

General Terms and Conditions of Delivery of Siegwerk Shanghai Ltd.

1. Scope of Validity

- 1.1 Unless otherwise agreed in writing, these General Terms and Conditions of Delivery ("Delivery Terms") shall exclusively apply for all deliveries and performances made by Siegwerk Shanghai Ltd. ("Siegwerk"). Any general terms and conditions of the recipient of the goods/services ("Purchaser") deviating from these Delivery Terms are non-binding for Siegwerk, even if Siegwerk has not expressly contradicted them or if the Purchaser insists to purchase only under his general terms and conditions. This shall also apply if Siegwerk has delivered the goods, rendered services or accepted payments without reservation. As a precaution, Siegwerk hereby dissents with conflicting general terms and conditions of the Purchaser.
- 1.2 These Delivery Terms amend any framework agreements entered into by the Parties. In case deviating terms are individually agreed on, the Delivery Terms shall be applicable subordinated and supplemental.

2. Conclusion of Contract

The offers made by Siegwerk are subject to confirmation by the Purchaser. Any modifications or changes by the Purchaser to the offer of Siegwerk shall be deemed as a new offer, which shall be not binding on Siegwerk, unless it has been accepted by Siegwerk. A contract is also concluded with written order confirmation by Siegwerk or by Siegwerk's execution of the order.

3. Prices and Quantity

- 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 CUSTOMARY COSTS OF A PRODUCT 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 due to an increase in costs, 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. SIEGWERK RESERVES THE RIGHT TO DELIVER THE QUANTITY ORDERED WITHIN A TOLERANCE OF $\pm 5\%$.
- 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 set an appropriate period of grace.
- 4.3 Should the delivery or performance not be made within the period of grace and should the Purchaser for its 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 beforehand, granting another reasonable period of grace and demanding delivery or performance.

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

- 6.1 Title to the delivered goods remains with Siegwerk until all claims deriving from the business relationship with the Purchaser have been fully paid (retained goods).
- 6.2 Where the goods are converted, connected and/or amalgamated with other goods, 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 resell the retained or processed goods in the ordinary course of business. The Purchaser shall assign herewith to Siegwerk claims against the purchasing third party in the amount of the invoice (incl. VAT). The Purchaser is entitled to collect the assigned claims until Siegwerk's revocation. The goods may only be pledged or used for chattel mortgage upon prior consent of Siegwerk.
- 6.4 In the event that the value of the retained goods exceeds the secured receivable claims by more than 20%, Siegwerk is obliged to release securities at its sole discretion. 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, impending cessation of payment, dissatisfactory disclosure of insolvency or the financial situation of the Purchaser or in the event of any foreclosure or note protest as well as in the event of opening of insolvency proceedings over the Purchaser's assets, 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 its own expense for Siegwerk and insure the goods against damage, loss and destruction according to the standards of a diligent tradesman. The Purchaser already assigns any potential insurance claims or other compensatory claims deriving out of damage, loss or destruction to Siegwerk who accept the cession.

7. Force Majeure

IN CASES OF FORCE MAJEURE OR OTHER UNFORESEEABLE CIRCUMSTANCES THAT IMPEDE THE DELIVERY OR RENDER IT IMPOSSIBLE FOR SIEGWERK, THE CONTRACTUAL OBLIGATIONS OF SIEGWERK ARE SUSPENDED. IN THIS CASE THE AGREED DELIVERY TIMES ARE POSTPONED ACCORDINGLY; UNTIL THE FORCE MAJEURE EVENT OR THE UNFORESEEABLE CIRCUMSTANCE HAS CEASED. CASES OF FORCE MAJEURE ARE IN PARTICULAR: SHORTAGE OF ENERGY OR RAW MATERIALS, STRIKES IN SIEGWERK'S OWN OR THIRD PARTY SITE(S), LOCK-OUTS, OFFICIAL DIRECTIVES, NON-EFFECTUATION OF DELIVERIES FROM THIRD PARTIES, OPERATIONAL DISTURBANCES AND OTHER CIRCUMSTANCES THAT DO NOT LIE WITHIN THE RESPONSIBILITY OF SIEGWERK. UNDER THESE CIRCUMSTANCES SIEGWERK WILL NOTIFY THE PURCHASER IMMEDIATELY OF THE FORCE MAJEURE EVENT.

8. Invoicing and Payment

- 8.1 Unless otherwise agreed in writing between the Parties, payment of goods shall be made in full at the day of transaction.

- 8.2 The Purchaser is entitled to offset its payment obligation only against undisputed or bindingly established claims.
- 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. Any complaints, particularly notices of defects, have to be notified to Siegwerk in writing within 10 days of the receipt of the goods. Where the Purchaser does not submit his claim and notices of defects in time or not in the agreed written form (unduly), the delivery and performance made by Siegwerk shall be deemed defect-free and as fully complying with the contract and accepted by the Purchaser. If the Purchaser accepts the goods or performance in cognizance of a defect, then he is entitled to the rights deriving from the defect only in cases, where 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 SECTION 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 ONLY AS FAR AS THE LAW PROVIDES FOR.
- 9.5 SIEGWERK SHALL BE LIABLE FOR AN INTENDED USE OR A SPECIFIC SUITABILITY ONLY WHERE EXPLICITLY AGREED BETWEEN THE PARTIES. INCIDENTALLY, 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 OR WITH GROSS NEGLIGENCE. HOWEVER, IN ALL CASES SIEGWERK'S LIABILITY IS ONLY LIMITED TO DIRECT LOSSES AND AMOUNTS TO A MAXIMUM OF RMB 1 MILLION.
- 9.7 The exclusion or limitation of liability does not apply in cases where Siegwerk is liable for bodily injury or for damages to privately used property according to the mandatory regulations.
- 9.8 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 section 11.1.
- 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 assign rights 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 Delivery Terms shall be made in writing.

13. Applicable Law and Settlement of Disputes

- 13.1 All legal relationships between the Parties shall be governed by the laws of the People's Republic of China without being affected by private international law and excluding the United Nations Convention on Contracts or the International Sale of Goods (CISG).
- 13.2 Any dispute arising from or in connection with these Terms of Conditions or the contract shall be settled through friendly negotiation. In case no settlement can be reached, the dispute shall be submitted to the China International Economic and Trade Arbitration Commission (CIETAC) Shanghai Branch for arbitration in accordance with its rules in effect at the time of applying for arbitration. The arbitration award shall be final and binding upon the parties.

IMPORTANT: These General Terms and Conditions are written in English and Chinese. Both language versions shall be equally authentic. In case of any discrepancies between two language versions, the Chinese version shall prevail.