

I. General Terms of Delivery, Installation and Repair

1. Matthews International GmbH (hereinafter referred to as MATTHEWS) will only enter into contracts on the deliveries of goods and provision of services provided by contractual partners of MATTHEWS with entrepreneurs (§ 14 BGB), with public entities or with separate funds acting under public law (hereinafter referred to as Contractual Partners). The following General Terms of Delivery, Installation and Repair are an integral part of such contracts. General terms and conditions of business of our Contractual Partners or of a third party are not an integral component of agreements signed with MATTHEWS.

Individual contractual undertakings take priority over these General Terms of Delivery, Installation and Repair.

2. Offers made to our Contractual Partner are subject to confirmation and are non-binding, unless they are clearly marked as binding or include a specific acceptance period. We may duly accept assignments or orders from our Contractual Partner within two weeks after receipt. Prior to signing a contract with us, the Contractual Partner is obliged to inform us of the respective regulations concerning environmental and waste protection, which are applicable at the place of delivery or performance

3. The details that we provide regarding the product to be delivered (e.g. weight, dimensions, value of use, load capacity, tolerance and technical data) as well as our description (e.g. drawings and pictures) are only approximations, unless specifics are required for the contractual purpose. Information and drawings do not constitute guaranteed quality characteristics, but are descriptions or identifying features of the delivery or service. Customary trade deviations and deviations, which are carried out as a consequence of legal requirements or which identify technical improvements as well as the replacement of parts by parts of a similar value are admissible in so far as they do not detract from the suitability of the delivery or service as provided for in the original contractual purpose.

4. Place of performance for deliveries and the provision of services is the place of business of MATTHEWS.

5. Any delivery or performance times proposed by MATTHEWS are only approximate, unless a binding deadline has been expressly agreed upon. If the dispatch of a product has been agreed upon, any deadlines are based on the time when MATTHEWS surrenders the product to the forwarding agent or carrier or other third party mandated to dispatch the goods.

6. MATTHEWS is not liable for the impossibility of the delivery or service, i.e. delays, which are the result of force majeure or other reasons, which were not foreseeable at the time of signing the contract and for which we are not responsible (e.g. interruption of operations, difficulties in procuring materials or power, transport delays, strike, legal lockout, lack of labour, energy or raw materials, difficulties in obtaining the relevant official permits, official measures or incorrect or delayed deliveries by suppliers). This also applies if such happenings occur once we are in default. If such happenings render a delivery considerably challenging or impossible and if the delay caused is not merely a temporary delay, both parties are entitled to withdraw from the contract. If the delays are drawn out, any deadlines are postponed accordingly and a start-up period will be taken into consideration. If the Contractual Partner can no longer be expected to accept the delivery or service due to a delay, the Contractual Partner is entitled to withdraw from the contract.

7. We are entitled to make the deliveries or provide the service concurrently against a consideration or provision of security, if, after signing the contract, it becomes clear to us that our claim for a return service is put at risk due to the lack of ability on the part of our Contractual Partner.

8. Our prices are quoted in EUROS ex works plus packaging, sales tax and any other fees governed by public law (e.g. fees, licence fees or fees for clearing formalities). Any taxes, fees or other duties which apply outside the Federal Republic of Germany shall be paid by the Contractual Partner. It is also incumbent upon the Contractual Partner to obtain the necessary official licences required in the country of export (e.g. import licences). If the agreed prices are based on our fixed price list and if the delivery or service is due to be carried out four months (or more) after the date when the contract is signed, our list prices, which are valid upon delivery or service performance are applicable. Any agreed discount will also be taken into consideration.

9. Off-setting with counter claims of our Contractual Partner or the withholding of payments due to such claims is only permissible, if such counter claims have not been disputed by us or if they have been judged to be final and absolute.

10. We retain ownership, i.e. copyright, with respect to all drawings, images, evaluations, descriptions and other documents, which we have made available to our Contractual Partner. Unless we give our consent, it is forbidden for a

contractual Partner to grant third party access to such documentation or to use or to allow third parties to use or to duplicate such documentation. Our Contractual Partner is obliged to return such documentation to us at our request, if no longer required or should contractual negotiations fail. Any copies made by our Contractual Partner should be destroyed unless they are subject to a statutory retention obligation.

11. Our Contractual Partner is responsible for ensuring that any samples it needs to deliver (e.g. photographs, raw data, final drawings, prototype drawings or similar) are complete and accurate. Our Contractual Partner is responsible for ensuring that the use of such samples does not violate third party rights. Unless expressly agreed otherwise we are not obliged to surrender to our Contractual Partner any reproductions, coverage films, repro data and data carriers, which have been created as interim products. We shall safeguard any reproductions, coverage films, repro data and data carriers for a maximum period of five years. Bearing in mind expected technical developments, we cannot guarantee that such samples or data can be used or adapted for future deliveries or services.

12. The Contractual Partner may only transfer rights and obligations to a third party from an agreement signed with MATTHEWS with our written consent. This does not apply in the case of pecuniary claims against MATTHEWS.

13. If there is a fault on our part, our liability with respect to claims for compensation is restricted to the following conditions:

MATTHEWS is not liable in the event of simple negligence on the part of executive bodies, legal representatives, employees or other vicarious agents, unless there is evidence of violation of a significant contractual obligation. Significant contractual obligations are those which MATTHEWS is responsible for vis-à-vis the Contractual Partner according to content and purpose of the contract; the proper implementation of the contract is also dependent on the fulfilment of such contractual obligations and thus the Contractual Partner is entitled to rely on such obligations being routinely satisfied. Claims for compensation, which are merely based on a slight negligent violation of significant contractual obligations are limited to typical foreseeable damages, in the case of damage to property and any resulting financial loss, such claims are restricted to the limits of our liability insurance, which we have secured in accordance with customary business requirements.

This limitation on liability also applies equally vis-à-vis executive bodies, legal representatives, employees and other vicarious agents of MATTHEWS, in so far as such parties can be rendered personally liable.

To the extent that we provide technical information or advice on technical aspects and if the provision of such information or advice is not covered under contract, this is carried out free of charge and to the exclusion of any liability.

Our liability for gross negligence or behaviour with intent, for characteristics or guarantees, for injury to life, body or health remains unaffected hereby, or to the extent that we are liable without fault pursuant to compulsory statutory provisions.

14. The applicable law is the law of the Federal Republic of Germany, with the exception of the provisions of the UN Sales Convention (CISG). The competent courts for any disputes arising from contracts with us are located at the place of business of MATTHEWS, however, we are also entitled to seek redress at the courts located at the place of business of our Contractual Partner.

II. Delivery Terms

The following delivery terms apply to all goods deliveries, in particular to the delivery of machines and equipment as well as printing cylinders, printing forms, flexographic printing forms (flexographic printing plates, flexographic printing sleeves), embossing cylinders (embossing rollers, embossing forms) and general tools for copy, technical rollers and steel cores and for other services provided by MATTHEWS, to the extent that the delivery (additionally) comprises moveable property.

1. The samples provided by the Contractual Partner have to be in such a format that they can be reproduced. Any additional expenditure, which is incurred as a result of any modifications requested by our Contractual Partner once work has commenced or which is incurred due to additional efforts having to be made if the samples cannot be reproduced, shall be borne by our Contractual Partner.

2. The cost for any necessary adaptations of the products to be delivered due to demands of the Contractual Partner, which are of a

technical nature and which only come to light once the delivered goods have been put into service, shall be invoiced as an additional cost based on the real financial cost. Furthermore, the terms of installation set forth in Section III also apply to any such works carried out.

3. Deliveries are made ex works. Any delivery deadline that we set commences with the date of our confirmation of order but not prior to receipt of any samples to be submitted by the Contractual Partner and not prior to the release of any test samples by our Contractual Partner.

4. The passing of risk takes place when the goods to be delivered are surrendered to the haulier, forwarding agent or other third party mandated to execute the dispatch of goods. The decisive date is the start of the embarking process. This also applies to partial deliveries or if MATTHEWS is contracted to provide additional services (e.g. installation). If there is a delay in delivery or surrender due to circumstances for which the Contractual Partner is responsible, risk is transferred to the Contractual Partner when the delivery is ready for dispatch and we have notified the Contractual Partner of this fact. In such cases, the costs incurred for safeguarding and receipt of delivery are borne by the Contractual Partner. We shall only insure the dispatch of goods at the express wish of the Contractual Partner at their cost.

5. MATTHEWS is entitled to make partial deliveries if deemed useful for the Contractual Partner within the scope of the contractual purpose, if the outstanding delivery is secured and if the Contractual Partner does not incur significant additional costs, alternatively we shall declare ourselves willing to assume such costs.

6. Deliveries shall be examined immediately upon receipt by the Contractual Partner or by a third party designated by the Contractual Partner. With respect to obvious defects or other faults, which should be recognisable during the course of an immediate and diligent examination, deliveries are deemed to have been accepted by the Contractual Partner, if MATTHEWS does not receive notice of defects within one week following receipt of delivery. With respect to other defects, the delivery is deemed to have been accepted by the Contractual Partner if we do not receive the notice of defects within the same deadline following the time when the defect is identified. If a defect was noticed by the Contractual Partner at an earlier stage as a consequence of normal use of the product, this earlier date is deemed to be the start of the notice period. At our request, the delivery in question shall be returned to MATTHEWS free of transportation charges. If the notice of defects is justified, we shall reimburse for the costs of the most cost efficient form of dispatch. This does not apply if additional costs are incurred due to the fact that the delivery destination is a different location to that originally agreed for the use of the product.

7. In the case of material or legal defects, statutory provisions apply, with the provision that we are entitled to determine the method of supplementary performance (rectifying the defect or delivery free of defects). The supplementary performance does not include the dismantling of the faulty product nor the renewed installation if we were not originally mandated to install the product. Claims regarding defects are invalid if the Contractual Partner, or a third party mandated by the Contractual Partner, has altered the delivered product without our consent and thus has rendered it impossible or extremely difficult to render a supplementary performance with respect to the product; the Contractual Partner shall bear any additional costs incurred through the supplementary performance.

Claims arising from material or legal defects shall expire one year after delivery. If it is agreed that the goods shall be accepted upon inspection, the statute of limitations shall begin on the date of inspection. The Contractual Partner is entitled to claim compensation for material and legal defects pursuant to the regulations set forth in Section I. 13 above.

8. In the case of material or legal defects in building parts from third parties, which MATTHEWS is unable to rectify for actual or legal reasons, at our discretion we shall assert our defect rights against such third parties for the account of the Contractual Partner or, alternatively, assign such rights to the Contractual Partner. Claims against us with respect to such defects are only valid, if the judicial enforcement of such claims against the third parties has been unsuccessful or is deemed to be without hope. During the term of any litigation, the statute of limitation with respect to the defect claims from the Contractual Partner against us is suspended.

9. In an exceptional case, where the delivery of second-hand goods has been agreed with the Contractual Partner, this is to the exclusion of any claims for material or legal defects. The last sentence of Section I, no. 13 above remains unaffected hereby.

10. The following agreed **title of retention** serves to safeguard all existing current and future claims of MATTHEWS against the Contractual Partner (including balance claims relating to a current account set up purely in relation to this delivery).

A delivery made by MATTHEWS to the Contractual Partner remains the property of MATTHEWS until full payment has been made of all secured claims. The delivery, as well as any replacement delivery pursuant to the following conditions, which is also subject to the title of retention, is hereinafter referred to as **reserved goods**.

The Contractual Partner shall safeguard the reserved goods for MATTHEWS free of charge. The Contractual partner is entitled to process and to sell the reserved goods in the normal course of business until there is a case of exploitation (see below). Pledges and transfers by way of security are inadmissible.

If the reserved goods are processed by the Contractual Partner, the process is carried out in the name of and for the account of MATTHEWS as manufacturer. MATTHEWS immediately becomes the owner of the property or – if the treatment process involves material belonging to several owners or if the value of the treated product is higher than the value of the reserved goods – is granted common ownership (co-ownership) of the newly created product in proportion to the value of the reserved goods to the value of the newly created product. In the event that MATTHEWS does not acquire ownership, the Contractual Partner agrees to transfer its future ownership of the product or its common ownership – to the ratio given above - of the newly created product as collateral to MATTHEWS. If the reserved goods are combined or blended with other products and thus result in a new homogeneous product, and if one of the other products used is regarded as the main product, then to the extent this main product belongs to MATTHEWS, we hereby transfer the proportional ownership of the homogeneous product to our Contractual Partner in the same ratio as given above

In the event that the reserved goods are sold on, the Contractual Partner already now assigns to MATTHEWS as a safeguard any claims arising against the purchaser – in the event of common ownership on the part of MATTHEWS with respect to the reserved goods, then this is carried out proportionally depending on the common ownership. The same applies to any other claims, which replace the reserved goods or which arise with respect to the reserved goods, e.g. insurance claims or claims arising from tort following loss or destruction. MATTHEWS hereby irrevocably authorises the Contractual Partner to collect the claims assigned to us in its own name. MATTHEWS may only revoke this collection authorisation in the case of exploitation.

If third parties obtain access to the reserved goods, in particular via pledging, the Contractual Partner will immediately inform them of our ownership rights and will inform MATTHEWS accordingly, in order to enable us to enforce our property rights. If the third party is not in a position to reimburse any costs incurred within or outside the courts in connection with such enforcement, our Contractual Partner will be liable for such costs.

We shall release the reserved goods and any claims which have arisen in their place, if their value exceeds the amount of secured claims by more than 50%. The choice regarding which goods to release is ours.

If, as a consequence of behaviour on the part of the Contractual Partner, which is contrary to contract – in particular in the case of payment default -, MATTHEWS withdraws from the Contract (**case of exploitation**), we are entitled to demand return of the reserved goods.

III. Terms and Conditions of Installation

The following terms and conditions of installation apply to the installation of goods and equipment, whether or not delivered by us, but for which we receive payment.

1. It is incumbent on the Contractual Partner to take the necessary steps to protect people and goods at the location where the installation will take place. The Contractual Partner will instruct MATTHEWS about any safety precautions which need to be observed at the place of location of the installation.

2. At its own expense the Contractual Partner shall provide reasonable support to MATTHEWS in the installation of equipment, in particular relating to the following:

- The Contractual Partner shall provide the necessary labour (brick layers, carpenters, locksmiths, electricians, other experts, handymen etc.). The labourers have to follow the instructions of the site supervisor. We do not take any responsibility for the labourers, unless a fault or damage occurs as a consequence of the poor instruction of the site supervisor; Section I. no. 13. applies accordingly.

- The Contractual Partner shall provide the following for the installation: premises, excavations, building works, foundations and scaffolding and shall procure the necessary building materials. The

contractual Partner shall safeguard the premises where the installation will take place.

- The Contractual Partner will provide the necessary rigs and heavy tools (e.g. chain hoists and compressors) as well as utensils and materials (e.g. saws, axes, manuals, cement, cleaning and sealing material, lubricant, fuel, wire cabling).
- The Contractual Partner will provide heating, lighting and operating personnel for the installation premises and will ensure there is a constant source of water, including the necessary ports.
- The Contractual Partner shall provide the required, lockable premises for storing the tools of our assembly operators.
- The Contractual Partner will make ready all materials and information and shall take the necessary steps, which are required for adjusting the machines or equipment and for carrying out the necessary testing.

If the Contractual Partner fails to fulfil its duties, then after having given notification with a reasonable deadline to our Contractual Partner, we are entitled to take the measures which were originally the responsibility of the Contractual Partner at the Contractual Partner's own cost.

3. If it is agreed to test the machines or equipment, the installation deadline is deemed to have been observed if the machines or equipment are ready for testing within the installation deadline.
4. The Contractual Partner is obliged to accept the installation as soon as the Partner has been informed that it is ready and that any testing pursuant to contract has been successfully carried out. The acceptance cannot be refused due to minor faults.
5. If the Contractual Partner is in default with its acceptance of the installation service, such acceptance is deemed to be carried out after expiry of 12 working days following notification of the readiness of the installation (see 4. above). If the Contractual Partner has used the installed machine or equipment without having duly signed off its acceptance, the acceptance is deemed to be valid after 6 working days following the start of use of the machinery. In this case, the Contractual Partner has to assert any concerns about obvious defects at the latest prior to the aforementioned time.
6. Section II.7. and 8. apply to defects in the installation service.

IV. Terms and Conditions of Repair

The following terms and conditions apply to all repair services carried out by MATTHEWS or by third parties at our request. The terms and conditions do not apply, if repairs are carried out as a consequence of defect claims asserted by our Contractual Partner.

1. A cost estimate requested by the Contractual Partner is only deemed to be binding, if we submit it in writing and mark it as binding. The Contractual Partner will be invoiced for any services necessary for submitting the invoice to the extent that the repair work has not been carried out or if it cannot be evaluated while the repair work is undertaken.
2. If it transpires during the course of the repair, that expected costs of the repair will exceed the non-binding estimated costs and will be in a disproportionate ratio to the current value of the item requiring repair, we shall inform our Contractual Partner of this immediately. The same applies to defects, which are only discovered at the time of the repair work and which were not previously included in the repair request.
3. If there is a disruption in the repair work, for which we are not at fault, the item in question will only be returned to its original state at the express wish of the Contractual partner against reimbursement of any costs incurred.
4. When calculating the cost of the repair work, prices for used parts, material and special services as well as labour and transport costs will be identified separately. If the repair work is carried out on the basis of a binding cost estimate, the mere reference to the cost estimate will suffice, however deviations to the extent of service provided have to be listed separately.
5. Repairs are carried out in our premises. While the repair work is being carried out there is no insurance protection from our usual insurance provider. Thus, the Contractual Partner has to ensure that its existing insurance cover also extends to the product being repaired, e.g. with respect to potential damage from fire, water, storm and broken equipment. If we return the product at the request of our Contractual Partner, the Contractual Partner is liable to pay any costs incurred. Section II.4. applies accordingly. If the repair work is carried out in the premises of our Contractual Partner, the Contractual Partner will support our employees in carrying out the repair at its own costs pursuant to Section III.2.
6. Section III.3. to 6. applies accordingly with respect to deadlines, collection as well as faults in the repair services.
7. We retain the title to all spare parts used pursuant to Section II.10.

Furthermore, we also have a right to an employer's lien pursuant to § 647 BGB. If we are not held to be bona fide with respect to the proprietary rights of the Contractual Partner to the repaired product, we own a lien to the rights of the Contractual Partner to the repaired product. The lien can also be asserted due to claims from earlier works, deliveries of spare parts and other services, on condition that they have a connection to the repaired product. For other claims arising from our business relationship our lien is only applicable, if deemed to be uncontested or final and absolute.