

SALES AND DELIVERY TERMS

Last revision: January 2011

I. General Information

All transactions affecting the sale and delivery are subject to the conditions set out hereafter. Any other purchase terms indicated by the buyer are not part of the contract even in case of our order acceptance, unless otherwise expressly agreed in written form. Our general Sales and Delivery Terms are valid even if we affect delivery unconditionally in knowledge of contrary terms or customers' terms deviating from our own terms.

Any verbal arrangements must be confirmed in writing in order to be legally valid. The potential ineffectiveness of one of the conditions shall neither influence the remaining conditions nor the effectiveness of the contract as a whole.

II. Quotations

Our quotations are without any engagement or obligations, except otherwise clearly indicated. The order of the client is a binding offer which may be accepted by us within one week by sending an order confirmation or by effecting delivery of the goods.

Samples of goods or printing samples shall always be considered to be non-binding samples. Quotations are always indicated in EURO. Printing plates and cutting tools are shown in our quotations as estimated costs.

III. Corrections, Verification in case of reuse

Graphics (copies, proofs, laser prints, original prints etc.) films, artwork or similar must be inspected and approved (printing approval) by the client. Faults caused by us will be corrected or replaced by us without delay and free of charge. Potential corrections must be approved again by the client before processing. After receipt of the printing approval we are not liable for faults which have been overlooked by the customer. Corrections ordered by the buyer or editor will be charged separately.

It is the customer's liability to inspect our goods delivered before processing even in case corrections have been submitted previously.

Any digital data, films, artworks or similar received from the client for production print, advertisement etc. will not be checked by us with regard to typographical or printing or other errors, unless otherwise agreed in writing.

IV. Delivery and transfer of risk

All deliveries will be affected ex works (EXW according to Incoterms 2000). Packing will be charged at cost price and is non-returnable.

Delivery times are binding only in case of an expressly and written confirmation of our part. If there is no delivery date agreed we commit to deliver as soon as possible.

The time of delivery starts on the date of order confirmation, however, not before the customer has fulfilled his obligations in due time (submission of all documents, data, confirmations and approvals) and, if necessary, after effected pre-payments and/or partial payments or other securities.

Any circumstances beyond our control which might impede or otherwise make impossible either the provision of services, procurement or despatch of goods, i.e. force majeure, strikes, revolts, official measures, shortage of energy or raw material, infrastructural problems or delivery delays of our suppliers will discharge us from keeping the agreed delivery terms for the period of the respective event.

If the delivery date or delivery is exceeded or delayed by more than one month, both parties are entitled to withdraw from the contract without any compensation claims for the customer. This is also valid if one of the above mentioned events occurs at a point of time at which we are already behind schedule.

Every effort will be made to avoid any over or under supplies. However, the client is obliged to accept and to purchase the usual variations of up to 10 % either way. Partial deliveries shall be permitted, even if not specifically mentioned in the sales contract.

Call orders are to be placed in sufficient time to assure proper production and delivery within the contracted period. Call orders must be delivered within 6 months after receipt of the order.

V. Defaults

If delivery or acceptance of the goods is delayed due to reasons caused by the client, the seller has the right to charge the costs resulting from this delay, starting from the date of notifying the client about readiness for despatch. This especially concerns financing and storage costs amounting to at least 1% of the invoice value per month, if the goods are stored in our warehouse. After having set an adequate deadline which was without any success we are entitled, but not obliged to dispose of the goods in another way.

If the delivery is delayed or does not happen at all due to circumstances not caused by us, the risk is transferred to the client from the date of notifying the buyer about readiness for despatch.

Our entitlement to damages because of non-performance shall remain unaffected.

VI. Claims for damages

In any case the buyer must examine the compliance of the goods delivered as well as proofs, samples, provisional products or previous products sent for correction. The risk of potential faults will be passed over to the buyer after receipt of approval, unless it does not concern any faults arisen or recognised in the production process. This is also valid for every further approval given by the client in the course of production.

Complaints due to incomplete or incorrect deliveries or due to significant defects will be accepted only if made within one week after receipt of the goods. Other faults must be notified in writing immediately after detection. In case of existing flaws we reserve the right to choose the kind of replacement. Any fault relating to a part of the delivery is not a sufficient reason to claim for the entire delivery.

For technical reasons, slight colour deviations are not always avoidable and must therefore be accepted. For colour reproductions or decorated items minor deviations from the original cannot be regarded as a reason for complaints. This is also valid for comparisons between coloured proofs, original prints and production prints.

If the client is a commercial trader, the period of warranty is one year. The statutory period of limitation in case of delivery recourses according to §§ 478, 479 German Civil Code remains unaffected. This does not apply if claims for damages resulting from flaws are concerned. In the event of claims for damages due to faults Clause VII is in force.

The buyer does not obtain any guarantee in the legal meaning.

If a claim or complaint is lodged we require samples of the rejected prints and of the item concerned (in case of moulded parts) as well as exact descriptions of the processing conditions employed.

If the order covers subcontracting works or further processing of printed products, the seller shall not be liable for any adverse effects resulting from production of finished items unless the claim was caused deliberately or wantonly negligently.

As far as intermediate products are concerned (i.e. labels for moulded parts or similar), the seller only gives a guarantee if in spite of proper processing detectable faults or defects in the foil itself lead to failures. This guarantee applies solely to replacing faulty foils.

VII. Liability for claims or losses

Our liability for any neglects of duty of the contract as well as for tort is restricted to intention and gross negligence. This shall neither apply in case of injury of life, body and health of the client nor for claims due to breach of his cardinal rights and compensation for damages caused by delay (§ 286 German Civil Code).

The above mentioned liability exclusion is also valid for slightly negligent breaches of duty caused by our auxiliary persons.

Any claims are prescribed in one year starting on the date of emergence of the claim, or with the date of delivery when the claim concerns damages due to flaws.

As far as the liability for claims against us is excluded or restricted, this clause is also applicable to the personal liability for claims of our employees, labour, staff, representatives and auxiliary persons.

VIII. Payment

Unless otherwise agreed, samples, graphics, artworks and printing plates will be charged separately, even if the contract is not concluded.

Tools and printing plates as well as development charges are to be paid net after the date of invoice, unless clearly indicated in the invoice. All other services are payable within 8 days less 2 % cash discount or within 30 days net.

In the event of a breach of the payment deadlines we have to charge default interest according to § 288 II German Civil Code.

Any detention of payments or compensation due to potential counterclaims of the client disputed by us is not permitted.

IX. Reservation of proprietary rights

The objects supplied remain our property until settlement of all claims resulting from the contract have been fulfilled.

Clients are not permitted to pawn or to assign reserved goods.

In the event of garnishment, confiscation or any other stipulation by a third party, the client must inform us immediately.

The client is entitled to use the goods in the proper course of his business. In the case of a resale, the client assigns to us all debts and other eligible claims originating from the resale to us (including all inherent rights) against its customer.

The client is obligated to supply immediately all information and documents required for assertion of our rights against the clients of our customer upon request.

If the goods are resold by the client together with other products not belonging to us after production, the assignment of the claims shall apply only up to the invoice amount of our goods.

X. Copyright

The client is solely responsible for ascertaining the right to reproduce any graphics and designs submitted.

All of our ideas, synopses, treatments, sketches, drawings, graphics, samples, programmes, digital data and files etc. will remain the property of us or the author with all inherent rights, and may neither be altered, modified or copied nor be used in any way, nor be divulged to any third party.

XI. Proprietary rights, storage, wear

Operational items such as printing data, printing plates, litho, films, artworks, cutting tools and similar, which are required for execution of the order will be stored by us for 12 months without charging any storage costs, starting from the day of the last use, under consideration of due diligence.

There will be no further obligation for storage after this period.

Any tools showing signs of wear due to their usage that might lead to production failures or interruptions or to unsatisfactory quality results shall be renewed by us without consulting the customer in advance. The costs arising from this shall be borne by the client.

XII. Submission of references, house advertising

We are entitled to use products made by us for the customer for submission of references and for our own advertising by means of description and illustration.

XIII. Applicable law, place of jurisdiction

For all privileges of contract between the contracting parties solely the relevant law of the Federal Republic of Germany is in force.

The place of jurisdiction is exclusively the court responsible for sellers (Minden, Germany). However, we shall be entitled to take action at the location of the clients' head quarters.

The UN Convention on Contracts for the International Sale of Goods shall not be applicable.