

## Scholz Promotion Service GmbH – General Terms and Conditions

### Section 1 General provisions and scope

- Our Conditions of Sale shall apply exclusively; conditions set out by the customer, which conflict with or deviate from our Conditions of Sale shall not be recognised, unless we have expressly acknowledged their validity in writing. Our Conditions of Sale shall also apply if we deliver to the customer without reservation, knowing of conditions set out by the customer which conflict with or deviate from our Conditions of Sale.
- Any agreements made between ourselves and the customer for the purpose of executing this contract are made in writing in this contract.

### Section 2 Quotes - Quote documents - Conclusion of contract

- If the order qualifies as an offer within the meaning of section 145 BGB, we can accept this within two weeks.
- All of our offers are subject to change. Notices of acceptance and orders must be confirmed by us in writing to be effective in law. The details given in order confirmations concerning scope of delivery, appearance, performance, dimensions and weight are to be regarded as approximations and do not constitute guaranteed attributes.
- We and/or our sub-suppliers reserve all rights of ownership and copyrights to illustrations, drawings, graphic designs, costings, tools, copy, templates, samples and other documents, even if the cost of producing these documents and tools is charged on to the customer. This also applies to written documents marked „confidential“. Before these are passed on to third parties, the customer must obtain our express written permission.
- The customer assumes sole responsibility for master documents, artwork, printing blocks and other documents provided by the customer. Any print approval issued by the customer is binding. If the customer does not reject a proof provided within three days, it shall be deemed as binding.
- The customer is responsible for ensuring that the documents it provides are unencumbered by third-party rights. We are under no obligation to carry out checks in this regard. When the order is placed, the customer shall indemnify us from any claims that might be asserted against us due to rights infringements. We are under no obligation to accept orders and we may withdraw from orders which entail infringement of thirdparty rights or harbour the risk of such infringements.
- We are entitled to supply higher or lower volumes of the goods ordered, within a margin of 10%. If volumes are ordered, which are smaller than the minimum quantity specified in catalogues or advertising brochures, we reserve the right to charge a separate processing fee or a low quantity surcharge. We are entitled to make partial deliveries.
- If our own incoming supplies fail or such supplies are late, and in cases of force majeure, we are entitled to withdraw from the order. In these cases, the customer is not entitled to claim any compensation.
- The customer is required to specify in the order whether the goods will be sold on to an end-consumer. If the customer fails to comply with this obligation or sells the goods to an end-consumer contrary to the details provided on the order in this respect, any rights arising from section 478 BGB are deemed to have been waived.
- When using our e-commerce solution – the online customer portal – the customer is required, upon signature of the user agreement, to meet the obligations laid down in the agreement. We will take legal action against any unlawful use of this system, which is protected by copyright, and assert claims for compensation.

### Section 3 Prices and terms of payment

- Unless specified otherwise in the order confirmation, our prices are quoted „from the point of dispatch“, exclusive of packaging, transportation, postage, insurance and other shipping costs; these are invoiced separately.
- Statutory VAT is not included in our prices; this will be shown separately on the invoice at the statutory rate applicable on the date of invoicing.
- Unless specified otherwise in the order confirmation, the purchase price shall be payable, less a deduction of 2%, within ten days or the net purchase price (without deduction) within 30 days of the date of invoice. The rules laid down in law shall apply in respect of the effects of late payment.
- Unjustified deductions by the customer will not be accepted by us and will be claimed back.
- The customer has the right to offset and retain payment only if the customer's counter-claims have been established in law, are undisputed or have been acknowledged by us. Furthermore, the customer is entitled to exercise a right of retention only to the extent that the customer's counter-claim relates to the same contractual agreement.
- We reserve the right to supply new customers upon prepayment only. If deliveries or partial deliveries are not paid for on time, we reserve the right to postpone the delivery of ongoing orders or new orders and/or to require prepayment.
- If the customer does not accept an item which has been properly ordered and is ready for dispatch, even after an appropriate period of grace has been set, we are entitled, at our discretion, to demand fulfilment of contract or to withdraw from the contract and demand compensation due to non-fulfilment amounting to 25% of the order value (exclusive of VAT). The customer reserves the right to demonstrate lower damage or losses.
- In the event of a change in customs duties, VAT, exchange rates, transportation costs, insurance premiums and other charges incurred, which was unforeseeable when the order was placed, we are entitled to adjust the price in accordance with this change, to the customer's benefit or detriment, without this triggering any right of withdrawal.

### Section 4 Delivery time

- The delivery time we specify shall start only when all technical issues have been clarified. In particular, the specified delivery time shall start only following our receipt of the complete documentation, data and other services to be provided by the customer.
- Compliance with our delivery obligation also requires the timely and proper fulfilment of obligations on the part of the customer. The right to object to unfulfilled contracts is reserved.
- If the customer defaults on acceptance or culpably breaches other duties of cooperation, we are entitled to demand compensation for any damage or loss we incur in this respect, including any additional expenses. We reserve the right to make further claims.
- If the criteria laid down in para. (3) are met, the risk of accidental loss or accidental degradation of the purchased item passes to the customer at the point at which the customer defaults on acceptance or debts.
- We shall be held liable as provided for by law, to the extent that the delay in delivery is due to an intentional or grossly negligent breach of contract that falls under our control or due to a breach of cardinal contractual obligations; fault on the part of our representatives or vicarious agents shall be ascribed to us. Insofar as the delay in delivery is not caused by an intentional breach of contract that falls under our control, our liability to pay compensation is limited to foreseeable and typical damage or losses incurred.
- In the event of special religious and national public holidays, plant closures in the countries of production and in the event that we are hampered in fulfilling the contract due to disruptions on our side or at our suppliers concerning procurement, manufacture or supply, for example, as a result of war, civil unrest, seizure, energy shortfalls, traffic disruptions, strikes, lock-outs, material shortfalls, import restrictions, bans on delivery caused by copyright or other causes that fall outside our control, the delivery time shall be extended accordingly if production falls within this period of time. The same applies in the event of suddenly occurring events such as a shortage of energy and raw materials.
- If we are more than two weeks late in meeting a binding delivery date, the customer may – to the extent that the customer is able to credibly demonstrate that it has incurred losses or damage as a result – demand flat-rate compensation for the delay amounting to a maximum of 15% of the delivery value. This settles any claims for compensation arising from the contract. We will assume no further liability in the event of a delay. This does not apply to the extent that liability must be assumed by law in the event of deliberate intent, gross negligence or personal injury. This will not involve any shift in the burden of proof on to the customer.
- If delivery is impossible, the customer is entitled to demand compensation, unless the circumstances causing the delivery to be impossible are beyond our control. As a result, the customer's compensation is restricted to 10% of the value of that part of the delivery that could not be supplied. This restriction does not apply to the extent that liability must be assumed by law in the event of deliberate intent, gross negligence or personal injury. This will not involve any shift in the burden of proof on to the customer.

### Section 5 Passing of risk - Packaging costs - Dispatch

- Unless specified otherwise in the order confirmation, delivery shall be agreed as being „from the point of dispatch“.
- If, at the customer's request, the goods are delivered to a location other than the vendor's place of performance, risk passes when the goods are handed over to the shipping company, freight forwarder or other person charged with conveying the goods.
- Transportation packaging and all other packaging as defined in the German packaging regulations will not be taken back, with the exception of pallets. The customer must arrange for disposal of the packaging at its own expense.
- If requested by the customer, we will take out transportation insurance to cover the delivery; costs incurred in this respect will be borne by the customer.
- The customer is under an obligation to immediately inspect goods for any packaging damage and to ensure goods are free of defects.
- The route and type of dispatch will be chosen by us in keeping with the best business conditions, with no obligation to choose a cheaper type of dispatch for example. Special types of dispatch must be communicated by the customer in writing.
- The delivery will be readied for dispatch in standard packaging units and standard packaging. Special packaging or packaging units require prior written agreement.

### Section 6 Liability for defects

1. Claims of defects may be asserted by the customer only if the customer has complied with its obligations to inspect goods and provide notification of defects pursuant to section 377 of the German Commercial Code (HGB). The time limit for providing notification of defects is a maximum of three working days after receipt of goods. Any liability for defects is excluded in the event of improper storage of the delivered goods by the customer.
2. We will deliver the ordered goods in a commercially acceptable quality. In the event of a purchase based on a sample, the samples provided beforehand will be definitive for the quality to be achieved. Reasonable modifications caused by production, technical innovation or further development will be tolerated by the customer as being in keeping with the contract. In particular, in the case of products made by hand, deviations from the sample and among the goods produced may occur. These deviations constitute no grounds for complaint.
3. To the extent that the item purchased exhibits a defect, the customer is entitled to subsequent performance, at its discretion, in the form of removal of the defect or delivery of a new, defect-free item. In the event of defect removal, we are required to bear all the expenses required for the purpose of removing the defect, in particular transportation, infrastructure, labour and material costs, to the extent that these are not increased by the fact that the item purchased was transported to a location other than the place of performance.
4. If subsequent performance fails, the customer is entitled, at its discretion, to withdraw from the contract or demand a reduction in price. If goods which are the subject of a complaint are to be sent back, this requires our permission beforehand.
5. We shall assume liability as required by law, if the customer asserts claims for compensation arising from intent or gross negligence, including intent or gross negligence on the part of our representatives or vicarious agents. To the extent that the contractual breach entails no charge of intent, liability to pay compensation is limited to foreseeable and typical damage or losses incurred.
6. We shall assume liability as required by law, if we culpably breach a cardinal contractual obligation; in this case, however, liability to pay compensation is limited to foreseeable and typical damage or losses incurred.
7. Liability due to culpable injury to life, body and health remains unaffected; this also applies to mandatory liability under the Product Liability Act.
8. Unless specified above to the contrary, liability is excluded.
9. The limitation period for claims of defects is 12 months, calculated from the passing of risk.
10. In the case of goods from the Far East and „low-cost items“ the warranty period is limited to the usual lifetime of the item in question, to a maximum of 12 months, calculated from the passing of risk.
11. The limitation period in the case of a delivery recourse pursuant to sections 478, 479 BGB remains unaffected; this is five years, calculated from the handover of the defective item.
12. In the event of a sale to an end-customer within the meaning of the BGB, the provisions laid down in law shall apply with regard to liability for defects.

### Section 7 Total liability

1. Liability to pay compensation over and above that provided for in section 6 is excluded, irrespective of the legal nature of the claim asserted. This applies, in particular, to claims for compensation arising from fault upon conclusion of the contract, due to other breaches of obligations or due to civil claims for damage to property in accordance with section 823 BGB.
2. To the extent that our liability to pay compensation is excluded or limited, this also applies in respect of the personal liability of our salaried employees, workers, staff, representatives and vicarious agents to pay compensation.

### Section 8 Reservation of title

1. We retain title to the item purchased until all payments arising from the supply contract have been received. In the event that the customer breaches the contract, in particular in the event of late payment, we are entitled to take back the item purchased. Our taking back of an item purchased does not constitute withdrawal from the contract, unless we have expressly stated as such in writing. Our distraint of an item purchased always constitutes withdrawal from the contract. After taking back the item purchased we are permitted to sell it. Proceeds from the sale will be offset against the amounts receivable from the customer, minus appropriate sale expenses.
2. In the event of distraint or other interventions by a third party, the customer must notify us immediately in writing, so that we can take action in accordance with section 771 of the Code of Civil Procedure (ZPO). To the extent that the third party is not in a position to reimburse us for the court and non-court costs associated with legal action pursuant to section 771 ZPO, the customer shall be liable for any shortfall we incur.
3. The customer is entitled to sell on the item purchased in the normal course of business; however, by entering into this contract the customer hereby assigns to us any amounts receivable up to the end invoice amount (including VAT) of our claim, which it receives from the resale to its customer or third party, irrespective of whether the item purchased was sold without or after processing. Until this provision is revoked, the customer remains authorised to recover the amount receivable, even after assignment. Our ability to recover the amount receivable ourselves remains unaffected in this respect. We undertake, however, not to recover the amount receivable, as long as the customer meets its payment obligations arising from the proceeds made, does not default on payment and, in particular, no petition to initiate bankruptcy, composition or insolvency proceedings is filed or payments are suspended. If this is the case, however, we may demand that the customer notifies us of the claims assigned and their debtors, provides all the information necessary for the recovery, hands over the associated documentation and notifies the debtors (third parties) of the assignment.
4. We undertake to release the security interests available to us at the customer's request to the extent that the realisable value of our security interests exceeds the claims being secured by more than 10%; we are free to choose the security interests to be released.

### Section 9 Other provisions

1. We and our sub-suppliers are entitled to furnish the goods delivered with our company logo and/or company name and to use the goods we supply for commercial purposes, in particular to display them in our business premises and to use them for illustration purposes in catalogues and brochures of all types.
2. We are entitled to save data which has come to our knowledge in connection with fulfilling the order and pass this on to contract partners whom we have engaged for such purposes.
3. If a provision of these General Terms and Conditions is or becomes ineffective, this has no effect on the validity of the other provisions or the underlying contract. The entire or partially ineffective provision is to be replaced by a provision, the economic purpose of which comes closest to that of the ineffective provision.

### Section 10 Place of jurisdiction and place of performance

1. If the customer is a businessman, our place of business is the place of jurisdiction; we are entitled, however, to also take action against the customer before the courts that have jurisdiction over the customer's place of residence.
2. This contract is governed by the law of the Federal Republic of Germany to the exclusion of the UN Convention on Contracts for the International Sale of Goods.
3. Unless specified otherwise in the order confirmation, the place of performance is our place of business.

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