

General Terms of Business of GBZ Print Service GmbH & Co. KG

1. Scope of application and general provisions

- 1.1. In the course of business between us and our contracting partners, the General Terms of Business set forth below (hereinafter referred to as conditions of sale) shall apply exclusively. Any purchaser's terms conflicting with or deviating from our conditions of sale shall not be accepted by us, unless we expressly accept such purchaser's terms in writing. Our conditions of sale shall also be applicable if we deliver to the purchaser without any reservations, although we are aware of the purchaser's conditions to the contrary or any conditions which deviate from our conditions of sale. The same shall apply to the acceptance of deliveries or services as well as payments. A tacit acceptance of third-party terms of business by us is thus excluded.
- 1.2. All agreements, especially amendments and/or additions to the present agreement as well as the partial or complete cancellation of this agreement must be made in writing in order to be valid. This requirement as to form may only be waived by an express written agreement.
- 1.3. Individual agreements must be in writing in any case. Oral supplemental agreements are invalid.
- 1.4. The parties agree that the present agreement and all legal consequences related thereto shall be subject to German law exclusively. Foreign law and international conventions (e.g. Uniform Law on the International Sale of Goods, UNCITRAL) shall not be applicable. The application of the UN Convention on the international sale of goods is excluded.
- 1.5. These conditions of sale shall only apply between merchants as defined in Section 310 German Civil Code (BGB).
- 1.6. In the event that individual provisions hereof should be or become invalid, in whole or in part, the validity of the remaining provisions shall not be affected. In this case, the respective provision shall be implemented in a manner which corresponds to the economic purpose of the invalid provision to the greatest possible extent.

2. Place of performance and jurisdiction

- 2.1. Unless stipulated otherwise in our order confirmation, Frankenthal shall be the exclusive place of performance.
- 2.2. If the contracting party is a qualified merchant, our domicile shall be the exclusive place of jurisdiction for all claims or disputes arising hereunder. The same place of jurisdiction shall apply if the contracting party does not have a general place of jurisdiction. This provision shall be considered as agreement as defined in Art. 25 of the European Convention on Jurisdiction and Enforcement of Judgments in Civil and Commercial Matters (EuGVVO). We shall be entitled, however, to also sue the purchaser at the court of his residence/business domicile.

3. Offers

- 3.1. Our offers are always subject to change without notice.
- 3.2. We do not assume any liability for correctness and completeness of all figures and data. They shall be non-binding for the execution of the goods, unless provided for otherwise by us expressly in writing.
- 3.3. We do not assume any liability for correctness of the years of construction and machine numbers.

4. Prices

- 4.1. Unless provided for otherwise in our order confirmation, all prices indicated by us shall be fixed prices ex location of the machine or goods without packing, which will be invoiced separately.
- 4.2. The statutory value-added tax is not included in our prices; it must be added to the price offered or confirmed or agreed contractually at the statutory rate applicable at the date of execution of the order.
- 4.3. The price does not include the costs for loading, transportation, insurance as well as possible customs, unloading and loading activities or assembly.
- 4.4. The deduction of discounts or other rebates shall be subject to special written agreement.

5. Terms of payment

- 5.1. Unless stipulated otherwise in our order confirmation, the purchase price shall be due net (without deduction) on the date of the agreed takeover and must be paid in cash or by bank transfer.
- 5.2. Forms of payment other than cash shall be taken on account of performance only. Payment shall be deemed to have been made if we can dispose of the amount received.
- 5.3. The purchaser shall bear any costs involved in forms of payment other than cash payment in connection with the collection of the purchase price, including our costs, such as e.g. bank fees, handling commissions (especially the costs related directly or indirectly with the letter of credit).
- 5.4. If the purchaser fails to comply with his payment obligations in the agreed form or if a form of payment accepted on account of performance is not fulfilled, we shall be entitled to demand interest at a rate of 5%. If the purchaser is in default of payment, we shall be entitled to demand default interest at a rate of 5% over the respective discount rate of the Deutsche Bundesbank, however at least 8% p.a. The right to claim additional damages for delayed performance shall be reserved. The purchaser shall be entitled, however, to prove that we suffered no or a lower damage as a consequence of default.

5.5. If we become aware of circumstances casting doubt on the purchaser's credit standing, we shall be entitled to demand provision of a guaranty of a large German bank without the authorization to deposit. If such bank guaranty is not provided within eight days from receipt of our request, we shall be entitled to rescind the agreement or demand compensation for damages due to non-performance, if the purchaser was notified accordingly in the letter of request, unless the purchaser provides an equivalent security.

5.6. The purchaser shall only be entitled to offset against or retain the purchase price or a part of the purchase price, if his claim against us has been established with legal effect by a German court, if such claim is undisputed or has been acknowledged by us.

5.7. Any collection costs incurred, both judicially and extrajudicially, shall be borne by the purchaser. The extrajudicial costs will amount to at least 10% of the outstanding amount. However, the purchaser shall also be entitled in this respect to prove that no or only lower costs were incurred.

5.8. All payments received shall be allocated to the incurred costs first, then to the interest incurred, if any, and only then to the main claim.

5.9. If the purchaser is in default of payment, any other still outstanding amounts shall become due for payment immediately. This shall also apply in case of the purchaser's insolvency, if composition or bankruptcy proceedings are applied for against him, if he is placed under receivership, if he has obvious liquidity problems or fully or partly loses the power to dispose of his assets in any way.

5.10. In case of so-called chain transactions as defined in the VAT directive, our invoices shall be issued without VAT. However our purchaser hereby undertakes to provide a security to us in the amount of the VAT applicable to the net purchase price prior to handover of the machine until receipt of the export document for VAT purposes.

6. Delivery

6.1. Our delivery periods are generally non-binding. Delivery dates indicated in the order confirmations can only be complied with if we receive the delivery in time ourselves. If the delivery is not received by us in time, our delivery period shall be extended accordingly.

6.2. If the goods offered by us are not available to us in time, we shall be entitled to extend the delivery date accordingly, offer a product of the same type or rescind the contract.

6.3. If we are in default of delivery for reasons we cannot be held responsible for, the purchaser shall be entitled to rescind the contract only after granting us a reasonable extension of time with notice of refusal which expires unsuccessfully. In case of default, claims for compensation of damages due to non-performance shall be excluded in the event of ordinary negligence. In case of intentional or grossly negligent acts, we shall be liable in the amount of the typical foreseeable damage.

6.4. The limitation of liability in accordance with section 6.3 above shall not apply if a commercial fixed business was agreed or if the purchaser can assert that he is no longer interested in contract performance as a consequence of the default for which we are responsible. In these cases, too, our liability is limited to the typical damage.

6.5. Compliance with our delivery obligation requires the timely and appropriate performance of the purchaser's obligations. If the purchaser fails to take over the delivery at the agreed date, we shall be entitled, regardless of any other rights, to disassemble and store the purchased item at the purchaser's expense. The purchase price according to section 5.1 shall be due at the same time.

6.6. Should the purchaser be in default of acceptance or in breach of any other duties to cooperation, we shall be entitled to demand the compensation for any damages resulting therefrom, including any additional expenses. In this case, the risk of accidental loss or an accidental deterioration of the purchased item shall pass to purchaser as of the day on which he is in default of acceptance. We only assume liability for deterioration of the purchased item during default of acceptance in case of intent or gross negligence.

6.7. If the purchaser refuses acceptance of the service or delivery finally, or if he cancels the order without legal grounds, he shall be required to pay a flat rate compensation for damages in the amount of 15% of the net purchase price. This shall also apply if the purchaser fails to comply with his obligation of acceptance having set a reasonable deadline with notice of refusal which expires unsuccessfully. The right to claim further damages is reserved. However, the purchaser shall be entitled to prove that no or only considerably lower costs were incurred by us.

7. Assumption of risk

If we have the obligation to deliver to the purchaser, this obligation shall cease with delivery of the goods at the agreed destination prior to unloading the goods. The liability for the goods shall be transferred to the purchaser at arrival of the means of transportation at the place of delivery. In the event of a total loss prior to arrival of the goods, a previously paid purchase price, if any, shall be reimbursed. In case of damage to the goods, we shall ensure that the goods are repaired soon, taking into account the delivery times for the required spare parts.

8. Retention of title

- 8.1. We shall retain title to the goods until final and complete payment of all receivables resulting from the business relationship.
- 8.2. In the event of breach of contract by the purchaser – in particular default of payment - we shall be entitled to take back the goods subject to retention of title – even against the purchaser's will - irrespective of where the goods are located, or, if applicable, demand assignment of the purchaser's claim for release of the goods against third parties. Taking back and attachment of the goods subject to retention of title by us does not represent a rescission of the contract, unless this was expressly stated by us in writing. We shall be entitled to sell the purchased items which we have taken back, and any proceeds from the sale of such items is to be offset against purchaser's liability, less reasonable costs of sale.
- 8.3. The purchaser shall treat the purchased items carefully; he shall, in particular, insure them adequately at their reinstatement value at his own expense against the risk of fire, water and theft. In the event that maintenance and inspection work should be necessary, the purchaser shall perform the same at his own expense.
- 8.4. The purchaser shall not be entitled to resell the goods subject to retention of title without written approval as long as said goods are still subject to retention of title. The purchaser shall not be entitled to pledge the goods subject to retention of title or give them as security. All rights resulting from the resale of the goods subject to retention of title in breach of the agreement or with our approval or for any other reason with respect to the goods subject to retention of title, shall be fully assigned by the purchaser to us already now as security. The purchaser shall only be entitled to collect the assigned claims in his own name with express written authorization. We shall be entitled to disclose the assignment at any time. The purchaser is therefore required to disclose the information necessary for collection, particularly the names and addresses of third-party debtors as well as designate the assigned claims and surrender the associated documents.
- 8.5. If the delivered item is claimed by any other party, especially by attachment, the purchaser shall be required to notify us without delay. To the extent that the third party is not able to reimburse us for any cost paid in and out of court in the event of a claim under Section 771 Civil Procedure Code (ZPO), the purchaser shall be liable in respect of any loss incurred by us.
- 8.6. Retention of title shall remain unaffected by expiry of the period of limitation with respect to our claim.
- 8.7. If the realizable value of our security exceeds the claims to be collateralized by more than 20%, we undertake to release the security to which we are entitled at the purchaser's request; however, we reserve the right to select the security to be released.

9. Warranty for defects

9.1. General provisions

- 9.1.1. The purchaser's warranty rights shall only exist if the purchaser has properly observed his duties to examine the goods and the requirement to give notice of defects as provided for in Sections 377 Commercial Code (HGB).
- 9.1.2. In case of defects in the purchased item, we shall be entitled, in our own discretion, to remedy the defects or provide a substitute delivery. In case of remedy of defects, we shall only bear half of the expenses incurred for this purpose. Any costs resulting from the fact that the purchased item was taken to a place other than the place of performance, shall not be borne by us.
- 9.1.3. Should we fail to remedy the defect or be unable or unwilling to make substitute delivery, the purchaser shall have the right at his option to cancel the contract, or to demand a lower purchase price (purchase price reduction).
- 9.1.4. Unless provided for otherwise below, any more extensive claims of the purchaser – for any legal grounds whatsoever – shall be excluded. Therefore, we do not assume liability for damages occurring in the delivered item itself; we particularly do not assume liability for loss of profit or any other property damage caused to the purchaser.
- 9.1.5. The preceding limitations of liability shall not apply if the cause for the damage is the result of intent or gross negligence. The same shall apply if the purchaser asserts claims for compensation of damages for non-performance on the basis of the absence of a warranted quality.
- 9.1.6. If we violate a material obligation or essential contractual obligation negligently, our liability shall be limited to the typical foreseeable damage.
- 9.1.7. The warranty period shall be 1 year from the date of delivery. This time period is a period of limitation, which also applies to claims for compensation for consequential damages of a defect.
- 9.2. Special stipulations for the sale of used machines
- 9.2.1. In derogation of the general warranty terms, used machines shall be sold as inspected and test run performed, under exclusion of any warranty. If the purchaser waives the inspection and/or test run, this shall have no effect on the exclusion of warranty.
- 9.2.2. The purchaser purchases the goods in the condition as inspected. All information provided by us in relation to the condition (e.g. ready for operation, no cracks, no breakage, no damage), the age and the performance of the purchased item are based on the information provided by the previous owner and therefore does not constitute a representation as defined in warranty law. We therefore do not assume any liability for correctness of this information. This shall not apply in the event that we provided incorrect information intentionally or concealed facts maliciously.
- 9.2.3. We do not assume any liability that the sold machines will comply with the safety regulations and other specific regulations valid at the future place of assembly at the time of its sale. Any adaptation costs shall be borne by the purchaser exclusively.
- 9.2.4. To the extent that we provide a warranty for used machines on the basis of a special written agreement, the scope of the warranty shall be exclusively in accordance with this special agreement. We shall only be bound by our warranty obligations if the purchaser has fulfilled his contractual obligation towards us. Our warranty shall be subject to the condition that assembly will be performed by us. If the purchaser carries out repair work on the machine without our previous written approval, any warranty claims shall cease to exist. Unless agreed otherwise contractually, all warranty claims shall expire no later than 1 year after delivery.

10. Liability

10.1. A more extensive liability for compensation of damages than provided in the sections 9.1.4 through 9.1.6 above shall be excluded regardless of the legal nature of the claim enforced.

10.2. The provision in section 10.1 does not apply to claims based on the Product Liability Law as well as to cases of inability or impossibility to perform.

10.3. To the extent that our personal liability is excluded or limited, this shall also apply to the personal liability of our employees, representatives or other vicarious agents.

11. Assembly, commissioning and repair

11.1. Unless agreed otherwise expressly, we shall charge all work and travel hours as well as all extra expenses at our applicable rates for the fitters or other personnel provided. This rate is provided upon inquiry. The effective accommodation costs will be charged separately to the purchaser. Traveling will, as a rule, take place by car or truck. If any other means of transportation are chosen in accordance with the circumstances, the purchaser shall bear the effective costs incurred.

11.2. Indication of estimated costs shall be non-binding. If it is established in the course of the work that the desired success will not be achieved, the purchaser shall bear the costs already incurred.

11.3. If an assignment is given for assembly of goods delivered by us which is not subject to extra charge ("incl. assembly"), such assignment shall nevertheless be considered to be separate and legally independent from the purchase contract, even if this has not been expressly agreed and/or the assembly flat rate is not shown as separate invoice item. If the desired success is not achieved, this shall not entitle to offsetting from the purchase price. In this case, the purchaser shall only be exempted from payment of the assembly flat rate to the extent the desired success has not been achieved. The rate for assembly flat rates is available upon inquiry.

11.4. "Incl. assembly" is understood as the provision of a fitter for the assembly free of charge. Any additional fitters or further auxiliary personnel, which may be needed, as well as all necessary lifting, transportation and cleaning equipment and other tools shall be provided by the purchaser free of charge. The purchaser shall, at his expense, provide all building measures and services such as gas, electricity, water or steam, which are needed for assembly. Extra waiting time of our personnel in the event that the purchaser has not completed the necessary preliminary work in time or caused by the absence of the auxiliary personnel to be provided by the purchaser, shall be paid by the purchaser. Extra hours of our personnel shall be invoiced separately.

11.5. The desired success of an assembly assignment includes the erection and connection of the machine modules at the production site, drilling in the floor and connection of all supply lines under the conditions specified in section 11.4. Not included are commissioning, repair work, setting up of the machine or instructing the purchaser's employees. If these services are to be included, this requires an express written agreement.

11.6. The desired success of an assignment for commissioning includes all work after assembly until the test run under the conditions specified in section 11.4. Not included are repair work, setting up of the machine or instructing the purchaser's employees. If these services are to be included, this requires an express written agreement.

11.7. In case of assignments for assembly, commissioning and repair, we shall be required – in order to achieve the desired access – to remedy any services performed poorly, if the defect has at least resulted in a considerable impairment of the usefulness of the work. In the event of detectable defects, the purchaser shall be required to report them to us in writing no later than ten days after completion or acceptance of the work; any other defects, must be reported to us in writing immediately upon detectability. The purchaser shall, at reasonable discretion, grant us the necessary time and opportunity to remedy the defects. If the purchaser refuses to do so, we shall be released from the obligation to remedy defects. Remedying defects is not related to natural wear or damages caused after transfer of risk as a result of faulty or negligent treatment by the purchaser, excessive stress and unsuitable operating equipment.

11.8. The purchaser shall insure us and persons acting in our service or other persons commissioned by us for performance of the agreement against all third-party claims with respect to damages caused to such third parties as a direct or indirect consequence of the work to be performed by us.

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