

General Terms and Conditions of Purchase of Siegwerk Druckfarben AG

1. Scope of Validity

- 1.1 Unless otherwise agreed in writing, these General Terms and Conditions of Purchase shall exclusively apply to the contractual relationship between Siegwerk Druckfarben AG ("Siegwerk") and the contractor ("Supplier"). Siegwerk shall not be bound by conflicting or additional terms of the Supplier even if Siegwerk has not expressly contradicted them or the Supplier insists to deliver only under its terms. This shall also apply if Siegwerk has accepted delivery without reservation. As a precaution, Siegwerk hereby dissents with conflicting terms of the Supplier.
- 1.2 These General Terms and Conditions of Purchase amend any framework agreements entered into by the Parties. In case conflicting terms are individually agreed on, these shall supersede and amend the General Terms and Conditions of Purchase.

2. Conclusion of Contract

- 2.1 Each contract becomes valid if a) the Supplier accepts the written Purchase Order received by Siegwerk within 2 days in writing or b) Siegwerk accepts a written offer received by the Supplier within 2 days in writing.
- 2.2 Offers shall be provided free of charge and be not binding, cost estimates shall only be reimbursable if agreed in writing.
- 2.3 The Supplier must state Siegwerk's order number on all correspondence with Siegwerk.

3. Subcontractors

The employment of subcontractors shall require prior written consent by Siegwerk. The Supplier shall subject the subcontractors to all obligations it has entered into in relation to Siegwerk and furthermore shall ensure compliance with such obligations by its subcontractors.

4. Delivery

- 4.1 The Supplier shall observe the consignee address indicated in the contract. The transport/ shipping shall comply with the regulations on the tariff, transport and packaging of railways, road transport, shipping, air transport, etc., particularly with regard to any existing customs and regulations regarding dangerous goods.
- 4.2 Complete dispatch documentation shall be sent with delivery, each delivery has to include a delivery note. Dispatch notes, delivery notes, bills of lading, packaging lists and the outer packaging shall indicate the order number as well as the batch number. The unit item number respectively the unit load weight shall be affixed to the unit load in a clearly visible and permanent manner.
- 4.3 The Supplier shall deliver to Siegwerk any important product information, e.g. safety data sheets, handling instructions, labelling regulations, in time before delivery. This clause shall apply to amendments to this product information accordingly.
- 4.4 Unlimited title to the goods shall pass to Siegwerk with delivery. Retention of title in favour of the Supplier may only be individually agreed upon by the parties in writing. In case ownership has been reserved, it shall be considered as a simple and not as an extended retention of title. Siegwerk is entitled to finish and/or resell the incoming goods as well as pass on the title to these goods to third parties.

5. Delivery Delay

- 5.1 The delivery date indicated in the purchase order shall be binding. The Supplier is only entitled to partial delivery, delivery before or delivery after the delivery date upon Siegwerk's prior approval. The unreserved acceptance or payment of a delayed delivery shall not construe a waiver of any claims due to delayed delivery.
- 5.2 The Supplier is obligated to inform Siegwerk without undue delay, and in writing about any indication that he might not be able to perform within the agreed time period, giving reasons for the delay and giving an estimation of the duration of the delay.
- 5.3 Siegwerk shall be entitled to the damages stipulated by law in the event of delayed delivery.
- 5.4 The Supplier may only claim as defence that documents/information required from Siegwerk have not been provided, if he has not received such documents/information within a reasonable period of time despite having sent a reminder.

6. Transfer of Risk

Unless otherwise individually agreed, transfer of risk shall take place in accordance with the Incoterms of the International Chamber of Commerce (Incoterms 2000). Has no individual agreement been reached, the term "delivery duty paid" shall apply.

7. Weights and Volumes

In the event of discrepancies in weight the weight established by Siegwerk upon the inspection of incoming goods shall prevail – without prejudice to further claims - unless the Supplier proves that the weight calculated by him at the time of transfer of risk was measured correctly in accordance with a generally accepted principle. This clause shall apply to volume accordingly.

8. Billing and Payment

- 8.1 Invoices shall be issued in duplicate after delivery and in accordance with applicable laws. The invoice shall state the order number and list rebates, discounts as well as applicable tax separately. A duplicate of invoice must be clearly indicated as such.
- 8.2 Issued invoices not in compliance with the form set forth in section 8.1 shall be deemed to be received by Siegwerk only after their duly correction.
- 8.3 Payments are due as individually agreed on between the parties in writing. Unless otherwise agreed, Siegwerk will issue payment with a 2% discount within a period of 30 days, or net within 60 days at the end of the month after delivery of the goods and receipt of the invoice. Payments are no indication of approval.

9. Claims for Defects and Liability

- 9.1 Siegwerk inspects incoming goods for apparent (transport-) defects and apparent deviations in identity and volume only. Siegwerk will give notice of such defects

after delivery of the goods without undue delay. Furthermore, Siegwerk will give notice of defects as soon as they are discovered in an ordinary course of business.

- 9.2 The Supplier warrants that delivered goods shall have the individually guaranteed properties and the contractually agreed characteristics, are suitable for the contractually stipulated use, are not impaired in value and suitability, and comply with the generally accepted technical rules and standards as well as all applicable statutory and regulatory provisions.
- 9.3 Inasmuch as delivery/service fails to meet the requirements of section 9.2 or in case of defects for other reasons, Siegwerk may demand at its option - in addition to any statutory rights - the short-term and free of charge replacement of defective goods or remedying of defects. In these cases the Supplier has to compensate Siegwerk for all expenses incurred directly or indirectly by Siegwerk based on the Supplier's mal-performance. In cases of urgent need or if the Supplier is in default with its remedial action, Siegwerk is entitled to remedy the defect at the Supplier's expense. Inasmuch as the Supplier guarantees the properties or durability of the delivered goods, Siegwerk shall be entitled to claim said guaranty notwithstanding any other claims.
- 9.4 The Supplier is liable for defect of title under statutory provisions, especially in the case where the products or their contractually agreed use infringe patents or other intellectual property rights of third parties in the agreed country of destination. If Siegwerk is held liable for such infringement by third parties, the Supplier undertakes, upon first written demand, to hold Siegwerk harmless from and indemnify Siegwerk against all claims (including court and litigation fees) that arise against Siegwerk or in conjunction with the third party's claims. Siegwerk shall not be entitled to enter into any agreements with the third party at the expense of the Supplier without the express approval of the Supplier.
- 9.5 Otherwise, the liability of the Supplier shall be exclusively governed by statutory regulations. In particular, release from or limitation of liability is not accepted by Siegwerk. The Supplier undertakes to hold Siegwerk harmless from and indemnify Siegwerk against all third party damage claims upon first demand if the Supplier and its sub-suppliers have caused the product defect associated with the liability claim or are responsible for it.
- 9.6 The Supplier shall maintain a liability insurance with terms customary to the industry, minimum coverage per occurrence of EURO 5 million for property damage and EURO 10 million for personal injury, for the duration of the contract, including the guarantee and warranty period or statute of limitation. The Supplier shall provide documentation of his insurance coverage upon request. Lower levels of coverage shall be agreed with Siegwerk in writing in the individual case.
- 9.7 The statutory and/or contractually agreed warranty/guarantee claims become statute-barred in accordance with statutory laws.
- 9.8 Statute of limitations for or because of claims in case of defects shall be suspended as provided for by law. In the event of notices of defect, the warranty period shall be extended for the entire delivery or work by the time period between the notice of defect and the removal of the defect. The warranty shall commence from anew for the complete or partial new delivery, replacement or improvement of deliverables or work.

10. Extraordinary Termination

Notwithstanding any statutory or contractually agreed termination or rescission rights, Siegwerk is entitled to terminate or withdraw from the contract without notice, if composition of insolvency proceedings are initiated in respect of the Supplier's assets, or if the Supplier is in material breach of the contract, or if the financial situation of the Supplier deteriorates considerably, or if unforeseeable incidents not caused by Siegwerk change the basis of the contract considerably.

11. Confidentiality and Advertising Material

- 11.1 The Supplier undertakes to treat as confidential any information, knowledge and materials, e. g. technical and other data, measured values, techniques, business experience, business secrets, know-how, compositions and other documentation ("Information") received from Siegwerk or disclosed in any other way by a Siegwerk domain or the domain of another company of Siegwerk Group, and shall not disclose such Information to third parties, but use it for the purpose of executing the respective contract only. The Supplier undertakes to return all Information delivered to him in a tangible form such as documents, samples, specimens, or the like without undue delay upon Siegwerk's request without retaining any copies or notes. Siegwerk has ownership of and all intellectual property rights to the Information mentioned in section 11.1.
- 11.2 The Supplier may refer to the business relationship existing with Siegwerk in its informational and advertising materials with Siegwerk's express prior written consent only.

12. Miscellaneous

- 12.1 Assignment of rights under the contract to third parties shall only be valid with the other party's prior written consent.
- 12.2 Should any of these provisions be partly or totally invalid, this shall have no effect on the validity of the remaining terms.
- 12.3 Modifications, amendments and/or cancellation of the contract or these General Terms and Conditions of Purchase shall be made in writing.

13. Applicable Law and Place of Jurisdiction

- 13.1 The contract and the legal relationship between the Supplier and Siegwerk shall be governed by the laws of the Federal Republic of Germany without being affected by private international law. The United Nations Convention on Contracts or the International Sale of Goods (CISG) shall not apply.
- 13.2 In case Supplier is a merchant, exclusive place of jurisdiction shall be the location of the registered office of Siegwerk.

IMPORTANT: These "General Terms and Conditions of Purchase" have been translated from the German version of these conditions. This translation is a convenience translation and provided for the information and benefit of contractors only. In case of unclear interpretation of these General Terms and Conditions of Purchase the German version shall prevail in all respects.