

GENERAL TERMS AND CONDITIONS OF BUSINESS, PAYMENT AND DELIVERY FOR THE PRINTING INDUSTRY

I. Scope of Application/Formation of Contract

These general terms and conditions of business apply to all business relationship with companies (§ 14 BGB), legal persons of public law or special funds under public law. Orders are fulfilled exclusively on the basis of the terms and conditions below. No other terms and conditions apply to this agreement, even if we do not expressly contradict them. § 305b of the German Civil Code (Bürgerliches Gesetzbuch or BGB) remains unaffected. Any rules that deviate from the above must be confirmed in writing.

II. Prices

1. The prices quoted in the Contractor's offer apply, provided the order information on which the offer was based remains unchanged. In all cases, however, the quoted prices will expire four weeks after the day the Customer receives the offer. For orders delivered to third parties, the Customer is considered the buyer unless otherwise explicitly agreed. The Contractor's prices do not include value added tax. The Contractor's prices are ex works, i.e. they do not include packaging, freight, postage, insurance or any other shipping costs.
2. Subsequent changes arranged by the Customer will be charged to the Customer, including any machine idle times resulting from the change. Subsequent changes include repeated requests for prepress proofs by the Customer due to minor differences from specifications.
3. Prepress proofs, corrections, changes to delivered/transmitted data or other similar prepress work arranged by the Customer will be charged to the Customer.

III. Payment

1. Payment is due immediately upon receipt of the invoice at no discount. Any agreed discounts are not applicable to freight, postage, insurance or other shipping costs. The invoice date will be the date of delivery, partial delivery or delivery readiness (goods awaiting pickup, delayed acceptance).
2. In exceptional cases where services are provided in advance, advance payment may be required accordingly.
3. The Customer may offset invoices or withhold payment only in the case of undisputed or legally enforced claims. This does not apply to Customer claims for finishing or error correction costs.
4. If it becomes apparent after the contract has been established that the Customer's ability to pay its financial obligations is endangered, the Contractor may demand payment in advance, withhold any pending deliveries or cease all further work. The Contractor is also entitled to these actions if the Customer has not met its payment obligations for regular deliveries under the same legal relationship. § 321 BGB remains unaffected.
5. Invoices not paid on time are subject to late charges of 9% over the base interest rate. This does not exclude the enforcement of additional claims. If the Customer fails to pay the invoice including any additional charges per Section II ("Prices") within 10 days of receipt, it will be considered in default, even if no payment reminder has been sent.

IV. Delivery

1. Delivery dates are valid only if expressly confirmed by the Contractor. If the contract is established in writing, then the delivery date must also be confirmed in writing.
2. If the goods are to be shipped, the Customer assumes the risk of accidental loss or accidental damage to the goods at the moment the shipment is handed over to the shipper of the goods.
3. If the Contractor fails to ship the goods on time, the Customer may exercise its rights under § 323 BGB only if the delay was caused by the Contractor. No change in the burden of proof is associated with this rule.
4. Work stoppages on the Contractor's premises or a supplier's premises not caused by the Contractor, such as strikes, lockouts or other cases of force majeure, may justify cancellation of the contract but only if the Customer cannot reasonably be expected to wait any longer. Otherwise the agreed delivery date will be extended by the duration of the stoppage. The contract may only be cancelled four weeks after the start of the above-described stoppage at the earliest. In these cases, the Contractor shall not be liable.
5. The Contractor has the right to retain possession of print templates, raw materials and other items delivered by the Customer per § 369 of the German Commercial Code (Handelsgesetzbuch or HGB) until the Customer has met all of its payment obligations under the business relationship.
6. The Contractor will take back any packaging as required under the German Packaging Ordinance (Verpackungsverordnung). The Customer may return packaging to the Contractor's location during regular business hours with ample notice, unless another return/collection site is specified. Packaging may also be given back to the Contractor at the time of delivery, unless the Contractor specifies a different return/collection site. Packaging will only be taken back either immediately upon delivery of the goods or during a subsequent delivery if appropriate prior notification has been given and the packaging has been prepared for collection. The Customer shall pay the costs of transporting used packaging. If the specified return/collection site lies farther away than the Contractor's location, the Customer will pay only as much as it would cost to transport the packaging to the Contractor's location. Packaging must be returned clean, free of foreign objects and sorted by type. Otherwise, the Contractor has the right to charge the Customer for any disposal costs incurred.

V. Conditional sale

1. The delivered goods remain the property of the Contractor until the Customer has paid all amounts due to the Contractor as of the invoice date. The goods may not be pledged to third parties or used as collateral until they have been paid for in full. The Customer shall notify the Contractor immediately in writing of any access by third parties to goods owned by the Contractor, including the extent of such access. The Customer has the right to resell the goods only as part of its ordinary business activities. In doing so, the Customer cedes all claims from the resale of the goods to the Contractor. The Contractor hereby accepts the ceded claims. If the obtainable value of the collateral exceeds the amount of the Contractor's claims by more than 10%, the Contractor

shall, at its discretion and at the Customer's request, release collateral.

2. If goods delivered by and under ownership of the Contractor are processed or modified, the Contractor is considered the manufacturer under § 950 BGB and will retain ownership of the products at all times during modification. If third parties are involved in the processing or modification, the Contractor is limited to partial ownership of the goods subject to conditional sale in the amount of the invoice (final invoice total including VAT). Ownership acquired in this way is considered conditional.

VI. Complaints/Guarantees

1. The Customer shall inspect the goods for contractual compliance immediately, including any preliminary or interim products sent for correction. The Customer assumes the risk of defects upon giving the print/production go-ahead, unless the defects occurred or could not be detected until after the print/production go-ahead was given. The same applies to all other approvals granted by the Customer.
2. Obvious defects must be reported in writing within one week of receipt of the goods, hidden defects within one week of discovery. Otherwise the right to invoke the guarantee shall be forfeited.
3. In the case of justified complaints, the Contractor is first required and entitled to correct and/or replace the product at its discretion. If the Contractor fails to meet this obligation within an appropriate time frame, or if its attempts to correct the defect fail despite repeated attempts, the Customer may demand a discount or withdraw from the contract.
4. Defects in a portion of the delivered goods do not justify a complaint regarding the entire delivery unless partial delivery is of no interest to the Customer.
5. Minor differences from the original resulting from production processes involving colour reproduction may not be the subject of a complaint. The same applies to comparisons between other proofs (digital, hard copy, etc.) and the final product. In addition, the Contractor is not liable for defects that do not or only insignificantly impact the value or usability of the goods.
6. Items delivered by the Customer or a third party appointed by the Customer (including data storage media and transmitted data) are not subject to inspection by the Contractor. This does not apply to obviously unprocessable or unreadable data. The Customer shall scan all data using the latest virus protection software prior to transmission. The Customer is solely responsible for the security of the data. The Contractor is entitled to make a copy of the data.
7. Deliveries in which the delivered quantity is up to 10% larger or smaller than the ordered quantity may not be the subject of a complaint. The Customer will be charged for the actual delivered quantity. For deliveries printed on custom paper and weighing under 1,000 kg, the allowable percentage increases to 20%, or 15% for less than 2,000 kg.

VII. Liability

1. The Contractor is liable for:
 - culpable injury to life, limb or health and for
 - other damage caused intentionally or through gross negligence, even if the breach of duty resulted from the culpable actions of a legal representative or agent.
2. The Contractor is further liable for:
 - minor negligent breaches of material contractual obligations, including by its legal representatives

or agents. Material contractual obligations are those that must be fulfilled in order to properly execute the contract; the breach of which threatens the achievement of the purpose of the contract; and compliance with which the customer may reasonably expect. Liability therefor is limited to foreseeable damage typical of the type of product.

3. Finally, the Contractor is liable for:
 - fraudulently concealed defects and assumed guarantee for the condition of the goods as well as
 - claims pursuant to the German Product Liability Act (Produkthaftungsgesetz).
4. The Contractor shall not have any liability beyond the above. This also applies to liability for continuous and uninterrupted availability of the online sales system; depending on the current state of technology, data communication via the Internet may not occur error-free and/or its availability cannot be guaranteed at all times.

Specifically:

Prepress proof errors:

If prepress proofs are not delivered on time, any additional printing costs incurred will be billed to the Customer as additional charges. Cases of force majeure are exempt from this rule. The Contractor is not responsible for the quality of PDF page data. The Customer or its contracted desktop publishing studio is responsible for conducting a content and quality review.

Printing errors:

If errors in printed products result in claims and the Contractor is proven to be at fault, the Contractor shall reimburse the Customer for the entire cost of producing the printed page area containing the error.

Insert errors:

If, at the fault of the Contractor, inserts are not or not properly inserted during the insert process from receipt of goods to insert results, the following liability exclusions or liability rules apply:

- The Contractor is not responsible for loss of sales.
- The Contractor is not responsible for claims made against the Customer by the insert client as a result of product defects or loss of sales.
- Replacement insertion will be provided to the Customer free of charge.
- Additional costs incurred by the Customer for insert printing, reprints, transport or other costs associated with replacement insertion or the handling of insert errors will be credited to the Customer by the Contractor against receipt. If, due to an insert cancellation by the publisher, any already-wrapped inserts from the wrapping warehouse have to be put back on pallets, the Contractor will bill the Customer for the related time and expense.

Delivery delays:

If delivery of the final product is delayed by more than half an hour, and late delivery of the printed materials was not the cause of this delay, the Contractor shall reimburse any additional distribution costs incurred as a result of late delivery against receipt. Cases of force majeure are exempt from this rule.

Liability for content of printed works:

The Customer guarantees that it will not order printing services from the Contractor for materials with content that is illegal in the Federal Republic of Germany or that violates basic ethical standards. Prepress proofs may not contain the following content in particular:

- Content that infringes on third party rights (individual rights, copyrights, other property rights)

- Content that is pornographic, immoral or otherwise considered offensive
 - Content of an anti-constitutional or extremist nature or originating from banned associations
 - Legally punishable, inflammatory or abusive content.
- The Customer shall be solely liable if, in the fulfilment of its order, the rights of third parties are infringed upon. The Customer holds the Contractor harmless against all third party claims due to such infringement. The Contractor reserves the right to reject a printing order without giving a reason. Existing orders may be cancelled with immediate effect if it is discovered that the Customer has violated any of the above rules.

5. Any other damage or expense reimbursement claims by the Customer for any reason are excluded.

VIII. Statute of Limitations

Guarantee or damage compensation claims by the Customer (see Sections VI and VII) will expire, with the exception of damage compensation claims under Section VII, one year after the date of delivery (shipment). This does not apply if the Contractor has acted fraudulently.

IX. Commercial Use

For commercial use purposes, the customary trade practices of the printing industry (e.g. no obligation to return intermediate products such as data or printing plates created for printing the promised final product) apply unless otherwise specified in the order.

X. Archiving

The Contractor will only archive products to which the Customer is entitled, including but not limited to data and data storage media, after the final product has been handed over to the Customer or its agents if expressly agreed upon and in exchange for special compensation. The Customer is responsible for obtaining any necessary insurance for the above-listed items, unless otherwise agreed.

XI. Periodic Work

Contracts or master agreements for recurring work may be terminated with 3 months' notice.

XII. Industrial Property Rights/Copyrights

The Customer shall be solely liable if, in the fulfilment of its order, the rights of third parties, including copyrights, trademark or individual rights, are infringed upon. The Customer agrees to hold the Contractor harmless against any third party claims due to such infringement.

XIII. Information according to § 36 Act on Alternative Dispute Resolution in Consumer Matters

We are neither willing nor required by law to participate in a dispute settlement procedure before a consumer arbitration board according to § 36 par. 1 VSBG.

XIV. Place of Fulfilment, Jurisdiction, Effect

The place of fulfilment and jurisdiction, if the Customer is a businessperson, corporate entity or special fund under German public law or has no general jurisdiction in Germany, for all disputes arising from the contractual relationship, is the headquarters of the Contractor. The contractual relationship is subject to German law. The

United Nations Convention on Contracts for the International Sale of Goods (CISG) does not apply.

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