

GENERAL TERMS AND CONDITIONS OF SALE

(as of January 1st, 2018)

§ 1 Scope, Notices

(1) The following General Terms and Conditions of Sale (GTC) apply to our contractual relationships in case we enter into a sales contract with a Buyer that qualifies alternatively as entrepreneur according to Section 14 German Civil Code (GCC), legal entity under public law or special fund under public law.

(2) Our GTCs apply irrespective of whether we ourselves produce the purchased goods or purchase them from third-party suppliers (c.f. section 433, 651 GCC). To the extent not agreed on the contrary, the GTCs, in their latest version communicated to the Buyer in writing, shall also apply to future contracts between the Buyer and us if we do not refer to the GTCs in the particular case.

(3) Our GTCs shall apply exclusively; deviating, contradictory or supplementary General Business Terms or agreements, even with our knowledge thereof or in case of unreserved delivery of the purchased goods, are part of the contract only if they are expressly agreed upon.

(4) Individual agreements, including side agreements, additions and amendments, shall have precedence over these GTCs. Unless otherwise agreed, such agreements shall be valid only if set out or confirmed by us in writing.

(5) Any declarations and notices of legal relevancy relating to the contract to be communicated to us by the Buyer, including but not limited to settings of deadlines, notices of defect, terminations have to be made in written form (i.e. via fax, email or mail). Statutory provisions on form as well as possible needs of proof of authority for the person acting on behalf of one of the parties shall remain unaffected.

(6) References to legal provisions serve the purpose of clarification only. Legal provisions shall apply irrespective of such reference, unless they are expressly waived or amended by these GTCs.

§ 2 Offers, Conclusion

(1) All our offers are subject to change and non-binding. This shall also apply in case we provide the buyer with samples, catalogues, technical documents or documentation (including, but not limited to illustrations, printing plates, designs, layouts, litographs, calculations, references to DIN-standards), product specifications or documents of any other kind -including documents submitted digitally. Ownership and intellectual property rights with respect to these documents are reserved.

(2) Ordering of goods by the Buyer shall be deemed a binding contractual offer. Unless otherwise indicated in the order we shall be entitled to accept the contractual offer within 2 weeks of receipt by us.

(3) Acceptance can be expressed in writing (e.g. by an acknowledgement) or by delivery of the goods to the Buyer.

§ 3 Delivery deadline and delay in delivery

(1) The delivery period is individually stipulated or indicated by us when accepting the order.

(2) If we are unable to meet firm delivery periods for reasons beyond our control (non-availability of performance) we will inform the Buyer without undue delay and communicate the expected new delivery period at the same time. If the performance is still not available within the new delivery period we shall be entitled to withdraw from the contract wholly or partly; any consideration already paid by the Buyer will be reimbursed respectively without delay. A particular instance of non-availability of performance in this respect is late delivery to us by our suppliers if we have concluded a congruent covering transaction and non-performance occurs neither to our nor to our supplier's fault or in case we are not obligated to supply the respective goods.

(3) Occurrence of default in delivery shall be determined by the relevant legal provisions. An overdue notice by the Buyer shall be required in all cases, however. If we are in default of delivery, the Buyer may demand lump-sum compensation for the loss suffered. The lump-sum compensation shall be 0.5% of the net price (delivery value) per complete calendar week's default, subject to a maximum of 5% of the delivery value of the goods delivered late. We reserve the right to prove that the Buyer has suffered no loss at all or only a substantially smaller loss than the above lump sum.

(4) The Buyer's rights of withdrawal and cancellation (especially due to impossibility of (subsequent) performance) in accordance with Section 8 of these GTCs shall likewise remain unaffected.

§ 4 Delivery, passing of risk, acceptance, delay in acceptance

(1) Delivery is ex warehouse, which is also the place of performance. The goods will be sent to a different destination at the Buyer's request and expense (sale to destination according to Buyer's instructions). Unless otherwise agreed we are entitled to decide on the manner of shipping (in particular the carrier, routing and packaging).

(2) The risk of accidental loss and accidental deterioration of the goods is borne by the Buyer at delivery at the latest. However, in the case of sale to destination according to Buyer's instructions the risk of accidental loss and accidental deterioration of the goods and the risk of delay passes to the Buyer at handover of the goods to the forwarder, carrier or other person or organisation carrying out the shipping. If the agreement requires acceptance of the purchased goods, acceptance determines the passing of risk. The statutory provisions of the law on contracts for services shall apply analogously in other respects to an agreed

acceptance. Default of acceptance by the Buyer shall be deemed delivery or acceptance.

(3) If the Buyer is in default of acceptance, fails to provide an act of assistance or if our delivery is delayed for other reasons for which the Buyer is responsible, we are entitled to request compensation for the resulting damages including additional expenses (e.g. storage costs). For this we shall charge a flat rate compensation in the amount of 250 EUR per day, beginning with the delivery deadline or – in the absence of a delivery deadline – with the notification that the goods are ready for shipment. The proof of higher damages and our statutory claims (in particular reimbursement of additional expenses, reasonable compensation, termination) remain unaffected; the flat rate is however to be offset against further monetary claims. The Buyer reserves the right to prove that we did not suffer any damages at all or only substantially less damages than the afore-mentioned flat rate. Costs and take-back of packaging are subject to a separate agreement.

§ 5 Price, terms of payment

(1) Unless otherwise agreed, our prices current at the time of conclusion of contract shall be valid on the basis ex warehouse, exclusive of VAT at the rate in force. Customised designs, layouts, illustrations etc. will be invoiced proportionately.

(2) For delivery charges, our general terms of payment and delivery shall apply. Possible taxes, customs duties, public duties, charges and other incidental expenses shall be borne by the Buyer.

(3) Upon expiry of the above time for payment the Buyer is in default. During the default period interest at the statutory default interest rate at the time shall be due on the purchase price. We reserve the right to claim further damage caused by default. Our claim against merchants for commercial interest after due date (Section 353 of the German Commercial Code) shall not be affected.

(4) The Buyer shall have rights of set-off or retention only if the claim is *res judicata* or undisputed. section 7 paragraph 6 clause 2 shall not be affected by defects in the delivery.

(5) If after conclusion of the contract it becomes apparent that our claim for payment of the purchase price is jeopardized by the Buyer's inability to pay (e.g. an application for commencement of insolvency proceedings) we shall be entitled in accordance with the provisions of law to refuse to perform and – if necessary after fixing a time limit – to withdraw from the contract (Section 321 of the German Civil Code). In the case of contracts for the manufacture of specific items (making to specification) we can withdraw immediately; this shall not affect the legal provisions concerning the dispensability of fixing a time limit.

(6) Unless a fixed price has been agreed upon, we reserve the right to appropriately modify our prices as a result of in- or decreased costs including, but not limited to collective agreements or changes in material prices, insofar the change in costs occurred after concluding the contract, non-consideration of the costs would compromise the contract's balance and modification of the prices is reasonable for the Buyer. In case of such modification, we will immediately inform the Buyer and submit evidence of the circumstances causing us to such modification.

§ 6 Reservation of title

(1) We retain title to the goods sold until full payment of all our present and future claims arising from the contract of sale and current business relations (secured claims).

(2) Until the secured claims have been satisfied in full the goods subject to retention of title shall not be pledged to a third party or assigned as security. The Buyer shall notify us immediately in writing if and insofar as a third party executes attachment of our goods or if bankruptcy proceedings have been applied for.

(3) If the Buyer violates the contract, in particular in case of failure to pay the purchase price when due, we shall be entitled according to the provisions of law to withdraw from the contract and/or to reclaim the goods on the basis of the retention of title. Reclaiming does not at the same time constitute declaration of withdrawal; instead we shall be entitled simply to reclaim the goods and to reserve the right of withdrawal. If the Buyer does not pay the purchase price when due, we may assert these rights only if we have first set the Buyer an appropriate time limit for payment without result or if setting a time limit may be dispensed with according to the provisions of law.

(4) The Buyer is authorised to resell and/or to process the goods subject to retention of title in the ordinary course of business. In this case the following provisions shall apply additionally.

(a) Retention of title extends to the full value of the products created by processing, mixing or combining our goods, in which context we shall be deemed the manufacturer. If in the case of processing, mixing or combining with third party goods the latter's retention of title still applies, we shall acquire joint ownership in proportion to the invoice values of the processed, mixed or combined goods. In other respects the same rules shall apply to the product created as to the goods delivered subject to retention of title.

(b) The Buyer hereby assigns to us as security the claims against third parties arising from resale of the goods or product, in total or, if applicable, in the amount of our joint ownership share according to the previous clause. We accept assignment. The Buyer's duties according to Section 2 shall also apply with regard to the claims assigned.

(c) The Buyer remains authorised to collect the claim with us. We undertake not to collect the claim as long as the Buyer fulfils its payment obligations towards us, is not in default of payment, no application for commencement of insolvency

proceedings is made and its ability to pay is not otherwise impaired. However, if this is the case we can demand that the Buyer gives us details of the claims assigned and the debtors, supplies all the information necessary for collection, hands over the relevant documents and informs the debtors (third parties) of the assignment.

(d) If the realisable value of the securities exceeds our claims by more than 10%, upon request from the Buyer we shall release securities at our choice.

§ 7 Claims for defect

(1) Save as otherwise provided below, the Buyer's rights in the event of defects of quality and legal imperfections in title (including wrong and short shipments and incorrect installation or defective installation instructions) shall be governed by the provisions of law. The special legal provisions in the case of ultimate delivery of the goods to a consumer (suppliers' recourse according to Sections 478, 479 of the German Civil Code) shall be unaffected in all cases.

(2) The primary basis of our liability for defects shall be the agreement made concerning the quality of the goods. All product descriptions subject of the individual contract or publicly announced descriptions from us (especially descriptions from our website or catalogues) shall be deemed part of the agreement concerning the quality of the goods.

(3) In the absence of any quality agreement, the existence or non-existence of a defect shall be assessed according to the statutory provision (Section 434 (1) paragraphs 2 and 3 of the German Civil Code). We shall not be held liable, however, for any public statements by the manufacturer or other third parties (e.g. advertising messages).

(4) The Buyer's warranty claims presuppose him to have fulfilled his statutory duties of examination and notification (Sections 377 and 381 of the German Commercial Code). Any defect discovered during examination or later shall be notified to us without delay and in writing. Irrespective of the abovementioned duties of examination and notification the Buyer shall notify obvious defects (including wrong and short delivery) within 2 business days from delivery; the time shall be deemed observed if the notification is sent in time. Notification must be given in writing. If the Buyer fails to notify defects as stipulated above, our liability for defects not notified shall be excluded.

(5) In case the delivered item is faulty, the Buyer may demand either repair of the fault (rectification) or delivery of a flawless item (replacement), as he chooses. Our right to refuse subsequent performance according to statutory law shall remain unaffected.

(6) We are entitled to make due subsequent performance conditional upon the Buyer's paying the purchase price due. The Buyer shall, however, be entitled to withhold an appropriate part of the purchase price in proportion to the defect.

(7) The Buyer shall allow us the necessary time and opportunity for due subsequent performance and shall in particular hand over the goods concerned for inspection. In the case of replacement the Buyer shall return the defective item to us in accordance with the statutory provisions. Subsequent performance does not include assembling of product if we were not obliged to assemble products to begin with.

(8) Should a fault actually exist, then we shall bear the expenses incurred for the purposes of inspection and repair, specifically the costs of transportation, labour and materials (not including assembly and disassembly). However, should a Buyer demand for repair be proven unjustified, then we can demand the incurred costs be reimbursed by the Buyer. This shall not apply in case the lack of justification for repair was undetectable to the Buyer.

(9) In urgent cases, e.g. if operating safety is jeopardised or to avert disproportionate damage, the Buyer shall be entitled to remedy the defect himself and demand reimbursement by us of the objectively necessary expenses incurred. We shall be advised without delay, if possible beforehand, of self-remedying of defects. The right of self remedy shall not apply if we would have been entitled to refuse corresponding subsequent performance in accordance with the statutory provisions.

(10) If subsequent performance is unsuccessful or a deadline to be set by the Buyer for subsequent performance has elapsed without result or may be dispensed with according to the statutory provisions, the Buyer may withdraw from the contract of sale or diminish the purchase price. No right of withdrawal applies in the case of a minor defect.

(11) The Buyer shall be entitled to claim compensation or reimbursement of expenses incurred in vain only as provided in Section 8; otherwise such claims shall be excluded.

(12) For products going through a printing process, the Buyer shall be obligated to diligently examine and make appropriate corrections of the template submitted to him and sign the print approval. In case the print meets the requirements of the confirmed template, a defect of the print shall be excluded.

(13) In case of custom-made goods, production conditions can result in overdelivery or underdelivery of as much as 10%. The purchase price will be amended respectively.

(14) Tolerances in quantity, weight or dimensions inevitably resulting from the production process and customary to this line of business are reserved. The same applies to tolerances regarding the cutting of products.

§ 8 Other liability

(1) Save as otherwise provided in these GTCs including the provisions below, in case of breach of contractual and noncontractual duties we shall be liable in accordance with the statutory provisions applicable.

(2) We shall be liable to compensate, irrespective of legal ground, in the event of intent and gross negligence. Save for statutory provisions stipulating lesser degrees of liability, in case of ordinary negligence we shall be liable only

(a) for damage due to injury to life, limb or health;

(b) for damage due to breach of an essential contractual duty (an obligation that has to be fulfilled to enable the contract to be duly performed and on the satisfaction of which the other party regularly relies and may rely); in this case our liability shall be limited to compensation for the foreseeable damage typically occurring.

(3) The limitations of liability according to Section 8 paragraph 2 shall also apply with regard to our legal representatives, staff members or vicarious agents. The limitations shall not apply if we or one of the latter conceal(s) a defect with intent to deceive or if we have warranted the quality of the goods.

(4) The Buyer may withdraw or cancel on the grounds of a breach of duty that is not a defect only if we are responsible for the breach of duty. The Buyer's free right of cancellation (in particular in accordance with Sections 651 and 649 of the German Civil Code) is excluded. Otherwise the statutory requirements and legal consequences shall apply.

§ 9 Statute of limitation

(1) Section 438 (1) paragraph 3 of the German Civil Code notwithstanding, the general period of limitation for claims based on defects of quality and legal imperfections in title shall be one year from delivery. If acceptance has been agreed the limitation period commences at acceptance.

(2) The aforementioned periods of barring of purchase law shall also apply to contractual and extracontractual claims to damages of the Buyer based on a defect in the commodities unless application of regular statutory barring by limitation (§§ 195, 199, German Civil Code) would lead to a shorter barring in the individual case. The periods of barring of the Product Liability Act shall remain unaffected in any case. Apart from this the statutory periods of barring shall exclusively apply to claims to damages of the Buyer pursuant to Section 8 (1) and (2 a) of the present Terms and Conditions of Sale.

§ 10 Choice of Law, place of jurisdiction

(1) These Conditions and all legal relations between us and the Buyer shall be governed by the law of the Federal Republic of Germany excluding all international and supranational (contractual) legal systems, in particular the UN Convention on Contracts for the International Sale of Goods.