

# General Terms and Conditions of Business Exceet Card Group AG

These terms and conditions shall apply for all orders issued to the Supplier, in particular for all future orders. Deviating terms of the Client which are not expressly recognised by the Supplier in writing are hereby expressly contradicted. All offers and declarations are subject to change without notice and apply only upon written confirmation. Orders which the Contractor does not confirm within 14 days shall be regarded as refused. In the case of orders with delivery to third parties, the customer shall be regarded as the Client unless expressly agreed to the contrary.

The personal data provided by the Client at the commencement or in the later course of the business relationship shall be processed by the Supplier, in particular electronically stored, in accordance with the provisions of the *Bundesdatenschutzgesetz* [Federal Data Protection Act]. The Client may demand information concerning the data stored in relation to his person.

1. Prices; Additional costs
- 1.1 The prices are quoted in EUR and are, within the Federal Republic of Germany, subject to the addition of VAT. They become binding only upon the confirmation of the order by the Supplier.
- 1.2 Prices apply ex works. The prices stated in the offer of the Contractor apply subject to the reservation that the order data on which the offer is based remains unchanged; however, they apply for no longer than four months following receipt of the offer by the Client.
- 1.3 Should the completion of an order exceed a period of 4 months, the Supplier shall be entitled to adjust the prices stated in its confirmation of order if the costs (material, wages and salaries) on which its calculation is based have increased between the conclusion of the contract and acceptance. In such case, the Client shall be entitled to cancel the contract if a price increase of at least 10 % per annum since the conclusion of the contract is registered. The expenditure incurred by the Supplier up until then shall be reimbursed to it by the Client.
- 1.4 If the goods are to be sent to an address other than that stated in the confirmation of order at the request of the Client, the Supplier may charge additional handling costs.
- 1.5 If an accelerated delivery is agreed, the Supplier shall be entitled to make an additional charge if additional overtime and ancillary costs arise.
- 1.6 Should the processing of the order be temporarily suspended at the request of the Client, the Supplier shall have a claim to payment for works already performed (carried out), in particular materials ordered and other additional costs, including storage.
- 1.7 In the case of production with net order values under € 500.00 per recipient, a flat rate administration fee of € 150.00 will be charged.
2. Conditions of payment
- 2.1 Payment is to be made immediately following receipt of the invoice without any deduction. A prompt payment discount agreement, if such is made, shall not extend to freight, postage, insurance or other shipping costs. Acceptance of bills of exchange only with prior agreement. Bill charges shall be borne by the Client. In the case of due dates being exceeded, we shall charge default interest in the amount of 4 % above the bank discount rate. For bank transfers and cheques, the date of receipt of payment shall be the date on which the notice of credit to our account is received by us. In the case of large orders, payments on account or part payments according to the work performed are to be made.
- 2.2 Should the Client fail to comply with his liabilities to pay, and should the Supplier at the same time receive written credit information showing the credit unworthiness of the Client, or should the Client fail to honour a cheque or bill of exchange or have ceased making payments, or should application have been filed for bankruptcy or insolvency proceedings or judicial or extrajudicial composition proceedings, the Supplier shall be entitled to charge the Client for the works already carried out and materials expended, and call the claim due immediately. In the case of deterioration in the economic circumstances of the Client, the Supplier shall furthermore have the right to cease further work on the current orders of the Client until the Client has effected payment or provided security in respect thereof. Should the Client delay contemporaneous payment or the provision of security, the Supplier shall be entitled to cancel the contract.
- 2.3 The Supplier shall be entitled to set off its claims which are due against claims to which the Client is entitled as against affiliated group companies. Furthermore, the Supplier shall be entitled, by virtue of the authorisation issued to it, to set off claims of the Client against all claims of the other group companies. This shall also apply if from one side cash payment and from the other side payment by bill of exchange or other performances on account of fulfillment have been agreed, and the settlement dates are different. The Client may only set off claims which are undisputed or have been judicially decided and are final and legally binding.
- 2.4 In the case of exceptional advance outlay, reasonable payment on account may be demanded.
3. Reservation of title
- 3.1 The goods delivered shall remain the property of the Supplier up until payment of all its claims under the business relationship - regardless from which legal basis - and up until all bills of exchange or cheques given to the Supplier in payment have been honoured.
- 3.2 All claims of the Client arising from any resale of the goods subject to the reservation of title are assigned to the Supplier already now in their full scope for the purpose of security. If the Client includes claims from re-sales in a current account relationship existing with a third party, the respective assignable balance shall be deemed to be assigned up to the amount of the claims of the Supplier.
- 3.3 The Supplier irrevocably authorises the Client to collect the claims assigned to the Supplier for his account and in his own name. Upon the request of the Supplier, the Client shall be obliged to disclose the names and addresses of the third party debtors and the amount of all claims against the same.
- 3.4 By way of security for all current and future claims of the Supplier from deliveries of goods, a right of lien is created over all raw materials of any kind supplied by the Client upon their delivery.
- 3.5 In the case of treatment or processing by the Contractor, where the goods are in its ownership, the Contractor shall be regarded as the manufacturer in accordance with § 950 BGB [Bürgerliches Gesetzbuch - German Civil Code] and shall retain ownership in the products at all times during the processing. Should third parties be involved in the treatment or processing, the Contractor shall be restricted to a co-ownership share in the amount of the invoice value of the goods subject to the reservation of title. The ownership so acquired shall be regarded as property subject to reservation of title.
- 3.6 Should the value of the security existing in favour of the Supplier exceed its claims in total by more than 20 %, the Supplier shall, at the request of the Client, be obliged to release security to this extent.
4. Risk
- 4.1 The shipping is carried out for the account and at the risk of the Client. The risk shall pass to the Client as soon as the consignment has been delivered to the person or institution carrying out the transport.
- 4.2 Should the shipping be delayed at the request of the Client, the risk shall pass to him upon notification of the readiness of the goods for despatch. The Supplier shall be entitled to charge the Client warehousing fees.
- 4.3 Unless otherwise agreed, the shipping route and means shall be left to the choice of the Supplier.
- 4.4 Transport insurance shall only be taken out by the Supplier at the express instructions and expense of the Client.
5. Delivery period
- 5.1 If no delivery dates are agreed, but the time of delivery is calculated according specific periods of time, the time period shall commence with the date of despatch of the confirmation of order; it shall end with the date on which the goods leave the delivery works or are stored on account of the impossibility of shipping the same. For the duration of the examination of the print proofs, production samples, printing plates etc. by the Client, the delivery period shall in each case be interrupted, namely from the date of despatch to the Client until the date of receipt of his response. Should the Client, following the confirmation of the order, demand changes to the order which influence the duration of production, a new delivery period shall commence, but only after the changes have been confirmed.
- 5.2 In the case of force majeure or any other unforeseeable, extraordinary circumstances not due to the fault of the Supplier - e.g. war, difficulties in the procurement of materials, breakdowns in operations, strikes, lockouts, riots, lack of means of transport, interventions by authorities, difficulties in energy supplies etc. - also where they occur at sub-suppliers - the delivery period shall be extended in reasonable scope if the Supplier is impeded in the punctual fulfilment of its obligations. Should the delivery or performance become impossible or unconscionable through the circumstances mentioned, the Supplier shall be released from its delivery obligations. Should the delays in delivery last longer than 3 months, the Client shall be entitled to cancel the contract. Should the delivery period be extended, or should the Supplier be released from its delivery obligations, the Client may not derive any claims for compensation there from. The Supplier may only invoke the circumstances mentioned if it informs the Client immediately.
6. Default in acceptance
- 6.1 Should the Client fail into default with acceptance, we may assert the rights under § 326 BGB.
- 6.2 Should the Client fail to accept a delivery within a reasonable period of time following notification of completion, or promptly upon advice of shipping, or should shipping be impossible for a longer period of time due to circumstances for which we are not responsible, we shall be entitled, for the account and risk of the Client, either to store the goods ourselves or to store the same with a carrier.
7. Warranty
- 7.1 Notices of defects and other claims on account of obvious flaws are to be lodged immediately, at the latest within a preclusive period of one week following receipt of the goods, at the same time returning the objects which are the subject of complaint. Claims for hidden defects which cannot be found during the immediate inspection may be only be asserted against the Supplier if the complaint arrives at the Supplier within 6 months following the date of acceptance.
- 7.2 The obligation of the Client to inspect the goods delivered exists even if samples have been sent.
- 7.3 Defects in a part of the goods delivered do not justify a complaint in respect of the entire delivery, unless part delivery is of no interest to the Client.
- 7.4 The Supplier shall first have the right, at its own option, either to rectify the defect or to make a replacement delivery. Only after the failure of the rectification measures or replacement delivery may the Client demand rescission of the contract or a reduction in the price.
- 7.5 Complaints may not be lodged in respect of excess or short-fall deliveries of up to 10 % of the edition ordered. The quantity delivered shall be the quantity invoiced. In the case of deliveries under 500 kg from items made to order, the percentage increases to 20 %. This shall likewise apply for difficult prints as well as in the case of small editions.
- 7.6 Insignificant deviations in the print colour compared with the colour sample or the artwork ready for printing which occur through differences in the material used, or the processing or manufacturing process or the use of colours which are not standard colours do not justify a complaint in respect of the delivery.
- 7.7 The Contractor shall only be liable for deviations in the quality of the material used up to the amount of its own claims against the respective sub-supplier. In such a case, the Contractor shall be released from its liability if it assigns its claims against the sub-suppliers to the Client. The Contractor shall be liable to the extent that no claims exist against the sub-supplier due to the fault of the Contractor, or to the extent that they are not enforceable.
- 7.8 No complaint may be lodged in respect of insignificant deviations in the quality of the paper, cardboard or other material procured by the Supplier.
- 7.9 Likewise, in all manufacturing processes, no complaints will be accepted in the case of insignificant deviations from the original in the case of colour reproductions. The same shall apply for comparisons between the print proof and the edition print.
- 7.10 Clause 9.5, 3rd sentence, shall apply.

- 7.11 Deliveries (including data carriers) from the Client or a third party instructed by him shall not be subject to any obligation of examination on the part of the Contractor.
8. Liability
- 8.1 The Contractor shall, as a basic principle, only be liable in so far as it has caused damage through deliberate or grossly negligent acts.
- 8.2 In all other respects, the following provisions shall apply in relation to the liability of the Contractor in the case of negligence: Claims for damages on account of consequential damage, breach of ancillary contractual obligations, fault in the conclusion of the contract (culpa in contrahendo) or tort are excluded. If the order involves commission processing or the further processing of printed products, the Contractor shall not be liable for any impairment thereby caused to the Client or for damage to the Client. Claims for damages on account of impossibility or default shall be limited to the amount of the order value (own performance excluding advance layout and material).
- 8.3 The foregoing limitations on liability shall apply in the same scope for the vicarious agents and servants of the Contractor.
- 8.4 In commercial dealings, the Contractor shall in all cases only be liable for damage caused by deliberate or grossly negligent acts.
- 8.5 The foregoing limitations on liability shall not apply in the case of culpable breaches of fundamental contractual duties, in so far as the attainment of the objective of the contract is jeopardised, in the case of the absence of warranted properties or in cases of strict liability under the *Produkthaftungsgesetz* (Product Liability Act).
9. Material procured by the Client
- 9.1 Regardless of the kind, material is to be provided to the Supplier free to its premises. The Client undertakes to deliver 5 % more than agreed in order to cover normal wastage.
- 9.2 Receipt of the material will be confirmed without giving any guarantee as to the correctness of the quantities stated to have been delivered. In the case of larger items, the costs associated with the payment or the check-weighing, and also the warehousing costs are to be reimbursed.
- 9.3 In the case of the provision of paper, cardboard and/or plastic material by the Client, the packaging material and the waste through unavoidable loss in the printing set-ups and production runs, through cutting, punching and such like shall remain with the Supplier.
- 9.4 Where the Client provides the Supplier with matrices, films, final drawings or printing plates, the costs for the production of the appropriate printing blocks shall be invoiced separately.
- 9.5 The Supplier may reject paper or other materials provided by the Client where the same appear to it to be unsuitable for the performance of the order. Additional costs which arise from the materials only being established as unsuitable during the production may be invoiced separately. This shall not apply if the Supplier, without unreasonable delay, could have satisfied itself of the non-suitability of the material. In this case, the Customer shall not be charged any additional costs. Should the result of the work be negatively influenced through the non-suitability of the material for which the Client is responsible, the Supplier assumes no liability in this respect.
10. Safekeeping and insurance
- 10.1 The taking into store and safekeeping of raw materials, half-finished and finished products, such as e.g. printing work, standing text mono and TTS rollers, matrices, printing plates of all kinds, papers from third parties etc. shall only be undertaken following prior agreement between the Supplier and the Client, and is to be remunerated separately. This shall apply in particular for so-called call-up orders. We assume no liability for damage to materials in our safekeeping unless the damage was caused deliberately or through gross negligence.
- 10.2 If the manuscripts, originals, printing blocks, papers, standing text supplied for safekeeping, printed matter stored or any other items delivered to the Supplier are intended to be insured against theft, fire, water damage or any other risk, the Client shall take out the insurance himself.
11. Packaging
- The Contractor shall take back packaging within the scope of its obligations under the *Verpackungsverordnung* (Packaging Ordinance). The Client may return packaging to the premises of the Contractor during the usual business hours following prior notification in due time, unless he has been notified of another acceptance / collection point. The packaging may also be returned to the Contractor at the time of delivery, unless the Client has been notified of another acceptance / collection point. Packaging will only be taken back immediately following delivery of the goods, in the case of regular deliveries only following prior notification and preparation for pick-up. The Client shall bear the cost of the transport of the used packaging. If a designated acceptance / collection point is further away than the premises of the Contractor, the Client shall only bear the transportation costs which would arise for the distance to the premises of the Contractor. The packaging returned must be clean, free from foreign substances and sorted according to the different types of packaging. Otherwise, the Contractor shall be entitled to demand from the Client the additional costs arising from the waste disposal.
12. Colour
- The price contained in the offer applies for execution of the order with the standard colours specified by the manufacturer. Special colours desired by the Customer which lie outside the standard colours of the manufacturer shall be charged according to the expense incurred through their use. Agreements in deviation here from require the written confirmation of the manufacturer.
13. Copyright; Ownership
- 13.1 The Client alone shall be responsible for examining the right of reproduction in relation to all artwork. The Client alone shall be liable if rights, in particular copyrights, of third parties are infringed through the execution of his order. The Client shall indemnify the Supplier from all claims of third parties on account of any such infringement of rights.
- 13.2 All copyrights in all processes and for all intended purposes in its own sketches, drafts, originals, films and such like shall remain, subject to any express arrangement to the contrary, the property of the Supplier.
- 13.3 The reprinting or reproduction - regardless in which process - of such deliveries as are not the object of copyright or any other industrial property right is also not permitted without the approval of the Supplier.
- 13.4 Printed matter, cylinders, printing blocks (original and duplicate printing plates), embossing plates, lithographs, master copies (negatives and transparencies on film or glass), matrices, punch machines and such like shall remain the property of the Supplier. This shall only apply to the extent that the Client did not assume the costs for these aids separately.
- 13.5 The Supplier shall not be obliged to deliver transfers from lithographs or copies from masters to the Client.
- 13.6 The Supplier assumes no liability for printing blocks, manuscripts or other objects of third parties which have not been recalled by the Client within four weeks following execution of the order.
14. Corrected proofs and print proofs; Additional work
- 14.1 Corrected proofs and print proofs are to be checked by the Client for typographical and other errors, and are to be returned with the declaration "ready for print", including the original drafts. Typographical errors will be corrected free of charge. Subsequent changes deviating from the original artwork will be charged extra according to the working time expended thereon.
- 14.2 Print proofs, repeated corrected proofs, sketches, drafts, sample print proofs and specimens will be invoiced to the Client.
- 14.3 Should additional works prove necessary after the placing of the order which were not recognisable at the conclusion of the contract, the Supplier may charge these works additionally. This shall apply in particular where the manuscript is not clearly and easily legible. If the additional charge exceeds 10 % of the total price, the Client shall be entitled to cancel the contract.
15. Printing errors
- We shall not be liable for printing errors which the Client overlooked in the corrected proofs provided to him designated as "ready for print". Changes communicated by telephone must be confirmed in writing. For spelling, the "Duden", latest edition, is authoritative.
16. Company designation and company identity number
- The Supplier reserves the right to affix its company designation, its company name or logo or its company identity number on deliveries of all kinds in accordance with the corresponding practices or provisions and the available space.
17. Periodic works
- Contracts concerning regularly recurring works may, unless agreed to the contrary, be terminated by notice of at least 3 months, to expire at the end of a month.
18. Place of performance; Court venue; Effectiveness
- 18.1 For all disputes arising from the contractual relationship, including summary proceedings for claims arising under cheques or bills of exchange and proceedings based solely on documentary evidence, the place of performance and court venue shall, if the Client is a *Vollkaufmann* (businessman with full capacity and responsibility) within the meaning of the HGB [Handelsgesetzbuch - German Commercial Code] or he has no general court venue in Germany, be the place of the registered office of the Contractor. The contractual relationship shall be governed by German law. The UN Convention on the International Sale of Goods is excluded.
- 18.2 The effectiveness of the remaining provisions shall not be affected by the possible ineffectiveness of one or more provisions.
- 18.3 These General Terms and Conditions of Business have been prepared in German and English. In the event of any discrepancy between the two versions, the German version shall take precedence.
- 18.4 The registered office of Exceet Card Group AG is D-33100 Paderborn

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