

General Terms and Conditions for deliveries and services of the firm Herbert Schümann Papierverarbeitungswerk GmbH

§ 1 Scope of application

These General Terms and Conditions shall apply to all deliveries and services of the firm Herbert Schümann Papierverarbeitungswerk GmbH, hereinafter referred to as **Schümann**. They shall apply exclusively. Opposing or deviating terms and conditions of the customer shall not become content of the contract, also if these conditions are not expressly objected.

§ 2 Offers

Unless otherwise agreed in writing, offers made by **Schümann** shall not be binding. A contract shall not be concluded until there is a written confirmation of order by **Schümann**.

Subsequent changes to the job data made by the customer shall entitle **Schümann** to make the corresponding adjustments of the original contract conditions. All changes shall be confirmed in writing.

Agreements made orally or by phone, also by agents or field representatives of **Schümann**, shall only be valid if they are confirmed in writing by **Schümann**.

Schümann's confirmation of order shall be applicable to the extent of delivery.

Deviations from the offer documents for technical reasons shall be reserved by **Schümann** also after confirmation of the order.

The minimum delivery value shall be EUR150.00 ex works. As of a value of goods of EUR800.00 net, **Schümann** shall deliver free receiving station or free German border, as the case may be.

§ 3 Prices and terms of payment

All prices shall be in EUR plus the statutory value-added tax. No responsibility shall be accepted for the price information within the price list. Insofar, price changes shall be reserved.

In addition, the prices shall apply with the reservation that the customer's job data taken as a basis for the submitted offer remain unchanged. Unless otherwise agreed, the offered prices shall apply ex works.

In case of sales contracts, the agreed price shall be due 30 days as of date of invoice; in case of payment within 14 days as of date of invoice, the customer shall be entitled to make a deduction in the amount of 2% of the agreed price. In all other cases, invoices by **Schümann** shall be payable immediately and without deduction.

If the seller is in delay with payment of a receivable or if facts become known that give justified reason to question the purchaser's ability to pay, **Schümann** shall be entitled to demand immediate payment of amounts of invoice regardless of agreed terms of payment.

The customer may only perform retention of payments or set-off in consideration of a counterclaim that was determined in an undisputed or legally effective way. The customer shall only be entitled to retention in the amount of the value of the asserted counterclaim.

§ 4 Deliveries

An agreed delivery time shall be complied with by **Schümann** if the goods were handed over to the carrier at the agreed time. The customer shall immediately perform acts of cooperation required to meet the delivery time.

Schümann shall be entitled to make partial deliveries.

§ 5 Transfer of risk

Risk shall be transferred to the customer upon dispatch of the goods at the latest, also if partial deliveries are made or if **Schümann** has assumed other performances, e.g. the shipping costs or delivery.

Schümann shall be entitled, and on the customer's demand be obliged, to insure the goods at the customer's expense against theft, breakage, fire, water and other damages, unless the customer has effected insurance themselves and can prove it.

If the dispatch is delayed due to circumstances the customer is responsible for, risk shall be transferred as of the day of readiness for dispatch; **Schümann** shall however be obliged to effect the insurances demanded by the customer on request and at expense of the customer.

§ 6 Warranty

Claims of the customer due to material defects shall become statute-barred within six months after delivery of the goods to the customer. The removal of defects shall be performed at **Schümann's** option by cost-free subsequent improvement or replacement. In case of replacement, the customer shall be obliged to return the defective item. The customer's right to appropriately reduce the invoice amount or to withdraw from the contract shall remain unaffected if the statutory prerequisites are met.

If only a part of the delivered goods is defective, the customer may only withdraw from the contract if the rest of the delivery is not interesting for them.

The customer shall be obliged to inspect the goods for defects immediately after delivery. This shall also apply if samples were sent. If a defect is identified, it shall be notified to **Schümann** within 2 weeks as of delivery. If the customer fails to notify any defects, the goods shall be deemed as approved. This shall not apply if the defect was not recognisable during inspection.

If a defect is identified later, it must be notified to **Schümann** within 2 weeks after identification by the customer. Otherwise the goods shall be deemed as approved also with respect to the defect identified later.

Deliveries made by the customer or by a third party commissioned by them shall not be subject to any inspection duty of **Schümann**.

§ 7 Liability for damages

Schümann shall only be liable for damages due to intentional or grossly negligent behaviour. This shall not apply in case of culpable violation of essential contractual obligations. In both cases, liability shall in any case be limited to the compensation of damages typical for the contract. Claims for damages due to violation of life, body or health shall remain unaffected.

Operational disturbances both in own and third party operations on which the production and transport essentially rely shall release from the compliance with the delivery date after corresponding immediate notification to the customer without compensation if remedial action cannot be performed in due time or only with unreasonable expenditure. Operational disturbances shall be serious impediments that were not caused and could not be foreseen by the managing directors, the shareholders and the legal representatives of **Schümann** on objective consideration, especially general raw material and energy shortage, traffic bottlenecks, official interventions, labour disputes, war and riots as well as all major fires.

§ 8 Performance

Master and/or finishing patterns presented to the customer by **Schümann** shall be inspected by the customer also with respect to the essential or demanded features for the utilisation of the

manufactured product. The customer shall sign and return all documents as sign of approval.

The customer shall clearly identify corrections desired by them or recognisable defects.

Schümann shall be entitled to perform production-related overdeliveries or underdeliveries up to 10% of the ordered quantity. The delivered quantity shall be invoiced, also in case of excess delivery.

The job performance shall be made in commercial quality, according to the state of the art and within the technically required, material-dependent and process-dependent tolerances, unless specified job standards are established. Deviations customary in the trade and in the market as well as minor deviations of the delivered goods (e.g. consistency, dimensions, finish, colour, thickness, weight, etc.) shall thus not be material defects.

§ 9 Collateral duties

Transport, storage as well as processing of the goods shall be made professionally and appropriately according to **Schümann's** instructions. Due to their consistency and chemical composition, certain goods shall be subject to limited durability and suitability for storage. **Schümann** shall provide more detailed information about durability, suitability for storage and utilisation period on request.

Guarantees and representations on part of **Schümann**, especially such with respect to the composition and/or applicability of the goods shall be made in writing. In the absence of such a guarantee or representation, **Schümann** shall in no way be liable for the suitability of the delivered goods for the purpose intended by the customer.

§ 10 Reservation of title

The delivered goods shall remain property of **Schümann** until the fulfilment of all claims existing against the customer, also such claims **Schümann** is entitled to outside this contract.

In case of attachment as well as seizure of the goods by third parties, the customer shall notify **Schümann** immediately.

If the customer is in delay with payment, **Schümann** can demand the return of the delivered goods. The assertion of the reservation of title as well as the attachment of the goods by **Schümann** shall not apply as withdrawal from the contract, unless otherwise required by the circumstances of the individual case.

In case of connection of the goods delivered by **Schümann** with other items, **Schümann** shall acquire co-ownership to the new item, also if this is deemed to be the main item, in relation of the invoice value of the reserved goods to the value of the items connected with them. Same shall apply to processing and mixing.

If the goods are resold, the counterclaim for this resale shall apply as assigned in whole or in part corresponding to the co-ownership share to **Schümann** first. If the value of the aforementioned security exceeds the entire claim against the customer by more than 10%, **Schümann** shall release securities on demand of the customer at their option.

Schümann's claims from the business relationship with the customer including all rights from the agreed collateral agreements existing in favour of **Schümann**, especially equitable lien and reserved ownership, may be assigned.

§ 11 Dispatch and packaging

Dispatch shall be performed at risk and, unless otherwise agreed, at expense of the customer.

§ 12 Preliminary work

All preliminary work or other expenditure on part of **Schümann** shall be invoiced to the customer, also if there is no order issued subsequently.

§ 13 Copyrights and other protective rights

The customer shall guarantee to be the owner of the copyrights and other protective rights required for the job or to be authorised in a similar way and shall release **Schümann** insofar from possible inspection duties as well as claims of third parties.

Schümann shall reserve ownership rights, copyrights and industrial property rights to quotes and other documents. They may not be made accessible to third parties. Documents shall be returned immediately if the job is not granted to **Schümann**.

Lithographies, printing plates, master copies, plates, matrixes, embossing plates, stamping tools and contours, impression cylinders and similar intermediate products shall remain property of **Schümann**, also if they are separately invoiced for pro rata cost amounts.

There shall be a storage obligation for third-party printing documents, manuscripts and other provided items only for 6 months as of delivery of the last order delivered with the items.

§ 14 Labelling

Schümann shall reserve the right to attach their company print, their logo or other labelling in accordance with corresponding practices and regulations as well as the given space on deliveries of all kinds.

§ 15 Final provisions

If individual parts of the contract are legally ineffective, this shall not affect the validity of the remaining provisions.

Agreements deviating from aforementioned provisions or additional agreements shall be made in writing to become effective. Same shall apply to the waiver of the written form requirement.

The seller shall be entitled to collect, store, process and utilise information and data about the purchaser and forward them to third parties for the purpose of debt collection or the off-site accounts receivable management for storage, processing and utilisation.

As far as the customer is a merchant, **Schümann's** place of business shall be place of jurisdiction. However, **Schümann** shall also be entitled to sue the customer at their residence or place of business. Unless otherwise mentioned in the confirmation of order, **Schümann's** place of business shall be place of performance.

German law with exclusion of the United Nations Convention on Contracts for the International Sale of Goods shall be agreed. The regulations of the UN Conventions on the Assignment of Receivables in International Trade shall apply already now as agreed subject to a condition precedent at the moment of their effectiveness.

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