

## Terms and conditions of business, delivery and payment

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### I. Scope of application

1. Our offers and also sales and deliveries are processed exclusively on the basis of these General Terms and Conditions in their current valid version. This applies to all future business relationships even if not specifically agreed in individual cases.
2. Contrary terms and conditions of customers on the basis of their own general terms and conditions concerning business transactions and conditions of purchase are hereby contradicted. A lack of comment on our part concerning any conditions of our customers does in no way imply recognition or acceptance of these conditions. In these cases our General Terms and Conditions also remain exclusively valid.
3. Our General Terms and Conditions are exclusively valid for commercial customers.
4. Our General Terms and Conditions also remain valid for all future business transactions with the customer.

### II. Offers and conclusion of contract

1. Our offers are subject to change and can therefore be revoked by us at any time prior to and up to two days following the receipt of acceptance by the customer.
2. The customer is bound to his order for a period of 14 days. We will issue an acceptance, as a rule through order confirmation in text form, fax or e-mail. Should no comparable document be issued, the contract will become valid with the delivery of the delivery item to the customer.
3. The information we receive concerning agreed specifications is decisive for the particular properties and condition of the delivery item for which we are responsible. Should we receive no special specifications for items to be delivered, the contents of our order confirmation will be valid as specifications.
4. The relevant technical regulations valid in the German Federal Republic and the harmonised technical regulations of the EU are – as far as existing – applicable to all deliveries and services. Deviations are permitted in as far as the equivalent degree of security is guaranteed in other form. We will not undertake liability for the adherence to regulations valid beyond the borders of the German Federal Republic and beyond the scope of application for harmonised EU legislation.

The information contained in catalogues, brochures, circulars, advertisements, illustrations and price lists will not determine the nature of the delivery item unless these are specifically incorporated in our offer or order confirmation with direct reference to these specifications.

5. The acceptance of guarantees and risk of procurement require specific written agreements between both parties. The information provided in the specifications and notifications of delivery dates do not fulfil these requirements.
6. Advisory services, developments, adaptations to customer requirements, installation, initial operation and acceptance will always require the conclusion of a special agreement between both parties and are not covered by deliveries without a special agreement.
7. Alterations and augmentations to the order will result in a corresponding adaptation to contractual requirements. Should no relevant regulations have been stipulated, a proportional reduction or increase in the contractually agreed prices will be undertaken.

### III. Prices and conditions of payment

1. Should no deviating stipulation have been specifically agreed, the prices are valid ex works or ex subsidiary including shipment and excluding the current level of VAT valid in the Federal Republic of Germany. Should no other agreements have been concluded, the customer will carry all other costs, e.g. for packaging, transport, insurance, customs, etc.
2. A charge will be made for all samples, sketches, designs, tools or sample goods requested by the customer: the relevant amount will be agreed between both parties. Should no specific charge have been agreed, the customary level of charges will be valid. This also applies to investigations, quality controls and also expert reports demanded by the customer in as far as these are not associated with the establishment of faults.
3. The calculation will be undertaken in the agreed currency with the provision that the parity exchange rate of the euro will be utilised for the basis of calculation as valid on the day of delivery.
4. Payments will be due on the agreed date of payment. Should no date-related term of payment have been stipulated, payments will be due following receipt of the invoice or an equivalent payment schedule. Should the receipt of the invoice or payment schedule not be verifiable, payment will be due on receipt of delivery and our services. Cash discounts are excluded.
5. The customer cannot refuse to submit payment due to any counter-claims or withhold payment calculated on the basis of counter-claims unless these counter-claims have been recognised by our company or have been stipulated by court order.

### IV. Performances/tolerance

1. Initial samples, proofs, drawings, etc. must be checked by the customer at his own expense and approved. The customer must draw attention to any faults discovered.

Should our manufactured products correspond to the initial samples, proofs, drawings, etc. approved by the customer, these will thereby correspond to the requirements as recorded in these documents pertaining to the contractually agreed properties and condition of these products at the time of the passing of risk.

2. Should no other agreement have been concluded between both parties, we are permitted to undertake over-deliveries or under-deliveries of up to 10 %. The actually delivered quantities will be invoiced.

3. The tolerance in weight is +/- 8 %. The relevant DIN-ISO norms apply to dimensional tolerance.

A special agreement must always be concluded between both parties to cover specific tolerance levels and/or the fulfilment of particular material requirements.

The adherence to the specifications agreed between both parties is decisive for the guarantee that the product is fault-free. The specifications also include the information recorded in initial samples, proofs, drawings, etc. Only if no specifications have been agreed, the processing of the order will be carried out according with the generally best available technology in a quality in line with industry standards on the basis of relevant generally valid technical standards.

#### V. Delivery periods, delay in delivery, non-performance and force majeure

- The delivery date recorded in written form in the order confirmation will be regarded as the delivery period. Should the customer not have procured all necessary documents, authorisations, approvals, etc. at least 14 days prior to the delivery date recorded in written form, this delivery date recorded in written form will be delayed by the period of time elapsing until we have received all above-mentioned documents, authorisations, approvals, etc. in complete form in addition to a further 14 days following receipt of these documents.
- The date of delivery has been fulfilled if the delivery item has left our works by the end of this date or, in the case of collection on the part of the customer, we have informed the customer of the readiness for dispatch on our part.
- If we default in delivery for reasons for which we are responsible, the customer is entitled to demand a flat-rate sum of compensation for each completed week amounting to 3 % of the value of the delivery items up to a maximum total of 10 % of delivery value. Should the delivery default be based on intention or gross negligence or represent the violation of an essential duty, the statutory liability will be applicable which is however limited to relevant foreseeable damages in the case of the negligent violation of a duty.
- Should the customer stipulate a reasonable period of extension after we have defaulted in delivery, the customer is entitled to withdraw from the contract following the fruitless expiry of this period of extension. The customer is only entitled to assert claims for damages due to non-fulfilment should the delay be based on intention or gross negligence or the violation of essential contractual duties. In cases of the negligent violation of essential contractual duties, the liability is limited to the relevant foreseeable damages.
- The above-mentioned limitations of liability under Figs. 3 and 4 are correspondingly valid for our senior members of staff, independent directors and sub-agents.
- We reserve the right to correct and punctual self-supply. Should we be able to demonstrate that despite the careful selection of our suppliers and despite the conclusion of the required contracts under reasonable conditions that we have not received deliveries from our suppliers punctually, the delivery date will be extended by the duration of the delay which was caused by the non-punctual delivery through our suppliers. Should the aforementioned delay exceed the period of one month, the customer is entitled to withdraw from the contract due to the non-fulfilment of the section of the contract. In this case, claims for damages are excluded. We can only invoke the previously described circumstances if we have informed the customer of these circumstances without delay, i.e. three working days following knowledge of the circumstances.
- Should we be prevented from the fulfilment of our duties following the conclusion of a contract due to the occurrence of unforeseen and exceptional circumstances, which could not be prevented despite reasonable care following the occurrence of these circumstances, in particular the disruption of operations, official penalties and interference or delays in the supply of essential raw materials, power supply problems etc., the delivery date will be delayed by an appropriate period.

The above-mentioned regulation is also valid in the case of strikes in our company or our suppliers and lock-outs at our suppliers.

Should the above-mentioned delay exceed 2 months, both parties are entitled to withdraw from the contract in view of the non-fulfilment of the relevant part of the contract. Claims asserted against us for damage on the part of the customer are in these cases excluded.

We can also only invoke the previously described circumstances if we have informed the customer of these circumstances three days following occurrence of the circumstances. The duration of the period of notification will be extended by the period of time during which notification is technically impossible due to the circumstances which have occurred.

#### VI. Transfer of risk/ insurance/ dispatch

- The risk will be transferred to the customer at the latest at the time of dispatch, also in the case that partial deliveries are being made. Should the dispatch be delayed following the wish of the customer or due to circumstances for which he undertakes responsibility, risk will be transferred to the customer on the day on which we have informed the customer of the readiness for dispatch.

- All raw materials, operational supply items, patterns, originals and other objects supplied to us by the customer will be stored appropriately. All necessary insurance against theft, fire, water and other dangers must be undertaken by the customer unless the customer instructs us to take out an appropriate insurance policy for which the customer will carry the appropriate costs. This is also valid in the case that we store goods manufactured for the customer on his behalf.

#### VII. Notice of defects

- The customer must investigate the conformity of the goods to the contract and also the preliminary products, intermediate products and main products immediately following receipt at the point of destination and must notify us in written form of any existing faults. In the case of type samples, the goods must be checked within the period of one week following the delivery of type samples.

If the delivered goods correspond to the type samples approved by the customer or preliminary and intermediate products which have not been rejected by the customer, the goods are considered to correspond to the agreed specifications. This also applies to all additional approval declarations on the part of the customer during further manufacturing processes.

- For the assessment of complaints, the agreed specifications and the agreed dimension and quality tolerance levels (cf. IV. Figs 2 and 3), all type samples or other approval declarations are primarily decisive. Should no relevant prior stipulations or specifications have been made, the relevant DIN standards will apply.
- In the case of larger-scale deliveries of the same type of goods, the entire delivery batch can only be returned as being faulty when the faults have been established through samples with a sample size according to DIN ISO 11093-1.  
The acceptance limits are as follows:

Up to 99 tubes	5 samples (= 5 tubes)	acceptance number 1
100 up to 499 tubes	10 samples (= 10 tubes)	acceptance number 2
500 or more tubes	20 samples (= 20 tubes)	acceptance number 4

Should the number of faulty products established exceed the amounts listed in the acceptance numbers, a complaint can be lodged.

#### VIII. Warranty for defects

- Complaints cannot be lodged concerning variations in the specifications of raw and auxiliary materials as long as these variations correspond to the normal quality standards valid within the paper and cardboard manufacturing industry. The variations between the proof and the final run during the pressing process also do not constitute faults.
- Should the delivered goods not be free of material defects which would impair the suitability for utilisation as specified in the contract or should we have undertaken a guarantee for particular specification characteristics, we are free to select the option of rectifying the defect or delivering goods which are free from defects.
- Should the rectification of defects be unsuccessful in the second attempt to rectify the same defect, the customer is entitled to choose between withdrawal from the contract and a reduction in price. Liability for all claims for damages and limitations of liability originating from material defects are regulated below under section X. of these General Terms and Conditions.
- Should we select the option of rectification of the defects, we will carry the costs for this rectification. This reimbursement of costs does not include any expenses which have been incurred through the transportation of the delivery item to a different location than the customer's place of delivery.
- No claims for material damage can be lodged on the part of the customer:
  - in the case of defects which have originated due to improper handling or excessive utilisation on the part of the customer or his accepting representative;
  - for the suitability of our goods for a specific designated utilisation should this concrete utilisation possibility not have

been stipulated in the order confirmation or a written instruction leaflet enclosed with the goods or should the suitability for a particular utilisation not specifically have been confirmed on our part;

- for lacking light fastness, variability and deviation of colour, for insufficient adhesive sealing, gumming, paintwork, impregnation, shrinkage, distension or moisture absorption in as far as the lack of this quality is not observable despite expert inspection of the utilised materials;
  - in the case of unsuitable storage or processing of our goods;
  - in the case of multiple utilisation of our goods. These goods are only designed for single utilisation
6. Should it become clear that the defect is based on circumstances for which we are not obligated to undertake a warranty for proper quality, the customer will be obligated to reimburse us for all hereby originating costs.
  7. Should the delivery items be used goods, all claims for material faults are excluded. Liability for all claims for compensation and the limitations of liability for used objects is conclusively regulated in X on these General Terms and Conditions.

#### **IX. Violation of commercial trademark rights and copyrights**

1. Should claims be brought against our customers originating from our deliveries and services due to the violation of commercial trademark rights and copyrights or legislation on competition concerning intellectual property rights of third parties, the customer is obligated to provide us with a reasonable period of time to rectify the defect of title, as a rule one month. The violation of commercial trademark rights and/or legislation on competition concerning intellectual property rights on our part is not given should the proprietor of the trademark rights/copyrights grant the utilisation of the delivered items by our customers for the contractually stipulated purpose within the reasonable period stipulated by the customer
2. The customer is only deemed to have brought evidence of the violation of commercial trademark rights and copyrights or legislation on competition concerning intellectual property rights once a final legal judgement has been pronounced against him in this matter. This regulation does not affect the right on the part of the customer to undertake legal action against our company.
3. Liability for the violation of commercial trademark rights/ copyrights or legislation on competition concerning intellectual property rights is regulated in accordance with section X of these General Terms and Conditions. The right to withdraw from the contract remains unaffected by the regulation concerning the limitation of liability stipulated in section X.
4. The investigation of whether documents supplied by the customer violate the rights of third parties, in particular copyrights and trademark rights, remains the responsibility of the customer. Should claims be asserted against us concerning the utilisation, application or duplication of documents supplied by the customer, the violation of copyrights or commercial trademark rights and/or violation of legislation concerning unfair competition, the customer is obligated to provide support in our defence against these violation of rights and to reimburse us for all damages which we have thereby incurred including lawyers' and litigation costs.

#### **X. Limitation of liability and statutory period of limitation**

1. For damages ensuing from faulty delivery, damages caused by the delivery item to the customer's objects of legal protection, violation of duties and the violation of duties to protect and warranty of title, we will only undertake liability in the case of premeditation or gross negligence. This limitation

of liability does not include liability pertaining to product liability legislation, the violation of life, body and health or the culpable violation of essential contractual duties. Claims for damages relating to the violation of essential contractual duties is however limited in cases of ordinary negligence to damages associated with contractually typical and foreseeable damage.

Liability for delay and non-fulfilment is not encompassed by this regulation.

2. Claims for damages originating from liability for material and legal defects are subject to a statutory period of limitation of one year following the delivery of the delivery item to the customer.

Claims for damages originating from the violation of duties to protect which are not covered by the liability for material and legal defects are subject to a statutory period of limitation of one year beginning from the end of the year in which the claims have been asserted, the customer has acquired knowledge of the circumstances on which the claim is based or would have acquired knowledge if not prevented from this through gross negligence, at the latest within the period of limitation according to §§ 195, 199 BGB [German Civil Code].

The above-mentioned reduction of the statutory periods of limitation for material and legal defects and other violations of duties cannot be applied to claims for damages which originate from gross negligence or premeditation, a reasonable violation of essential contractual duties or danger to life, body or health or claims for damages relating to product liability legislation.

3. The above-mentioned statutory periods of limitation also apply to the liability undertaken by our senior members of staff, independent directors and sub-agents.

#### **XI. Protection of reservation of proprietary rights**

1. We reserve the proprietary rights to the delivery items until the receipt of all payments pertaining to the business relationship with the customer. This reservation of property rights also extends to account balances in as far as we are debiting payments by the customer in current accounts (current account reservation). In the case of a breach of contract on the part of the customer, in particular in the case of delay in payment, we are entitled to reclaim the goods. The reclaiming of the delivery items does not constitute a withdrawal from the contract on our part unless we have specifically declared a withdrawal in written form.

The attachment of the delivery items on our part is always considered as a withdrawal from the contract and we are entitled to the realisation of these items following the reclaiming of the delivery goods. The proceeds of sale will be deducted from the accounts payable by the customer – less costs originating from the realisation.

2. The customer is obligated to handle the delivery items under proprietary rights with care; he is above all obligated to insure these goods at his own expense against fire, water and theft at their sufficient replacement value.
3. The customer must inform us immediately in written form in the case of attachment or other intervention through third parties concerning these goods under proprietary rights to permit us to bring legal action according to § 771 ZPO [German Code of Civil Procedure]. Should the third party be unable to reimburse us for the judicial and extra-judicial costs incurred through legal action according to § 771 ZPO, the customer will be liable for losses we have thereby incurred.

4. The customer is entitled to resale delivery items through an orderly business process; he will however hereby immediately assign to us all demands amounting to the final invoice total (including VAT) agreed with us which originate from the resale to his agents or third parties independently of whether the delivery items have been resold after or without further processing. The customer is also permitted to collect this payment following transfer. Our entitlement to demand payment will remain unaffected. We will however undertake the obligation not to demand payment as long as the customer fulfils his payment obligations from the agreed profits, does not fall behind with payments and in particular as long as no petition for the inauguration of insolvency proceedings has been made or payment has not been suspended. Should this however be the case, we are entitled to demand that the customer will inform us of all transferred demands and his debtors, provide all necessary relevant information and relevant documents and inform the debtors (third parties) of the transfer.
5. The processing or alteration of the delivery items through the customer will always be performed for us. The customer's expectant right to the delivery item continues with the altered object. Should the delivery item be processed with other objects not belonging to us, we will acquire the co-ownership of the new object in proportion to the objective value of our delivery items compared with the other processed objects at the time of alteration. The new object which

has been processed is subject to the same regulations as the delivery items delivered under reservation.

6. We obligate ourselves to release the securities to which we are entitled on request of the customer to the extent that the realisable value of our securities exceed the demands to be guaranteed by more than 10 % or the nominal value by more than 50 %; the option of the securities to be released is incumbent on us.

## XII. Proprietary rights

1. The printed documents and sketches, drawings, printing plates, films, plates etc. will also remain our property if the costs of these objects are only compensated in part by the customer. The customer is however in these case permitted to compensate us for the part of the costs which have been undertaken by us in order to acquire ownership of the above-mentioned objects.
2. Following termination of the contract, the customer is obligated to return to us immediately all documents and/or work equipment which we have supplied which are in his possession or have been acquired by him as property.

Should we have requested the customer to return these objects and the customer has not complied with our request within 4 weeks following the date of the letter of request, we are permitted to destroy these documents and/or work equipment.

Should we not have issued a letter of request concerning the collection, we are permitted to destroy these documents and/or work

equipment following the expiry of a time limit of 6 months following the termination of the contract.

## XIII. Place of fulfilment, applicable legislation, place of jurisdiction, severability clause

1. The place of fulfilment for delivery and payment is our registered office.
2. The jurisdiction of the Federal Republic of Germany is applicable to these General Terms and Conditions and the entire legal relationship between us and the customer under the exclusion of the UN sales law (CISG).
3. Exclusive place of jurisdiction for all disputes directly and indirectly originating from the contractual relationship is the court which is locally competent for our registered office and, according to our option, also the place of jurisdiction of the customer.
4. Supplementary agreements, reservations, alterations and amendments will be submitted in written form.
5. Should one of the provisions of these General Terms and Conditions be or become invalid, this will not affect the validity of any other provisions.

Should any other agreements within the framework of the cooperation between us and the customer be or become invalid, this will not affect the validity of any other agreements. In this case, the invalid provision will be interpreted or supplemented in such a manner that the intended economic purpose of the invalid provision is achieved in a legally valid manner.