

DELIVERY AND PAYMENT CONDITIONS OF GGP Media GmbH

1. Scope of application
1.1 These delivery and payment conditions only apply if our client is an entrepreneur, (Section 14 BGB (German Civil Code)), a legal person under public law or a special fund under public law. Our deliveries, services and offers are solely made available on the basis of these terms and conditions, which form an integral part of all contracts concluded with the client and shall apply to all future deliveries, services or offers provided to the client without requiring a separate agreement in each instance. We are not bound by any deviating conditions of the client or third parties unless explicitly agreed to in writing; this shall also apply in the event that we do not explicitly reject said conditions. | 1.2 These delivery and payment conditions shall not apply individually if and in so far as we have explicitly concluded a written deviating agreement. The requirement for the written form shall also apply in the event of a waiver or amendment of this clause (1.2). | Our employees do not have the power to deviate from the present conditions. | 1.3 The authorisation to conclude deviating agreements or grant approvals is only granted to one person authorised to act on the company's behalf. | 1.4 Unless otherwise agreed, the version of these delivery and payment conditions which shall apply shall be those which were valid at the time of the client's order, or the last text version communicated to the client, and shall apply as a framework agreement to which future contracts will be subject without requiring us to reference said conditions for each individual case.
2. Conclusion of contract
Our offers are subject to alteration and are nonbinding, unless they are explicitly identified as binding or include a specific acceptance period. The contract only comes into effect upon our confirmation of the order.
3. Prices
3.1 The prices stipulated in our order confirmation shall apply. Unless otherwise agreed, prices are given in Euros ex works (EXW as per Incoterms 2010) plus statutory sales tax and, in the case of export deliveries, customs charges and other fees. | 3.2 Preliminary work commissioned by the client, such as probes, samples, drafts, sketches, are calculated in addition. | 3.3 Should processing an order take longer than four months, we shall be entitled to adjust the prices stipulated in the order confirmation by an amount commensurate with the increase in the costs upon which the calculation is based (salary and wages, material, general business costs). In such an event, the client is entitled to withdraw from the contract should a price increase of more than 8% per year have been observed since conclusion of the contract. | 3.4 Should additional work be required following the awarding of the order which was not evident upon contract conclusion, we shall be entitled to invoice for this work in addition. Should the surcharge exceed 10% of the total price, the client is entitled to withdraw from the contract unless we previously referenced such an unplanned price increase and the client did not reject said change in writing. | 3.5 Required amendments for which we are not accountable, or other amendments deviating from the first printed copy, particularly corrections arranged by the client, will be invoiced in accordance with the working hours spent. The client also assumes liability for production standstills which arise as a result, including machinery standstills. | 3.6 For orders with delivery to third parties, the orderer shall be deemed the client unless an explicit agreement has been reached to the contrary.
4. Payment terms
4.1 The invoice will be issued on the day of delivery, partial delivery or readiness for delivery (obligation to collect, delay in accepting). Payment of the invoice sum is to be made without deduction within 21 calendar days of the invoice date, subject to the following regulations. A discount will only be granted following prior written agreement. Payment of costs for shipping (freight, customs, postage) and packaging is due immediately upon receipt of the invoice. | 4.2 Bills of exchange and cheques are only accepted following special written agreement and on account of performance without allowance for discount. Discount charges and other costs are borne by the client and are due immediately. | 4.3 For larger orders, interim invoices may be issued in accordance with work performed, or partial payments may be requested. | 4.4 We are entitled to demand immediate payment in the event of extraordinarily large quantities of paper and cardboard (including special materials) being supplied. | 4.5 Should the client fail to pay by the due date, the outstanding sums are to be subject to interest of 5% p.a. starting from the due date; the assertion of higher interest rates and other damages in the event of arrears remains unaffected. | 4.6 In the case of bank transfers and cheques, the day on which the amount is credited to us shall constitute the receipt of payment day. | 4.7 Should the client fail into arrears with regards to a payment obligation to which they are subject arising from the contract, we shall be entitled to demand immediate payment for residual debt which would be due at a later point in time under normal circumstances. | 4.8 In the event of extraordinary advance services, an appropriate advance payment may be requested.
5. Right of retention, offsetting
5.1 Should it become evident following contract conclusion that payment of outstanding receivables is jeopardised by a lack of solvency on the part of the client (e.g. the client has applied for insolvency proceedings or judicial or extrajudicial settlement proceedings have been requested), we can demand advance payment or a security deposit, retain goods which have not yet been delivered, as well as cease ongoing/future work. We are also entitled to these rights if the client is in arrears with regard to the payment of properly performed deliveries, which relate to the same legal relationship. | 5.2 We are entitled to a commercial right of retention with regard to films, manuscripts, raw materials, data and other items delivered by the client in accordance with Section 369 HGB (German Commercial Code) until all due claims from the business relationship have been settled in full. | 5.3 We are entitled to offset the client's claims against all other claims which other Bertelsmann group companies (particularly Arvato Services, Arvato Digital Services, Direct Group) have against the client. | 5.4 The client may only offset their counter claims or withhold payments due to such counter claims in so far as the counter claims are undisputed or legally established. This does not apply to any claims for costs of completion or defect rectification of the client. Furthermore, the client is not entitled to refuse performance or exercise rights of retention.
6. Delivery time, delivery
6.1 Deliveries are performed ex work (EXW as per Incoterms 2010). Our delivery dates are regular targets and not fixed deadlines, unless this is expressly agreed in writing. | 6.2 The agreed delivery deadline is interrupted for the duration in which proofs, plots, completed samples, etc. are checked by the client, starting from the day of shipment to the client until the day their official response is received or approval is granted. | 6.3 Should the client request changes to the order following order confirmation, which would affect the time required for production, a new delivery period will commence once the changes have been confirmed. | 6.4 We are entitled to partial deliveries (advance deliveries) in so far as the client can make use of said partial deliveries, the delivery of the remaining goods is assured and the client does not experience any significant additional expense or additional costs (unless the client declares their willingness to accept said costs). | 6.4 For call orders, the client is obliged to accept the entire volume upon which the call order is based. The call-and-hold obligation of the client does not constitute a primary obligation. Unless otherwise agreed, an acceptance deadline of 12 months shall apply to call orders, calculated from the day in which the order was confirmed. Should complete acceptance not have taken place by this time, the contractor is entitled to impose a deadline of two weeks upon the client in which the respective order volume is to be accepted. Once this period has expired fruitlessly, the client has the choice between requesting advance payment of the purchase price and delivering the remaining volume, or withdrawal from the contract in accordance with Section 323 BGB. Other rights of the client, such as to demand damages, remain unaffected.
7. Delivery delay, inability to deliver
7.1 Should the contractor be delayed in performance, the client can only exercise the rights arising from Section 323 BGB if the contractor is responsible for the delay. A change to the burden of proof is not connected to this clause (7.1). | 7.2 We cannot be held liable for deliveries which cannot feasibly be performed, or for delivery delays due to force majeure or other events which were unforeseeable upon contract conclusion and for which we are not accountable (e.g. operational interruptions, labour disputes, unrest, official measures) on our part or that of our presuppliers. Should delivery or performance be made difficult or impossible due to such events, and should the impediment last longer than four weeks, we shall be entitled to withdraw from the contract. For impediments of a temporary duration, the delivery deadline shall be extended in line with the time period of said impediment plus an appropriate startup period. Liability on the part of the contractor is excluded in such cases.
8. Transfer or risk, shipment
8.1 Shipment takes place on the account of the client and at their risk. The risk of accidental loss and accidental deterioration transfers to the client once the shipment has been handed over to the person or institution performing transportation, or has left our workshop for the purposes of shipment. If the goods are ready for shipment and the shipment, or acceptance thereof, is delayed for reasons for which we cannot be held responsible, the risk of accidental loss and accidental deterioration transfers to the client once notification of readiness for shipment has been received. | 8.2 The choice of delivery route and means of delivery shall be at our discretion unless agreed otherwise. | 8.3 If requested, the delivery can be insured during delivery at the cost of the client.
9. Transfer of personal data
Personal data must be protected against unauthorised access during electronic transmission using encryption methods representing the latest technological advances.
10. Default of acceptance
10.1 If the client does not collect respectively take over the goods at the agreed date (or in case not date has been agreed within a reasonable period of time after production), respectively at the date to which dispatch is notified, then we are entitled to store the goods at the risk and account of client. | 10.2 Should the client continue to refuse acceptance following an appropriate grace period and under threat of refusal, or has previously definitively declared that they do not intend to accept, we are entitled, notwithstanding other possible rights, to withdraw from the contract or demand damages due to non-fulfilment.
11. Objections
11.1 The client is to check in every case that the delivered goods are contractually compliant and that delivered preliminary and interim products are correct without delay. This obligation to examine the delivered goods shall also apply when samples have been sent. The risk for any errors transfers to the client once readiness for printing has been declared unless these errors only arise during the production process following the readiness for printing declaration, or could only be recognised at this point. The same shall apply for all other release declarations of the client for continued production. | 11.2 Obvious defects are to be reported in writing within a limitation period of one week following receipt of the goods; concealed defects are to be reported within a week of the discovering the defect, or by the point in time at which the defect becomes noticeable during normal use of the goods by the client without closer examination; in all other cases, the assertion of warranty claims is excluded. The buyer is to provide us with the required time and opportunity to perform the supplementary work; this particularly includes handing over the goods for which an objection has been received for the purposes of verification. Expenses required for the purposes of verification and supplementary performance, particularly transport, route, work and material costs (does not include expansion and installation work) are to be borne by us if an actual defect is present. Otherwise, we can demand reimbursement from the client should their request for defect rectification be unfounded (particularly verification and transport costs), unless the lack of defectiveness could not be recognised by the client. | 11.3 Defects relating to a portion of the delivered goods do not entitle the client to object to the entire delivery, unless the client has no interest in said partial delivery. | 11.4 In the case of established objections, we initially have the right to supplementary performance and/or replacement delivery. Should supplementary performance fail (replacement delivery), or it is not performed within a reasonable time period or refused, the client can demand a reduction in remuneration or annulment

of the contract. Any further warranty and liability for damages, particularly for the results of defects, are excluded unless we or our auxiliary agents committed intentional acts or gross negligence, or explicitly assured specific properties. | 11.5 Reproductions within a printing procedure, minor deviations from the original or the model cannot be objected to. The same shall apply to the comparison between proofs and production prints. Furthermore, liability for defects which do not impair the value or usability (or only to an insignificant extent) is excluded. | 11.6 In the case of significant deviations from standards and with regard to the quality of papers, cardboard etc. and other materials procured by us, we only assume liability to the extent of our own claims against the paper and cardboard suppliers or other suppliers. In such an event, we are to be released from our liability if we assign our claims against the suppliers to the client. We are liable as a guarantor if claims against the paper and cardboard suppliers, etc. have not arisen through our own fault or such claims cannot be enforced. | 11.7 For lightfastness, variability and deviations in colours and finishes, as well as for the texture of rubber, paint, impregnation, etc., we are liable only insofar as defects in the materials were recognisable before use through proper examination. However, we are not liable for material dependent deviations if the client specified said materials for use. | 11.8 Should special work, such as embossing, puncturing, perforating, coating, laminating etc. be performed by a third party firm, the conditions in Clause 11.6 shall apply accordingly. | 11.9 Excess or short deliveries up to 5% of the ordered quantity cannot be objected to. The delivered quantity shall be used for calculations. This percentage shall rise to 10% in the case of particularly difficult print jobs as well as orders including up to 2,000 copies. In addition, the percentages for excess or short delivery shall increase in line with the tolerance rates of the delivery conditions of the professional associations of papermaking from which paper is procured. | 11.10 Deliveries (including data storage devices, transferred data) by the client or a third party acting on their behalf are not subject to an obligation to verify on our part. This shall not apply to data which is incapable of being processed or read. For data transfers, the client must employ programmes to protect against computer viruses which correspond to the latest technological advancements prior to transfers taking place. Data securing is solely incumbent upon the client. We are entitled to create a copy.

12. Commercial practice
The commercial practices of the printing industry shall determine the commercial transactions (e.g. no obligation to surrender interim products such as data, lithographs or printing plates created for producing the end product) in so far as no order to the contrary has been granted.
13. Retention of title

13.1 The delivered goods remain our property until all claims arising from the business relationship have been settled and the bills of exchange or cheques have been redeemed. For open invoices, the retained title provides security for our outstanding balance claim. These goods may not be pledged to third parties before complete payment nor be transferred by way of security. The client is to provide written notification to us if and in so far as third parties have accessed the goods belonging to the client. | 13.2 In the event of exchanging cheques/bills of exchange, ownership only passes over to the client until recourse arising from the bill can be eliminated. | 13.3 The client is only entitled to resell in the course of ordinary business. Claims of the client arising from a resale of the goods delivered by us, from the printing of advertisements and from the distribution of supplements in the delivered goods are as of now assigned to us for the purposes of securing all claims arising from the business relationship. Should the client include claims from a resale of the product to which title is retained in a current account relationship existing with a third party, as well as from the printing of advertisements and the distribution of supplements, particularly with a customer with whom there is an existing current account relationship, the respective assigned balance shall be deemed assigned to the extent of our claims. | 13.4 An lien shall be appointed for all raw materials of any type surrendered by the client for the purposes of securing all present and future claims of the supplier arising from deliveries of goods. In the event of editing or processing of the goods delivered by the contractor and those which are their property, we are considered the manufacturer pursuant to Section 950 BGB and shall retain ownership of the products at the time of processing. Should third parties be involved in editing/processing, our joint ownership is restricted to the extent of the invoice value of the goods subject to retention of title. The property thus acquired is considered reserved property. | 13.5 Should the realisable value of the securities exceed our total claim arising from the business relationship by more than 10%, we are obliged to release securities upon request by the client; the decision regarding which securities remains at our discretion.

14. Liability
14.1 Claims for damages of the client are excluded, irrespective of legal ground. | 14.2 This limitation of liability does not apply to damage caused by:

- Intentional acts or gross negligence,
- Slightly negligent breaches of significant contractual obligations even those committed by our legal representatives or auxiliary agents thus, liability is limited in accordance with the typical and foreseeable damage for said type of product;
- In the event of culpable injury to life, limb or health of the client,
- Fraudulently concealed defects, or any warranties assumed for the quality of the goods,
- Claims arising from the German Product Liability Act.

Significant contractual obligations are those which must be fulfilled to enable proper performance of the contract, those upon which the creditor relies and should be able to rely, and whose non-fulfilment endangers the attainment of the contractual purpose. | 14.3 Should we be liable pursuant to 14.2, this liability (except in the case of intentional acts or gross negligence or culpable injury to life, limb or health) is limited to the extent of the invoice amount for the corresponding order, as well as to direct damage and subsequent damage attributable to defects in the delivery object; replacement shall only be due if such damage can typically be expected when using the delivery object for its intended purpose. | 14.4 For damage during transport, liability is limited to the compensation offered by the assigned carrier. | 14.5 Claims of the client to warranty and damages expire after a year excluding the claims for damages stipulated under Clause 14.2 starting from the delivery or provision until collection of the goods. | 14.6 An unrestricted right of termination of the buyer (especially pursuant to Sections 650, 648 BGB) is excluded.

15. Provision of materials
15.1 Material produced by the client (including paper and semifinished products), regardless of type, is to be delivered to us free of charge in flawless condition. Receipt shall be confirmed without assuming responsibility for the accuracy of the volume designated as delivered. For larger batches, we are to be reimbursed for costs associated with counting the number of items and verifying the weight as well as storage expenses. | 15.2 The client bears the risk for the processability of the material they have provided. We are entitled to reject material in so far as it appears unsuitable for executing the order from the outset. | 15.3 In the event of paper and cardboard being provided by the client, the inevitable waste which accrues from printing equipment and production runs, as well as through trimming, punching and the like, transfers to our ownership. The client is obliged to take back packaging material. | 15.4 In the case of damage to or loss of the material provided by the client, we shall only be liable in so far as we or our auxiliary agents caused said damage or loss through intentional acts or gross negligence. | 15.5 In the case of material meant for reuse as well as semifinished and finished products, including any leftover material that may belong to the client, remuneration shall only be granted beyond the delivery date following prior approval. Should no agreement have been concluded and the items have not been requested by the client within four weeks of completing the order, we shall be entitled to store these with a carrier on the account of and at the risk of the client. The client must arrange insurance for said items.
16. Copyright

16.1 The client shall be exclusively responsible for verifying that there are corresponding rights to reproduce all print copies. The client bears sole liability should third party rights, especially copyrights, trademarks or personal rights, be breached during the course of executing their order. At first request, the client is to release us in full from all third party claims arising from such a legal infringement, including all costs for legal defence and prosecution. | 16.2 We are entitled to refuse orders should we be of the opinion that printing such content would contravene legal provisions. The client cannot derive claims against us therefrom. We are not under an obligation to check documentation for such a legal infringement. | 16.3 The copyright and the right to reproduce by means of any procedure and for any purpose proprietary sketches, drafts, originals, data, films and the like remains with us, notwithstanding explicit arrangements to the contrary.- 17. Corrections, correction proofs

17.1 Correction proofs, plots and proofs created by GGP Media are to be checked by the client for typesetting errors and other errors and returned to us designated as ready for printing. We are not liable for errors overlooked by the client. | 17.2 We are not liable for delays due to late returns. | 17.3 We are not responsible for sending the client a correction proof in the case of smaller printing orders (e.g. company imprints), as well as for delivered print copies. Should no request be issued for the sending of a correction proof, liability for typesetting errors is limited to intentional acts and gross negligence. | 17.4 Orthography shall be solely determined by 'Duden', latest edition.

18. Archiving
Our assumption is that we receive a copy of your data for production purposes while you also bear responsibility for retaining originals or your own copy of this data. Products created for the client, or provided to the client, particularly data and data storage devices, are only archived following explicit written agreement and against special payment which extends beyond the handover of the end product to the client or their auxiliary agents. Unless otherwise agreed, all data - including data storage devices and supplied proofs - will be deleted/destroyed three months after the end of production. If the abovementioned objects should be insured, this is to be arranged by the client in the absence of an agreement.
19. Periodic work

Contracts regarding frequently recurring printing work can be ordinarily terminated by providing notice of three months to the end of a month, unless otherwise agreed. The right of termination without notice for good cause remains unaffected thereby.

20. Place of performance, court of jurisdiction, applicable law
20.1 The place of performance is PöRNeck. | 20.2 If the customer is a businessman within the meaning of HGB a legal entity under public law or a special fund under public law, the sole place of jurisdiction for all disputes (including international) arising directly or indirectly from the contractual relationship is our place of business, PöRNeck respectively Jena. The same shall apply accordingly should the buyer be an entrepreneur within the meaning of Section 14 BGB. However, we are also entitled in all cases to bring legal action at the place of performance of the delivery obligation in accordance with these delivery and payment conditions or, as the case be, pursuant to an individual agreement which takes precedence; or legal proceedings more generally can be initiated at the legal jurisdiction of the client. Specific legal regulations which take precedence, particularly exclusive jurisdiction, remain unaffected. | 20.3 Relationships between the parties are solely subject to the law of the Federal Republic of Germany to the exclusion of any conflict of laws and the United Nations Convention on Contracts for the International Sale of Goods (CISG).
21. Bertelsmann - Code of Conduct

GGP Media explicitly refers to the code of conduct applicable within the Bertelsmann organisation, which can be viewed here: www.bertelsmann.de. GGP Media expects its business partners to support us in ensuring compliance with the regulations and principles stipulated therein and particularly expects support in implementing the principles set out by the United Nation's Global Compact Initiative concerning human rights, labour relationships, the environment and anticorruption (www.unglobalcompact.org).