

General Terms and Conditions of Trade (GTCT)

§ 1 General

All descriptions and agreements are subject to these general terms and conditions of business and delivery. These are considered to be approved in case an order is posted or the delivery is accepted. Arrangements that deviate from the general terms of business and delivery need the written confirmation of the supplier to become legally binding.

§ 2 Price Quotation

The price quotations are stated in EURO (€). Value added tax is not included in these unless expressly stated that value added tax is included in the offer. The offers only become legally binding by the order confirmation of the supplier. Errors excepted.

§ 3 Terms of Payment

The invoice is made out under the date of the departure of the delivery or partial delivery. If there are no shipping instructions of the orderer at entry of the purchase commitment or on completion of the product, or if the product is stored at the supplier's, the invoice is made out under the date of the completion of the product.

Payment period begins on date of invoice. The payment of the invoice amount (net price plus value added tax) has to be made within 30 days after date invoice without deduction. On payment within 14 days after invoice date a cash discount of 2% is granted. In case of new business connections the supplier can require payment in advance.

The payment by bill of exchange is subject to prior agreement in writing. In case of default of payment interest for delay must be paid at a rate of 3% above the respective discount of the German Central Bank in effect. In case of bank remittances and cheques, the day on which the credit advice reaches the supplier is supposed to be payment entrance. If a substantial deterioration of the financial circumstances of the orderer emerges or if they default one payment, the supplier is entitled to require immediate payment of all open invoices, even of those that are not yet due for payment. The goods delivered remain our property up to full payment of the price agreed.

§ 4 Right of Retention and Accumulation Right

The orderer is not entitled to the right of retention or accumulation because of possible own claims, for whatever legal ground.

§ 5 Performance Place

Performance place is the business location of the supplier, as far as nothing else is agreed. Delivery is made on invoice and risk of the orderer. Transport insurance is only taken out by the supplier on explicit instruction and at the charges of the orderer.

§ 6 Delivery Time

If no delivery dates are stipulated, but delivery time assessed for a specific period of time is agreed upon, this delivery time begins on the day the order confirmation is sent; this delivery time ends on the day the product leaves the plant or is stored because of impossibility of dispatch. For the duration of the examination of the production samples, until receipt of the confirmation of the orderer the delivery time is interrupted for the period of time from the day of the sending to the orderer up to the day of arrival of the message of the orderer.

If the orderer requires the modification of the order, that impacts the manufacture duration, a new delivery time begins on the date when the modification of the order is confirmed.

Operational disturbances (in our own or in a foreign company, the production or the transports are depending on) caused by war, strike, lockout, shortage of energies, failure of the means of transportation, working restrictions, as well as all cases due to circumstances beyond our control, release the supplier from the observance of the delivery time and the agreed prices. In addition, the supplier is entitled to the resignation of the contract, without claims for compensation originating from it for the orderer. Exceedance of delivery time does not entitle the orderer to withdraw from the contract or to hold the supplier liable for any damage incurred.

§ 7 Default

In case of delivery default of the supplier the orderer is only entitled to apply the rights granted to him, after he has set an adequate extension of time. The orderer cannot claim compensation for loss of profit. The orderer is obliged to accept the product after completion. If the

orderer is in default with the acceptance of the goods, the supplier is entitled to apply the rights according to §326 BGB. The supplier is also entitled to partially withdraw from the contract and to claim for compensation with regard to the remaining parts.

§ 8 Complaint – Examination and Notice Obligation

The customer has to examine the product immediately after delivery or receipt of the goods, and if any deficiency is found, to give notice to the supplier immediately. If the orderer refrains from giving notice, the product is deemed to be approved. Because of an objection the orderer may only claim for abatement, not, however, for redhibitory action or for damages because of non-performance.

The supplier is only liable for the light fastness, the mutability and the variations of the colours, as well as for the characteristics of gumming, varnishing, impregnating etc., as far as deficiencies of the materials could be realised by appropriate inspection before their application.

§ 9 Packaging Material

Packaging material and forwarding expenses are invoiced at cost price.

§ 10 Drafts, Work-Films, Printing Plates and Punching Tools

(1) Sketches, drafts, trial proofs and samples also will be invoiced, if no order is posted.

(2) Drafts, printing plates, work-films and punching tools are required for the production of the printings/labels and we will continue to be their owners, even when they are made according to the specifications/instructions of the orderer.

(3) This is also applicable if the buyer pays a proportionate part of the manufacturing expenditure.

§ 11 Copyright

Solely the orderer is responsible for the verification of the right of duplication of all the artworks.

The copyright and the right of duplication as to own sketches, conceptual designs, originals, films and the like, in all procedures and any application intended, stays with the supplier, unless otherwise regulated. Re-print, also of those deliveries, which are not object of a copyright or other intellectual property rights is not allowed without authorization of the supplier.

Blue prints, hand impressions, print plates, matrices, stamping plates, silk-screens, tools, templates etc. remain property of the supplier, even if they are charged separately. The supplier is not obliged to deliver transfers of lithographies and copies of master copies to the customer.

§ 12 Corrections

Galley proofs and hard proofs are to be checked by the customer and to be returned to the supplier declared that ready for printing. The supplier is not to be held liable for faults overlooked by the customer. Modifications made by phone require their written confirmation.

As to modifications of the corrections of text, font, stand of the character font etc., the expenses caused are charged on delivery of the order.

As to modifications after imprimatur all charges are for the orderer's account. Shutdown of delivery time until receipt of new imprimatur.

§ 13 Excess and short delivery

In principle the number of copies ordered is delivered. The customer is obliged to accept an excess or short delivery of up to 10% of the quantity ordered. In case of difficult colour prints and special productions this percentage increases to 15%.

Because of blade adjusting and machinery feed line might result in a cutback of the rolls that is due to technical reasons and that must be paid by the orderer.

§ 14 Company Text

The supplier reserves himself the right to attach his company text and his logo onto all kind of deliveries.

§ 15 Verbal Side Agreements

Verbal side agreements require the written form.

§ 16 Place of Fulfilment and Legal Venue

As place of fulfilment and legal venue Ludwigsburg is reckoned to be agreed.