

# General Terms and Conditions of Delivery of OOO Siegwerk

## 1. Scope of Validity

Unless otherwise agreed in writing, these General Terms and Conditions of Delivery ("Delivery Terms") shall exclusively apply for all deliveries and performances made by OOO Siegwerk ("Siegwerk") to the recipient of the goods/services ("Purchaser") and shall be an integral part of all the agreements entered into by Siegwerk and the Purchaser (together, the "Parties").

## 2. Conclusion of Contract

The offers made by Siegwerk are subject to confirmation. A contract is only concluded with written order confirmation or by Siegwerk's execution of the order.

## 3. Prices

- 3.1 Siegwerk's prices are quoted ex works. The value added tax (VAT) in the statutory amount valid on the day of invoicing shall be payable additionally.
- 3.2 In the event that the production or raw material costs rise by more than 10%, Siegwerk is entitled to unilaterally raise its prices, considering equity and the respective change in costs. This right does not exist, if the delivery date lies within 3 months of the conclusion of the respective contract.
- 3.3 If Siegwerk raises the price according to section 3.2, the Purchaser has the right to rescind from the contract, at which the Parties each have to bear their own costs of the rescission. The Purchaser is obliged to declare the rescission of the contract to Siegwerk in writing within 2 weeks after receipt of the information about the price increase. Otherwise, the price increase shall be deemed approved.

## 4. Deliveries, Delivery Dates, Delay in Delivery

- 4.1 Partial deliveries and performances are permitted in a reasonable scope.
- 4.2 In the event that Siegwerk exceeds an agreed date of delivery or performance or in the event that Siegwerk does not meet another contractual obligation in time, the Purchaser is obligated to send Siegwerk a demand to perform relevant obligations within not less than 20 days from the date of receipt thereof (the period of grace). The Purchaser may not refuse late deliveries/performance.
- 4.3 Should the delivery or performance not be made within the period of grace as set out in section 4.2 and should the Purchaser for this reason wish to make use of his right to rescind from the contract or claim damages instead of delivery/performance, he is obliged to inform Siegwerk of this in writing not less than 30 days beforehand. The Purchaser shall accept deliveries/performance during this period.

## 5. Place of Performance/Delivery, Transfer of Risk

The place of performance/delivery as well as the transfer of risk shall be deemed defined in accordance with the Incoterms of the International Chamber of Commerce (Incoterms 2010). Has no individual agreement been reached, the term "ex works" shall apply.

## 6. Retention of Title. Pledge

- 6.1 Title to the delivered goods, both paid and unpaid, remains with Siegwerk until all claims deriving from the business relationship with the Purchaser have been fully paid (retained goods) as set out in this section 6. The Parties agree to consider any additional provisions in section 6 compared to such stipulated by the law in relation to the retention of title, as the security agreed by the Parties (article 329 of the Civil Code).
- 6.2 Where the goods are converted, connected and/or amalgamated with other goods of Purchaser, Siegwerk is entitled to co-ownership of these new products proportional to the invoiced value of the contractual goods delivered by Siegwerk at the time of the conversion, connection and/or amalgamation (processed goods).
- 6.3 The Purchaser may only resale the retained or processed goods in the ordinary course of business. The Purchaser shall assign herewith to Siegwerk payment claims against the purchasing third party in the amount of the invoice (incl. VAT). The Purchaser is entitled to collect the assigned payment claims until Siegwerk's revocation. The goods may only be pledged upon prior written consent of Siegwerk.
- 6.4 In the event that the value of the retained goods exceeds the secured receivable debt by more than 20%, Siegwerk may release the retained goods at its sole discretion for the sum exceeding the secured receivable debt. This will be based on the net invoice value of Siegwerk's invoices to the Purchaser.
- 6.5 In the event of default of payment by the Purchaser or in the event of opening of insolvency proceedings in respect of the Purchaser, Siegwerk is entitled to take back the retained goods without further notice.
- 6.6 The assertion of the retention of title as well as the levy of execution of the retained goods through Siegwerk shall not be qualified as cancellation of the contract, unless Siegwerk expressly declares the cancellation of the contract in writing. Siegwerk is entitled to other ways of exploitation of the retained goods only after rescission from the contract.
- 6.7 The Purchaser is obliged to diligently store, maintain and repair the retained goods on their own expense for Siegwerk and insure the goods against damage, loss and destruction according to the standards of a diligent tradesman. The Purchaser hereby assigns any potential insurance claims or other compensatory claims deriving out of damage, loss or destruction to Siegwerk who accept the cession.
- 6.8 In addition to the retention of title as set out in this section 6, Purchaser pledges its inventory (pledge of goods in circulation, article 357 of the Civil Code) to secure all obligations of the Purchaser before Siegwerk under this contract, Delivery Terms and other agreements ("secured obligations"). The definition, value and term of execution of the secured obligations are specified in respective contract, Delivery Terms and other agreements. The goods delivered by Siegwerk or similar goods, or, if such are unavailable, other goods shall be subject of pledge ("pledged goods"). The pledge value of the pledged goods amounts to [60%] of the balance sheet value. The Purchase shall ensure that the pledge value of the pledged goods is not less than the secured obligations value at all times. The pledged goods shall be kept by the Purchaser, unless the event of default takes place or the Parties agree otherwise.

## 7. Force Majeure

In the event of Force Majeure or other exceptional and unforeseeable events for which Siegwerk is not responsible (both "Force Majeure"), which make delivery/performance impossible or substantially more difficult, Siegwerk may suspend the delivery/performance until the Force Majeure event has ceased. Cases of Force Majeure are in particular: shortage of energy or raw materials, strikes in the Party's own or third party site(s), lock-outs, official directives, operational disturbances and other circumstances that do not lie within the responsibility of one of the Parties. The other Party has to be notified immediately of the Force Majeure event and its expected duration.

## 8. Invoicing and Payment

- 8.1 The Purchaser is obliged to pay the purchase price net within 30 days after receipt of the invoice.

- 8.2 Offsetting of counter-claims of all kinds is excluded, save where such counter-claim is not disputed or is finally awarded by a court of justice.
- 8.3 If the Purchaser is in arrears with a payment, all accounts payable by the Purchaser to Siegwerk become due immediately, irrespective of the maturity.

## 9. Claims for Defects and Liability

- 9.1 The Purchaser is obliged to inspect the delivered goods promptly after receipt, if applicable by means of quick-tests; and to notify Siegwerk about obvious defects immediately after receipt or latent defects immediately after their discovery. Any complaints, particularly notices of defects, have to be notified to Siegwerk in writing. Where the Purchaser does not submit his claim and notices of defects in time or not in proper written form (unduly), the delivery and performance made by Siegwerk shall be deemed defect-free. If the Purchaser accepts the goods or performance in cognizance of a defect, then he is entitled to its warranty rights if he has expressly reserved these rights in writing.
- 9.2 As far as the delivered goods or performance have a defect, Siegwerk is entitled, at its sole discretion, to replace or repair the goods. The Purchaser has to give Siegwerk the opportunity to do so within a reasonable period of time. If the replacement or repair fails, the Purchaser is entitled to rescind from the contract or reduce the purchase price. If the value or the usability of the goods or performance is only insubstantially reduced, the Purchaser has only the right for reduction of the purchase price.
- 9.3 Furthermore, the Purchaser is entitled to claim damages and reimbursement of expenses necessary for the purpose of repair and/or replacement pursuant to statutory requirements. In addition, the provisions in sections 9.6 and 9.7 apply to claims for damages and reimbursement of expenses.
- 9.4 The Purchaser is entitled to statutory rights of recourse against Siegwerk. If the Purchaser has made any agreements exceeding the statutory warranty claims with his customers, the Purchaser's right of recourse against Siegwerk does not expand to such extension. This applies to claims for reimbursement of expenses accordingly.
- 9.5 Siegwerk shall be liable for an intended use or a the purpose of the goods usage only where explicitly agreed between the Parties. The risk of use and application lies with the Purchaser.
- 9.6 Any claims for damages or reimbursement of expenses that the Purchaser might have against Siegwerk, its legal representatives, employees and agents (together "agents"), irrespective of their legal basis, are only valid in so far as Siegwerk or its agents have acted wilfully. In any case Siegwerk's liability is limited to direct damages and amounts to a maximum of 1 million RUB.
- 9.7 The Purchaser's rights to claim rectification of a defect, damages or reimbursement for expenses are statute barred according to the statutory provisions.

## 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 Purchaser's assets, or if the Purchaser is in material breach of the contract, or if the financial situation of the Purchaser deteriorates considerably, or if unforeseeable incidents not caused by Siegwerk change the basis of the contract considerably.

## 11. Confidentiality and Advertising

- 11.1 The Purchaser 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 Siegwerk or 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 Purchaser 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 this section.
- 11.2 The Purchaser may refer to the business relationship existing with Siegwerk in his informational and advertising materials with Siegwerk's express prior written consent only.

## 12. Miscellaneous

- 12.1 The Purchaser may only transfer rights and obligations under the contract to third parties upon Siegwerk's prior written consent.
- 12.2 The Purchaser is responsible for the compliance with statutory and administrative provisions regarding the import, transport, storage and use of the goods.
- 12.3 Should any of these provisions be partly or totally invalid, this shall have no effect on the validity of the remaining terms.
- 12.4 Modifications, amendments and/or cancellation of the contract or these General Terms and Conditions of Delivery shall be made in writing.

## 13. Place of Jurisdiction and Applicable Law

- 13.1 All legal relationships between the Parties shall be governed by the laws of the Russian Federation without being affected by private international law and excluding the United Nations Convention on Contracts or the International Sale of Goods (CISG).
- 13.2 In case of controversies or claims from the Purchaser, the Purchaser shall deliver his claim to Siegwerk by registered mail. Siegwerk sets the negotiations date within 30 days from the receipt of the claim. In case the Parties fail to resolve the controversies and disputes within 30 days from start of the negotiations, the dispute shall be resolved by arbitration upon the Parties consent or in the court otherwise.
- 13.3 Exclusive place of jurisdiction shall be the location of the registered office of Siegwerk.