

General Terms and Conditions of Sale

I. Scope of these General Terms and Conditions of Sale

- These General Terms and Conditions of Sale apply to all current and future contracts with customers of Knappe+Lehbrink Promotion GmbH – hereafter referred to as Knappe+Lehbrink – which have to do mainly with the delivery of goods to the customer. Any additional obligations assumed by Knappe+Lehbrink do not affect the validity of these General Terms and Conditions of Sale.
- Any opposing or deviating General Terms and Conditions of the Customer shall not be binding on Knappe + Lehbrink, even if Knappe+Lehbrink have not specifically contradicted them or carry out performances without reservation or accept performances from the customer. Likewise, Knappe+Lehbrink shall not be bound if the General Terms and Conditions of the customer deviate from statutory provisions independently of the content of these General Terms and Conditions of Sale.
- These General Terms and Conditions of Sale are designed for contracts which do not fall under the special Provisions for the Sale of Consumer Goods (§§ 474 et seq. Civil Code, BGB). If this assumption is mistaken, then the customer must inform Knappe + Lehbrink of this in each case without delay and in writing; otherwise the "General Terms and Conditions for the Sale of Consumer Goods" (Allgemeine Verkaufsbedingungen für Verbrauchsgüterverkäufe) of Knappe + Lehbrink shall apply instead of these General Terms and Conditions of Sale. The terms and conditions in respect of consumer goods can be sent to the customer on request.
- These General Terms and Conditions of Sale do not apply if the customer is a consumer in the sense as understood by § 13 Civil Code, BGB.

II. Concluding a Contract

- Before concluding a contract, the customer is obliged to send written notification to Knappe + Lehbrink if the goods to be delivered are not suitable solely for the customary use thereof or if the customer is assuming a certain suitability as regards their use or if his expectations regarding their properties is based on public statements, advertising or other circumstances outside of the actual contract, or if the goods will be used under abnormal conditions or represent a particular risk to health, safety or the environment or will be used in conditions which require an increased stress or mechanical load or if the contract could result in atypical damage or an unusually great amount of damage which the customer is aware of or should be aware of.
- All orders of the customer must be in writing. If the customer order deviates from the suggestions or the quotation (offer) of Knappe + Lehbrink, then the customer must highlight these. Any images and drawings and details of any measurements and weights regarding the suggestions or the offers of Knappe + Lehbrink are only approximations. The regulations in respect of contracts dealing with e-commerce transactions in accordance with § 312 e, Para. 1 Sentence 1, Nos. 1-3 BGB shall not apply.
- All orders, particularly those accepted by employees of Knappe + Lehbrink shall only become effective if they have been confirmed in writing by Knappe + Lehbrink. The fact that the ordered goods have left the factory or any other performance by Knappe + Lehbrink or silence on the part of Knappe + Lehbrink do not in themselves mean that the customer can assume that the contract has been concluded. Knappe + Lehbrink are entitled to issue a written order confirmation up to a period of fourteen (14) calendar days after they have received the order.
- The Knappe + Lehbrink written order confirmation shall be considered as issued on time if it is received by the customer within seven (7) calendar days of issue. The customer must inform Knappe + Lehbrink without delay if the written order confirmation is late in arriving.
- The Knappe + Lehbrink order confirmation is decisive for the scope of the contractual contents. The written order confirmation shall be considered as constituting a contract even if it deviates from the statements of the customer, apart from the type of goods, the price and the supplied quantity, in another way, namely in respect of the exclusive validity of these General Terms and Conditions of Sale. Any special requests of the customer such as special expectations regarding the application or properties, guarantees or other assurances with respect to the goods or with regard to the execution of the contract therefore require in every case an express written confirmation by Knappe + Lehbrink. The contract shall only fail to materialise in this case if the customer objects in writing, stating that the Knappe + Lehbrink order confirmation does not correspond in its entirety to the statements of the customer, if he specifies the deviation, and if his objection is received by Knappe + Lehbrink promptly, at the latest seven (7) calendar days after he has received the written Knappe + Lehbrink order confirmation.
- Any confirmations produced by the customer shall remain without effect without Knappe + Lehbrink having to object to them. For example, neither the fact that the ordered goods have left the factory, nor any other behaviour by Knappe + Lehbrink, nor silence on their part, can justify the belief on the part of the customer that his confirmation has been acted upon.
- The employees, sales representatives and other sales intermediaries of Knappe + Lehbrink are not authorised to ignore the requirement for a written order confirmation by Knappe + Lehbrink or to agree to any deviations regarding contents or to give any guarantees. Any amendments to the contract as concluded always require a written confirmation from Knappe + Lehbrink.

III. Obligations of Knappe + Lehbrink

- Knappe + Lehbrink are obliged to deliver the goods named in the written order confirmation and to transfer ownership thereof. If the

goods to be delivered require a more detailed description, then Knappe + Lehbrink shall make use of the specification taking into consideration their own requirements and those of the customer which are justified and which are evident to Knappe + Lehbrink. Knappe + Lehbrink are not obliged to carry out any performances which are not listed in their written order confirmation or described in these General Terms and Conditions of Sale; in particular, Knappe + Lehbrink are not obliged to release any documentation which has not been expressly agreed on in writing, to give any information, to deliver any accessories, to install any extra protection, to provide any instructions for assembly, to do any assembly work or to advise the customer. Further, Knappe + Lehbrink are not obliged in particular to check any samples, digital artwork, printed data, proofs or the like which have been provided by the customer or by a third party commissioned by him, or to save or keep samples of digital artwork, printed data, proofs or the like, even if these have been made available by the customer.

- Knappe + Lehbrink are solely liable to the customer from the contract which they have concluded with him. Any third parties not involved in the conclusion of the contract, in particular the customer's own customers, cannot demand any deliveries themselves and cannot press any other claims of a contractual type against Knappe + Lehbrink. The responsibility for the receipt of goods shall continue to reside with the customer even if he assigns his claims to a third party. The customer hereby indemnifies Knappe + Lehbrink unreservedly in respect of all claims made against Knappe + Lehbrink by a third party as a result of the contract with the customer.
- Knappe + Lehbrink are obliged, taking into consideration the rulings in II. 1 and II. 5 and the tolerances customary in the trade regarding type, quantity and quality, to deliver goods of an average kind and quality. The company reserves all rights in respect of any deviations in dimensions, structure and shade/colour which are inherent in the nature of the materials used and which are usual in the trade or which reside in any technical requirements made on the casting process or the production itself. The printing of EAN barcodes will be done according to the state of the art; because of the absence of any standardised measuring and reading technology no statements can be made regarding readability at checkouts. If the goods cannot be supplied in the condition offered when the contract is finalised because of certain technical improvements which have been made to serial production, then Knappe + Lehbrink shall be entitled to supply the improved version. Knappe + Lehbrink are also entitled to make part deliveries and to invoice these separately.
- Knappe + Lehbrink must make the goods available to the customer on the agreed date EXW (Incoterms 2010) to the delivery address named in the written order confirmation and, if no address is named, at their branch in Bünde in the usual Knappe + Lehbrink packaging for collection by the customer. It is not necessary to separate the goods or to provide them with any special marking beforehand or to inform the customer that they are ready for collection. Knappe + Lehbrink are in no way obliged to inform the customer about the delivery, even if they use other Incoterms, or to inspect the goods for delivery for their conformity with the contract, to organise the transport of the goods, or to insure them. Any agreement on any other Incoterms or the use of sentences such as "delivery free" ... or similar expressions will only affect the transport and transport costs; in all other respects the rulings in these General Terms and Conditions of Sale shall continue to apply.
- Any agreed delivery deadlines or delivery dates can only be kept if the customer has furnished the required documentation, approvals or releases in good time, has cleared up any technical questions with Knappe + Lehbrink, has checked any samples or correction proofs and has provided these in a state in which they can be processed, has made any down payments (pre-payments) in accordance with the contract and has fulfilled any other obligations in good time. Apart from this, any agreed delivery deadlines shall begin with the date of the Knappe + Lehbrink written order confirmation. Knappe + Lehbrink shall be entitled to deliver before the agreed time or to fix the time of the delivery at a point within the applicable deadline period.
- Knappe + Lehbrink are entitled to fulfill their contractual obligations after the prescribed deadline provided that they have informed the customer of the missed deadline and have told him how much time is needed for the supplementary performance. In such a situation Knappe + Lehbrink shall be entitled to make several attempts at supplementary performance (post-fulfilment). The customer can object to the supplementary performance within an appropriate deadline if the performance is unreasonable. Providing that Knappe + Lehbrink are liable for compensation in accordance with the rulings in Clause VII, they shall reimburse the customer for all that extra expenditure caused by the missed deadline which has been demonstrably and necessarily incurred.
- Irrespective of whether the transport is performed by Knappe + Lehbrink, by the customer or by a third party, the risk, even if the goods are not clearly marked, shall transfer to the customer as soon as loading commences or if the customer does not fulfil his obligation to accept the goods. Loading the goods is the obligation of the customer. Any agreement on any other Incoterms or the use of sentences such as "delivery free" ... or similar expressions will only affect the transport and transport costs; in all other respects the rulings in these General Terms and Conditions of Sale shall continue to apply.
- Knappe + Lehbrink are not obliged to provide any certificates or declarations which have not been expressly agreed on beforehand or to obtain any other documents and under no circumstances are they obliged to fulfil any obligations in respect of introducing the goods onto a market outside Germany.
- Without waiving any further statutory rights, Knappe + Lehbrink are entitled to invoke the defence of uncertainty in accordance with § 321 BGB, provided they have genuine concerns that the customer will not fulfil his obligations entirely or in part according to the contract. In particular, Knappe + Lehbrink shall be entitled to invoke the defence of uncertainty if the customer insufficiently fulfils his

obligations towards Knappe + Lehbrink or a third party, or pays slowly, or if the limit set by a credit insurer has been exceeded or if the deadline for the impending delivery has been exceeded. Instead of the defence of uncertainty Knappe + Lehbrink can make any future deliveries, even those which they have confirmed, dependent on the customer paying in advance. Knappe + Lehbrink are not obliged to continue with any deliveries if, and inasmuch as, any performances by the customer designed to avert the defence of uncertainty do not offer the level of security required or which could be disputed.

IV. Obligations of the Customer

- The customer is obliged to check any samples, digital artwork, printed data, proofs or the like himself and to forward them to Knappe + Lehbrink in a state in which they are ready to process.
- Notwithstanding any further obligations of the customer to guarantee or to prepare for payment, the purchase price is to be paid on the date set down in the written order confirmation and - if no price is shown thereon - is due and payable on issue of the invoice. Any payment terms which have been granted shall be void and any outstanding demands shall be due for payment immediately if customers of the Knappe + Lehbrink customer pay for goods which are under Knappe + Lehbrink retention of title (lien) (Clause VIII. 5.), if an application is made to open insolvency on the assets of the customer, if the customer fails to honour major commitments due to Knappe + Lehbrink or a third party without being able to present a justifiable reason, or if the customer does not furnish accurate data on his creditworthiness, or if the cover promised by a credit insurer is reduced for reasons for which Knappe + Lehbrink are not responsible.
- The agreed purchase price covers the entire performance which Knappe + Lehbrink are obliged to bring except packaging. The statutory sales tax (VAT) shall be shown separately and must also be paid by the customer.
- Any cash discounts granted must be shown in the Knappe + Lehbrink written order confirmation in all cases and shall only apply provided the customer settles all Knappe + Lehbrink demands on time and in full.
- Payments shall be made in EURO net and free of any charges and costs to one of the banks named by Knappe + Lehbrink. Payment is considered as made on time when it is unconditionally credited to the bank account. Employees, sales representatives or other sales intermediaries of Knappe + Lehbrink are not authorised to accept payments.
- Regardless of any court jurisdictions, Knappe + Lehbrink shall be entitled to set off incoming payments at their discretion against any existing claims they have against the customer at the time of the payment by virtue of their own or any assigned rights.
- Any statutory rights of customer to set off amounts against Knappe + Lehbrink claims shall be excluded, unless the counterclaim is founded on the customer's own rights and has either been upheld by a court judgment or is due and uncontested. § 215 BGB shall not apply.
- Any statutory rights of the customer to withhold payment or to refuse to accept the goods, to suspend the performance of an obligation which he would otherwise have and to raise any objections or to instigate a counterclaim shall be excluded, unless Knappe + Lehbrink seriously infringes any obligations due from the same contractual relationship despite having received a written warning, and has not offered any suitable security. § 215 BGB shall not apply.
- The customer is obliged to accept the goods on the delivery date without claiming any extension by way of an additional deadline and at the delivery address pursuant to § III. 4 and to fulfil all their obligations arising from the specific contract, these General Terms and Conditions of Sale, the ICC regulations for the interpretation of the Incoterms® 2010 and from any statutory provisions. In the case of call-off contracts the goods must be accepted at the latest within 6 months of the first part delivery or within 6 months after confirmation that the goods are ready for dispatch, whichever is earlier. The customer can only refuse to accept the goods if he has withdrawn from the contract in accordance with the rulings in § VI. 1.
- As soon as he receives the goods the customer is obliged to return any packaging made available to him on loan and any pallets used in the delivery, freight-prepaid, in full, and undamaged, within a suitable period to the official place of business of Knappe + Lehbrink. Pool pallets shall be invoiced if they are not exchanged within four weeks. Collico packagings must be returned immediately freight-prepaid, in full, and undamaged, to the official place of business of Knappe + Lehbrink; otherwise Knappe + Lehbrink shall be entitled to invoice for the rent thereof separately. Furthermore, Knappe + Lehbrink are not obliged to take back from the customer or from a third party any goods or packaging materials delivered to the customer as a result of any legal provisions in connection with waste disposal. This ruling shall apply irrespective of whether the customer was invoiced separately for the packaging or not.

V. Defective Goods

- Without waiving any statutory exclusions or restrictions in connection with the responsibility of the Seller, the goods are considered to have material defects if the customer can show that, taking into consideration the rulings in §§ II. 1, II. 5 or III, they palpably deviate in respect of the type, quantity, properties or suitability for use agreed in the order confirmation at the point of time of the transfer of risk or, in the absence of any agreement, if they deviate palpably from the characteristics usual in Germany or if they are visibly unsuitable for the use customary in Germany. Material defects can be obvious or hidden faults.
- Without waiving any statutory exclusions or restrictions in connection

with the responsibility of the Seller, the goods are considered to be deficient in title, if the customer can show that at the point of time of the transfer of risk the goods were not free of those rights or claims of a third party which are legally enforceable in Germany. Without waiving any further statutory requirements, the rights and claims of a third party residing in industrial or intellectual property shall only constitute a defect in title if the rights have been registered in Germany, have been published and are final and absolute, and if they preclude the use of the goods in Germany which is stipulated in the contract.

3. Unless the Knappe + Lehbrink written order confirmation expressly contains a statement to the contrary, Knappe + Lehbrink are in particular not responsible if the goods are suitable for an application which is different from the usual one, deviate from the usual set of properties, fulfil other expectations of the customer or are free from the rights or claims of a third party outside Germany. Knappe + Lehbrink are not liable for any defects which occur after the transfer of risk. If the customer attempts to correct defects himself or via a third party without the approval of Knappe + Lehbrink, then Knappe + Lehbrink shall be released from their obligation to guarantee the goods, unless the repairs have been carried out properly.
4. Any warranties or assurances requested by the customer must always be shown as such separately on the written order confirmation, even in the case of follow-up orders. In particular any descriptions using key words, the reference to any generally-accepted standards, the use of goods or quality seals or the provision of samples or specimens shall not in themselves constitute the acceptance of a warranty or assurance. The employees, sales representatives or other intermediary agents of Knappe + Lehbrink are not entitled to give warranties or assurances or to make any statements on any special applications or on the economic viability of the goods.
5. The customer is obliged towards Knappe + Lehbrink to inspect every single delivery immediately and in every respect for any visible and typical deviations of a qualitative, quantitative and other nature, to make sure that the regulations concerning the product have been complied with and to check to see that any statutory regulations have been fulfilled.
6. Without waiving the statutory obligations of the customer to report any defects immediately, the customer is obliged towards Knappe + Lehbrink to report all defects in quality and title at the latest within one (1) year after the goods have been actually handed over to him and also to send Knappe + Lehbrink samples or images of the goods which are the subject of the complaint. Notification of this is to be sent immediately and in writing to Knappe + Lehbrink and must be written in such a precise way that Knappe + Lehbrink can instigate corrective measures without the need to make any further enquiries at the customer and can secure any rights of recourse against its own suppliers. The notification must also comply with statutory provisions. Employees, sales representatives or other intermediary agents of Knappe + Lehbrink are not entitled to receive notification of any defects or to make any statements on warranty outside Knappe + Lehbrink premises.
7. Following a correct notification in accordance with § V. 6, the customer can have recourse to the legal remedies foreseen in these General Terms and Conditions of Sale. Subject to any contradictory written confirmed agreements of Knappe + Lehbrink, the Customer shall not have any further claims in respect of the infringement of the obligation to supply goods free of defects or any claims of a non-contractual nature. If the notification is not correctly made, the customer can only assert his legal rights if Knappe + Lehbrink have maliciously concealed the defect. Any statements by Knappe + Lehbrink in respect of the defect shall serve only to clear up the matter from a factual point of view and in particular do not constitute any waiver of the requirement of proper notification.
8. The customer shall not be entitled to any legal remedies in respect of the delivery of defective goods inasmuch as he is responsible for the properties or suitability for use of those goods which are not the subject of the agreement made with Knappe + Lehbrink or inasmuch as, in his business dealings with his buyers, he has modified the validity of the applicable statutory provisions to the disadvantage of Knappe + Lehbrink.
9. If the customer, in accordance with these General Terms and Conditions of Sale, is entitled to pursue legal remedies in respect of defective goods, then he shall be entitled, within a suitable period of time after reporting the defect, to require Knappe + Lehbrink, subject to statutory provisions, to carry out a supplementary performance (cure). Knappe + Lehbrink shall bear the costs necessary for the cure unless the costs increase as a result of a change in location or a change in other avoidable circumstances which arise after the customer became aware of the defect or should have become aware and if Knappe + Lehbrink are responsible for any damage in accordance with the rulings in § VII. If, finally, the cure fails or is not possible or is not performed within a suitable time, the customer, irrespective of any other legal remedies foreseen by these General Terms and Conditions of Sale and subject to statutory provisions, shall be entitled to reduce the price or to withdraw from the contract, after setting a deadline and following a warning that he will deny his performance, within a preclusive period of four weeks following the deadline. Irrespective of the recourse to legal remedy of the customer, Knappe + Lehbrink are always entitled to rework the defective products or to supply replacement products in accordance with the ruling in § III. 6.
10. All claims of the customer in respect of the delivery of defective goods shall become statute-barred one year after the start of the statutory period of limitation. This shall not affect any claims in respect of the malicious and deliberate infringement of the contract and any claims in respect of cases regulated by § 309 No. 7 a) and b) BGB. A replacement delivery or reworking shall not result in the start of any new periods of limitation.

VI. Withdrawal

1. In addition to the rulings in § V. 9, the customer shall be entitled to withdraw from the contract, taking into consideration the applicable statutory provisions, if the performances which Knappe + Lehbrink are obliged to carry out become impossible to execute or if Knappe + Lehbrink default in the fulfilment of any major obligations or have otherwise violated in a major way the obligations on which this contract is based and are responsible for the default or the violation in accordance with § VII. 1 c). In order to bring about a default and without waiving any further statutory requirements, the customer must always, even in the case of a calendar period set aside for the performance, address a separate written request immediately to Knappe + Lehbrink when due, asking them to carry out the performance within a suitable deadline. The customer must declare his withdrawal from the contract to Knappe + Lehbrink immediately and in writing within a suitable period following the onset of the situation which has justified the withdrawal.
2. Without waiving any further statutory rights, Knappe + Lehbrink shall be entitled to withdraw from the contract without offering any substitute if the delivery is not possible for technical reasons in Production or if the customer disputes the validity of these General Terms and Conditions of Sale or if the special provisions in respect of the sale of consumables (§§ 474 et seq. BGB) comes into effect or if the Knappe + Lehbrink written order confirmation is received by the Customer later than fourteen (14) calendar days following its issue for reasons for which Knappe + Lehbrink are not responsible or if insolvency proceedings are opened on the assets of the customer or if the customer does not comply with the basic obligations which are due to Knappe + Lehbrink or to a third party without giving a justifiable reason or if the customer makes inaccurate statements regarding his creditworthiness or if the promised cure is reduced by a credit insurer for reasons for which Knappe + Lehbrink are not responsible or if Knappe + Lehbrink themselves through no fault of their own are not supplied by their suppliers correctly or in good time or if Knappe + Lehbrink for other reasons are unable to fulfil their obligations to perform with resources which are no longer reasonable when considering their own requirements and the recognisable justified needs of the customer in place on conclusion of the contract and in particular with respect to the agreed counter-performance.

VII. Compensation

1. Except for any liability pursuant to the Product Liability Act or due to the malicious concealment of a defect or the taking over of a guarantee for the properties of an item or for damages resulting from the culpable injury to life, body or health, Knappe + Lehbrink shall be obliged to pay compensation in respect of the infringement of obligations which result from the contract concluded with the Customer and/or from the contractual negotiations conducted with him, without waiving the statutory conditions, only on the basis of the following provisions. The following provisions shall also apply if Knappe + Lehbrink violate their obligations in respect of warranty and if they are in default:
 - a) Any damages in respect of the delivery of defective goods shall be excluded unless the defect is serious.
 - b) First and foremost, the Customer, based on the rulings in § III. 6, is obliged to avail himself of offers of subsequent performance (cure) and/or based on the rulings in §§ V. and VI to take advantage of legal remedies, and can only claim damages if he suffers any remaining disadvantages, under no circumstances however instead of other methods of redress.
 - c) Without waiving any statutory exclusions or any limitations in responsibility, Knappe + Lehbrink are liable only in the case of the culpable infringement of essentially contractual obligations and in the case of the deliberate or grossly negligent violation of other contractual obligations due to the customer.
 - d) Should Knappe + Lehbrink be liable, they will, taking into consideration the limits pursuant to e), reimburse the substantiated damage incurred by the customer as a result of the infringement to the extent that this was foreseeable for Knappe + Lehbrink when the contract was concluded with respect to the point in time when the damage first arose and in respect of the extent of the damage and to the extent that the customer was not able to avert the damage.
 - e) Knappe + Lehbrink shall not be liable for any loss of profit and any idealational considerations. Furthermore, the extent of the compensation for default shall be limited to 0.5 % for each full week of default up to a maximum 5 % and for other violations to 200 % of the value of that part of the performance which is not in conformity with the contract. This paragraph does not apply in the case of gross negligence on the part of Knappe + Lehbrink or their vicarious agents.
 - f) Regardless of any compliance with statutory provisions and those foreseen in these General Terms and Conditions of Sale, the customer can only demand damages instead of performance after he has threatened to refuse the performance within a suitable deadline after the performance was due and - if Knappe + Lehbrink still fail to carry out the performance - finally refuses the performance within a suitable deadline following the initial threat to refuse.
 - g) Knappe + Lehbrink shall be obliged to pay damages in respect of a violation of their contractual and/or pre-contractual obligations towards the customer exclusively in accordance with the provisions contained in these General Terms and Conditions of Sales. Any recourse to concurrent claims, in particular those of a non-contractual nature, shall be excluded. In the same way it shall not be possible to claim against Knappe + Lehbrink organs, white-collar workers, blue-collar workers, staff, representatives and/or vicarious agents personally in respect of the violation of any contractual obligations falling to Knappe + Lehbrink.
 - h) Inasmuch as Knappe + Lehbrink are not liable in respect of a deliberate action or the claim of the customer is not statute-barred,

an exclusion period of 6 months shall apply before any claim for compensation can be filed, beginning with the refusal of Knappe + Lehbrink to pay damages.

- i) The aforementioned provisions regarding the liability of Knappe + Lehbrink shall apply also in respect of claims of the customer for the reimbursement of any expenses.

2. Irrespective of any further statutory or contractual claims by Knappe + Lehbrink, the customer is obliged to pay damages to Knappe + Lehbrink as follows:

- a) If the customer payment is not received on time, he shall reimburse any reasonable costs connected with the judicial or extrajudicial pursuit of the claim plus interest to the amount of 8 percentage points above the base rate of the Deutsche Bundesbank.
 - b) Notwithstanding any evidence brought by the customer that no damage has occurred or that the damage is considerably less than assumed, Knappe + Lehbrink shall be entitled in the case of a refusal to accept or in the case of an agreed call-off delivery of the goods which the customer has not affected, after a suitable period of grace set by Knappe + Lehbrink has elapsed with no result, to demand, without having to bring any evidence, a flat-rate compensation sum of 15 % of the value of the delivery in question.
3. Without any waiver by Knappe + Lehbrink of any further claims, the customer hereby unrestrictedly indemnifies Knappe + Lehbrink against all claims of a third party which the third party presses against Knappe + Lehbrink, although these claims reside in an item which has been produced to order on the instructions of the customer. In particular, the aforementioned indemnification includes those cases in which the rights of a third party have been infringed as a result of the use of samples, printed documentation etc. provided by the customer or made to his specifications.
 4. In his business relationships with his buyers the customer is obliged to limit his liability for damages in respect of eligibility and amount to what is legally possible and to that which is customary in the particular line of business.

5. § 348 of the Commercial Code HGB (contractual penalty) shall not apply.

VIII. Retention of Title (Lien)

1. The goods supplied shall remain the property of Knappe + Lehbrink until all Knappe + Lehbrink main and subsidiary demands against the customer have been completely met, including those that will become due in the future and no matter from what legal source they have arisen. In the case of an open account the retention of title shall apply to the particular balance at the time.
2. During the period in which the retention of title applies, the customer shall grant Knappe + Lehbrink employees access to the goods subject to lien at any time during normal business hours. The customer is obliged to insure the goods which are subject to lien against theft, damage and destruction, and at the request of Knappe + Lehbrink at his own cost to store the goods separately or to separate them off in a suitable way, to mark them clearly as the property of Knappe + Lehbrink, and to take all measures required to ensure that ownership of the goods is comprehensively safeguarded. The customer hereby assigns any resulting claims against the insurance companies by way of security to Knappe + Lehbrink, irrevocably and to their full extent; Knappe + Lehbrink accept the assignment.
3. During the period of retention of title, the customer will inform Knappe + Lehbrink in writing immediately if a third party lays claim to or asserts rights in respect of the goods subject to lien or sues in respect of the demands assigned to Knappe + Lehbrink in accordance with the rulings on retention of title. The customer shall support Knappe + Lehbrink free of charge in the pursuit of his interests. If, during the period of retention of title, a third party acquires any rights to the goods subject to lien, then any claims of the customer against the third party with all associated rights are hereby irrevocably and by way of security assigned to Knappe + Lehbrink; Knappe + Lehbrink accept the assignment.
4. The customer can sell the goods subject to lien in line with sound and prudent business dealings and only on condition that he is not in default of payment and that the payment of his buyer to him is not due before the date on which he must pay the price to Knappe + Lehbrink. The customer shall not be entitled to make any other dispositions (e.g. transfer of security, pledging etc.). The customer hereby assigns to Knappe + Lehbrink by way of security, in full and irrevocably the claims against customer's buyer with all ancillary rights resulting from the sale of the goods subject to lien. If the customer accepts the demands from a sale by means of an existing current account relationship which he has with his buyers, then he hereby assigns by way of security the current account demands resulting after balancing, in full and irrevocably, to Knappe + Lehbrink. Knappe + Lehbrink hereby accept the assignments.
5. As long as he is not in default of payment, the customer shall remain authorised to collect for Knappe + Lehbrink the claims assigned to them as a trustee. The customer is not entitled to assign these claims to a third party. The customer must keep these incoming payments separate and must forward them to Knappe + Lehbrink immediately irrespective of any further payment terms granted by Knappe + Lehbrink until the secured claims of Knappe + Lehbrink have been settled in full. If payment is made by transfer to the customer's bank, then he hereby assigns irrevocably to Knappe + Lehbrink the demands due to him against his bank. If the customer receives settlement of his claims against a third party via a bill of exchange, then he hereby irrevocably assigns to Knappe + Lehbrink the claims due to him against the bank if the bill of exchange is discounted. Knappe + Lehbrink hereby accept the assignments.

6. The working and processing of the goods for Knappe + Lehbrink as manufacturer in the sense as understood by § 950 BGB, without any liabilities resulting therefrom for Knappe + Lehbrink. If the goods delivered by Knappe + Lehbrink are mixed, blended or combined with other items in such a way that the ownership of Knappe + Lehbrink by law expires, then the customer as of now transfers his rights of ownership or co-ownership in respect of the new item to Knappe + Lehbrink and shall hold the item free of charge and in trust for Knappe + Lehbrink.

7. If required, the customer shall make enquiries to find out to what extent the goods are still subject to lien. Knappe + Lehbrink are not obliged, with a view to payments, to quantify the scope of the reservation of title unless requested to do so. If the customer still holds goods under retention of title which have not been fully paid for, Knappe + Lehbrink shall release the goods at the request of the customer provided that the invoiced value of the goods exceeds the total of any outstanding demands by more than 20 % and that Knappe + Lehbrink have no preferential rights in respect of the goods. The same shall apply if, in place of the goods under retention of title, there are claims against a third party and these are being pressed by Knappe + Lehbrink in their own name. At the request of the customer Knappe + Lehbrink will also release securities providing that the market price of the securities exceeds the total of the secured claims by more than 50 % plus sales tax resulting from their commercial exploitation.

8. If the customer holds any goods under retention of title which have not yet been fully paid for and an application is made to open insolvency proceedings against him in respect of his assets or the customer, without providing a justifying reason, fails to fulfil his obligations due to Knappe + Lehbrink or a third party, then Knappe + Lehbrink can withdraw the rights of the customer to possess the goods and can ask for the goods to be returned without terminating the contract. Knappe + Lehbrink are not permitted to ask for the goods back if the insolvency administrator decides that the contract should be honoured and the price has been paid.

9. If the customer withdraws from the contract, in particular on account of his default of payment, then Knappe + Lehbrink shall be entitled to sell the goods in the open market and to satisfy their claims from the price obtained. Irrespective of any further claims due to Knappe + Lehbrink the customer shall be obliged to reimburse Knappe + Lehbrink the costs incurred in finalising the contract, for any work done hitherto in processing the contract, for any costs connected to dissolving the contract and for any costs involved in taking back the goods and to pay, for each new month started since the transfer of risk, a user charge of 2 % of the value of the goods.

IX. Other Provisions

1. In order to uphold the rules regarding written form it is not necessary to provide the genuine signature of a name or an electronic signature. Any message by facsimile or mail will be considered as satisfying the need for a written form just like other textual forms without it being necessary to show by any special marking or sign that the end of the document has been reached.

2. Knappe + Lehbrink shall save and store customer-related data that is received in conjunction with the business relationship in strict adherence to relevant laws (e.g., the EU General Data Protection Regulation, German Federal Data Protection Act).

3. The customer shall inform Knappe + Lehbrink without delay and in writing if any public authorities become active or are involved in any broader context in connection with the goods. The customer must also continue to monitor the goods in the market and will inform Knappe + Lehbrink immediately in writing if they become concerned that a third party could be exposed to any risks or dangers because of the goods.

4. Without any waiver on the part of Knappe + Lehbrink in respect of any further claims, the customer shall indemnify Knappe + Lehbrink unreservedly in respect of all claims of third parties which result from product liability or similar regulations and which are directed against Knappe + Lehbrink, inasmuch as the liability is based on circumstances such as for example the presentation of the product which have arisen as a result of actions by the customer or other third parties without the express and written approval of Knappe + Lehbrink. This indemnification includes in particular the reimbursement of the costs incurred by Knappe + Lehbrink and is hereby promised by the customer whilst waiving any further preconditions or other objections and in particular waiving any compliance with any obligations to monitor and recall and waiving any defence of limitation.

5. In respect of any images, diagrams, calculations and other documents and any software provided by Knappe + Lehbrink in physical or electronic form, Knappe + Lehbrink hereby retain all rights of ownership, copyright, other industrial property rights and any rights from any know-how. These documents must be kept secret from any third parties and can only be used for the execution of a particular job order.

6. If the customer does not provide the materials required for the manufacture of the goods such as, in particular, any punching dies, printing plates, embossing forms and printing inks, then these shall remain the property of Knappe + Lehbrink even if the customer has born all of part of the cost of them. They shall be stored for a maximum of two years after the last delivery of the goods produced with these materials.

7. Regardless of any further statutory regulations the suspension of the statute of limitations shall also end if the negotiations on which the suspension is based have not progressed for four weeks. Any restart of the period of the statutory limitation of claims of the customer requires in every case the express written confirmation of Knappe + Lehbrink.

X. General Provisions

1. The place of delivery follows from the ruling in III. 4 of these General Terms and Conditions of Sale. The place of payment and fulfilment for all other obligations arising from the legal relationships between Knappe + Lehbrink and the customer shall be Bünde. These rulings shall apply even if Knappe + Lehbrink carry out performances for the customer at another place or if any performances have to be reversed. Any agreement to use any other Incoterms clauses or any other delivery terms only results in different transport and transport costs; otherwise the aforementioned rulings shall continue to apply.

2. The contractual and non-contractual legal dealings with the customer shall be governed solely by German law and by the usual customs in Germany. If trade clauses are used, then in cases of doubt the Incoterms® 2010 of the International Chamber of Commerce shall apply taking into consideration the rulings entered into in these General Terms and Conditions of Sale. Any deviations from these general provisions shall come about exclusively as a result of the individual agreements entered into by Knappe + Lehbrink with the customer and on the basis of these General Terms and Conditions of Sale.

3. All contractual and non-contractual disputes arising from and in connection with the contracts which fall under the validity of these General Terms and Conditions of Sale, including disputes in respect of insolvency, shall be finally decided on in accordance with the Schiedsgerichtsordnung der Deutschen Institution für Schiedsgerichtsbarkeit e.V. (DIS) (Regulations of the German Institute for Arbitration) to the exclusion of the usual courts. The arbitration court is made up of three arbitration judges and in the case of disputes with a value of less than € 50,000 of only one arbitration judge. The place for the arbitration proceedings shall be Cologne and the language shall be German. The jurisdiction of the arbitration court excludes in particular any legal jurisdiction over cases with a personal or material background. Should this arbitration agreement be invalid or become invalid, then the parties agree that the decision for all disputes instead shall fall to the courts with local and international exclusive jurisdiction for Bünde. However, Knappe + Lehbrink shall be entitled, instead of filing a suit at the arbitration court, to file at the court with jurisdiction for Bünde, at the courts of the company seat of the customer or other national courts with jurisdiction.

4. If any provisions of these General Terms and Conditions of Sale should be or become ineffective in whole or in part, then the remaining provisions shall remain binding. The parties shall attempt to replace the ineffective ruling by a ruling valid in law which comes closest to the commercial intention and purpose of the ineffective provision.