchange and deeds shall be the Contractor's place of business. The contractual relationship is governed and shall be construed in accordance with the law of Germany. The UN Convention on Contracts for the International Sale of Goods is excluded and shall not apply.

2.If one or several provisions of these General Terms and Conditions is or becomes invalid, this shall not affect the validity of the remaining provisions.