



I. General Conditions of Sales

(1)

The following conditions are valid for all transactions between your and our company, these expressly excluding purchasing conditions which read otherwise. Diverging agreements are only binding if they are expressly confirmed in writing and only for individual cases.

(2)

Diverging conditions of sales of the purchaser have no validity even if they are not expressly contradicted unless they are recognized in writing and only in individual cases.

(3)

To the extent that contractual formulations customary in business are referred to in the confirmation of order or in correspondence, the "international rules for the interpretation of contractual formulations customary in business" (incoterms) are to be applied.

II. Offer and Prices

(1)

Offers are without obligation and are not binding. The right of prior sale is reserved.

(2)

The price valid on the day of delivery will be invoiced. Firm prices require specific written confirmation; they are valid providing costs remain constant. The seller reserves the right to change prices in particular in those cases where the raw

materials processed by the seller for the product supplied in question, increases and these price increases influence the seller's cost calculation.

(3)

Samples represent average quality.

(4)

If delivery times or deadlines are not complied with for reasons for which the seller is responsible then the purchaser has to allow a subsequent period of 4 weeks for fulfillment. Not until this period has elapsed and to the extent that the order is not fulfilled can the purchaser withdraw from the contract. Indemnity claims due to delay or non-fulfillment are excluded.

(5)

Deviations of 10 % more or less are allowed for the quantities or meterages quoted in the contract of purchase. Deviations in dimensions, contents, weights and shades of colour caused by manufacture are allowed within the scope of the tolerances customary in the trade of the individual product lines.

(6)

For the manufacture of exclusive designs, these being reserved patterns exclusively for one customer or one sales area, the seller is justified in erasing the cylinder engravings necessary for the manufacture of the products supplied 6 months after dispatch of the last order, without prewarning and without the creation thereby of indemnity claims for the purchaser as long as a follow-up order for the relevant design is not received by the seller before the elapse of a period of 6 months.

(7)

If the product to be supplied is being manufactured from own patterns or from designs supplied by the customer, the seller is justified in invoicing the cylinder engravings separately and additionally to the price of the supplied goods. This is particularly valid also when the manufacture of special printing cylinders is required.

(8)

The seller reserves copyright on the designs designed by him. He is justified in supplying third parties also with the same designs if other agreements for individual cases do not expressly stand in the way. Exclusive agreements with reference to individual designs are valid only for the duration of 6 months in the absence of a deviating ruling in the individual contract.

III. Place of Fulfillment and Dispatch

(1)

Place of fulfillment for delivery is the supplying works in question. The purchaser also bears the risk for prepaid freight delivery when the goods leave the factory or the store of the seller.

(2)

Insurance will only be taken out at the request and at the cost of the purchaser.

(3)

Freight details will be provided without obligation, the details are based on the freight and consignment costs valid on the day of the offer; changes are in favour of or at the cost of the purchaser. Ancillary costs such as stationary charges, carriage

and toll charges, bill of carriage stamping etc. are borne by the purchaser or recipient.

IV. Delivery and Acceptance

(1)

The method of delivery is reserved. Delivery times will be complied with as far as possible, however, without being binding.

(2)

Delivery will take place at the agreed place. In the case of subsequent amendment the purchaser will bear all costs caused thereby. All circumstances lying outside of the sphere of influence of the seller, amongst which works interruptions, prevented supply of raw materials, auxiliary materials and energy supplies, the absence of loading facilities, official measures, strikes and lock-outs are counted, are valid as force majeure and justify the delivery and/or performance being postponed by the duration of the prevention and a commensurate lead-time or to repudiate due to the part of the contract not yet fulfilled. Indemnity claims are excluded under all circumstances.

(3)

The taking of delivery should occur in equal amounts during the agreed period of delivery time. The purchaser is answerable for the consequences of insufficient and belated call-off.

(4)

Delivery to free place of storage means delivery to domicile without unloading by the delivering party under the provision of a navigable access road.

(5)

Transportation damages and missing quantities are to be advised by written confirmation by means of cable communication or telephone on the day of the receipt of the goods. Damages which are created during railway transportation or during transportation by means of an official railway lorry, must be ascertained immediately upon arrival of the consignment or unloading of the truck by means of the official railway taking down of the facts of the case.

Damages and missing quantities are to be certified by the railway on the bill of carriage. Damages and missing quantities in the case of transportation by means of works-own, company owned or private lorries are to be evidenced by written declaration of the lorry driver and of the persons participating in the unloading with statement of the names and exact addresses.

In the case of packed goods the recipient is under the obligation to examine the goods within 5 days after receipt of the consignment and to advise the seller of transportation damages or missing quantities without delay.

V. Payment

(1)

Invoices are to be paid in accordance with the agreed and confirmed conditions of payment. Agreed payment discount remuneration is to be calculated only after deduction of trade discount, freight etc. from the netto invoice amount. The granting of a payment discount presupposes that no unpaid items exist on the customer's account.

(2)

Representatives of the seller are not authorized to receive payments.

(3)

If the time for payment is exceeded, delay interest will be invoiced as from the due date to an amount of at least the bank interest plus commission without a specific demand of payment being required. The discounting of bills, which right is reserved by the seller, will take place only as conditional payment whilst charging the customary bank discount and collection charges as from the maturity day of the invoice. Payments by bill of exchange or cheque are not valid as fulfilled until their redemption. If the purchaser is in delay with his payment obligations or the credit worthiness of the purchaser is reduced or that of one of the liable parties from a bill, then the seller is authorized to demand immediate payment of all his due debts, to make discounted bills available, to demand a guarantee for bills which are still in circulation by bailment, to countermand selling and processing rights of the purchaser and to take back goods supplied for security, without a right of lien existing against this for the purchaser. The proof of such circumstances is valid as provided by the information of a recognized reference agency or bank. For this purpose it will suffice that a lawyer or notary public confirms the submission of such a reference on behalf of the seller; the submission of the reference itself cannot be demanded by the purchaser. In so far as delivery has not yet taken place on the part of the seller, he can make the delivery dependent on a down-payment or advanced payment of the whole purchasing price in

such a case at his option or withdraw from the contract after a commensurate period of grace or demand indemnity due to non-fulfillment.

(4)
Likewise all of the seller's invoices are due in the case of stoppages of payments, application for the institution of composition proceedings (chapter 11), or of bankruptcy proceedings by the purchaser.

VI. Reservation of ownership

(1)
All deliveries take place only under the extended right of ownership and current account reservation. The goods supplied are the property of the seller until complete payment of the purchasing price and of all claims, together with future claims, which the seller acquires from the purchaser out of the business relationship, no matter how the goods are stored.

(2)
If the goods supplied are processed into a new product by the purchaser then the processing will take place on behalf of the seller. Acquisition of ownership by the purchaser in accordance with § 950 BGB (German Civil Code) is excluded, whilst liabilities caused thereby affect only the purchaser or processor. In the case of processing with other goods not belonging to the seller, the seller acquires co-ownership in the new product in the ratio of the value of the goods supplied by him and of the other goods at the time of processing. The "value of the goods supplied by the seller" is determined by the proportional value of the seller in the co-

ownership. The new product which has been created by the purchaser's processing is valid as reservation goods in the sense of these conditions.

(3)
The purchaser assigns his claims from the resale of the reservation goods to the seller already now. If the resale takes place together with other goods belonging to the seller at a total price then the purchaser assigns his claim from the resale to the seller now already for an amount which corresponds with the value of the reservation goods.

If reservation goods which are in the co-ownership of the seller are resold then the purchaser assigns his claim from the resale to the seller for the amount which corresponds with the proportional value of the seller's co-ownership.

(4)
The purchaser is only justified and empowered to resell the reservation goods with the directive that the purchase price claims are assigned to the seller. The purchaser is not entitled to other entitlements against the reservation goods (including their pledging and transfer of ownership by way of security) nor to other entitlements via the claims which he has assigned to the seller in accordance with point 3 or shall assign to him (including their assignment, assignment by way of security and pledging).

(5)
The seller entitles the purchaser to collect claims from resale whilst reserving the right of revocation. The seller will make no use of his own collection powers as long as the purchaser meets his payment obligations. The purchaser must on demand name to the seller the debtors of

the assigned claims and give these notice of the assignment. The seller is herewith empowered to give the debtors notice of the assignment in the name of the purchaser. In the case of pledges or other endangering of the rights of the seller, the purchaser must instruct those who are taking the endangering measure, or wish to take it, of the rights of the seller; independent of this he must communicate the endangering to the purchaser immediately by telephone or in writing.

(6)

If the value of the securities granted to the seller exceeds his claims by more than 20 % then the seller is obliged on demand of the purchaser to this extent to retransfer or release at his option.

Ownership in the reservation goods is transferred to the purchaser with full payment of all claims of the seller from the business relationship. At the same time the purchaser acquires the claims which he has assigned to the seller as security for the seller's claims pursuant to the above mentioned conditions.

VII. Warranty

(1)

The warranty is limited to the product supplied by the seller. The seller guarantees full utility of the materials

supplied by it for 6 months, calculated from the date of dispatch, presuming that storage takes place in dry, enclosed rooms protected from the sun's rays. The guarantee is limited to the serviceability of the printing paper for the printing of the materials which are each recorded in the so-called "fastness list". The "fastness list" will be made available to the customer upon special request. The purchaser has to give written notice to the seller of deficiencies in the goods within 5 days after delivery; under all circumstances before processing. The examination of the material supplied necessary before utilization is solely a matter for the purchaser or processor and excludes any indemnity claim against the seller. For deficiencies which are caused by improper handling, use or processing by the helper delegated by the purchaser and whose origin does not lie within the sphere of influence of the supplying company, and for consequent damages which result from this, the purchaser alone is liable.

The seller is liable for material errors only up to the amount of the net invoice value in question of the delivery. The claiming of indemnity claims extending beyond this is excluded.

(2)

IV para. 5 is valid for transportation damages and shortages.

(3)

In the case of notices of deficiency which are justified and within the time period specified, the purchaser does not have a right of repudiation of contract until the supplying company has failed to remedy the deficiency 6 weeks after receipt of the notice of deficiency, or has not provided

replacement free of deficiencies. IV para. 2 is valid accordingly for the maintenance and course of the 6 week period. Further claims by the purchaser are excluded. The supplying company has the right of remedying the deficiency or replacement supply three times under the same conditions.

(4)
Hidden deficiencies which are not determinable after immediate examination may only be claimed against the seller, if notice thereof has been received by the seller within 3 months, for items manufactured to order and for products manufactured specially in coordination with the customer or in accordance with his wishes, designs and submissions within 6 months, after the goods have left the supplier's works.

(5)
The purchaser renounces his claim of lien. The offsetting of counter-claims is only allowed to the extent that these are recognized by the seller and are due for payment.

(6)
In the case of subcontracted production the liability of the manufacturer is limited to the agreed works remuneration including additions furnished by the manufacturer. A more extensive liability is excluded. The manufacturer is released by the ordering party from the examination of the suitability of the basic materials handed over to him for processing.

VIII. Place of jurisdiction

(1)

If the contractual partners are fully qualified merchants [trading companies in the meaning of § 6 HGB (German Commercial Code); all merchants registered in the business register; merchants who operate a general commercial business in accordance with § 1 HGB, which is not subject to § 4 HGB, even if it is not registered in the business register], corporations, institutions, foundations by private and public law, D-63739 Aschaffenburg is also the place of jurisdiction with regard to any possible private transactions of supply.

(2)
If the contractual partners do not belong to the group listed in point 1, then the place of jurisdiction mentioned in point 1 is agreed in spite of this for foreign purchasers in consideration of the "European place of jurisdiction and enforcement of judgement agreement on civil and business matters dated 27.09.1986" which came into power as of 01.02.1973 in the relationship of each of the contractual states. D-63739 Aschaffenburg is also valid as agreed as the place of jurisdiction in the meaning of § 38 para. 3 no. 2a ZPO for domestic purchasers in the case of longer residence abroad or unknown residence.

If claims are asserted merely in the course of a payment default action in accordance with §§ 688 ff ZPO then Aschaffenburg is the place of jurisdiction.

IX. Partial reversal of the conditions

The invalidity of individual conditions does not affect the effectiveness of the remaining conditions of these sales, supply and payment conditions.

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