

Terms and Conditions of Purchasing

Applicable in commercial transactions with businesses and legal persons in public law.

Revised: November / 2011

1. General

1.1 Our Terms and Conditions of Purchasing apply exclusively. Any vendor's General Terms and Conditions of Business that contradict same, or deviate from same, apply only to the extent expressly agreed to by us in writing. Acceptance of goods and/or services (hereinafter called contractual goods and/or services) and/or payment for same do/does not imply agreement in any form whatsoever.

1.2 Initial supply of contractual good and/or services compliant herewith is also acceptance by the vendor of the sole and exclusive applicability of same to this and all subsequent orders.

2. Making an damending contract

2.1 Orders, sales and calls for supply and all and any amendments and/or supplements thereto must be in writing to be effective.

2.2 Any and all oral provisions, including later amendment and/or supplement of our Terms and Conditions of Purchasing, must be confirmed by us in writing to be effective.

2.3 Estimates are binding and free of charge.

2.4 If a vendor does not accept any order within a fortnight of receipt then we are entitled to rescind that order.

2.5 Calls for supplies as part of any order and supply calling planning are binding if the vendor does not contradict same within two working days of receipt.

2.6 The client's code of behaviour is a part of the contract together with their Supply and Packaging Regulations.

All regulations are available at www.msp-druck.de/de/legals

2.7 The vendor must sign an "Agreement on data protection and data security" before they deal with any order involving the processing of personal data. The vendor must also document toward the client the technical and organisational measures compliant with §9 BDSG (German Federal Data Protection Law) taken. The order only becomes effective if a check by the msp data protection officer reveals no data processing problems in said documentation and no other method of checking used in compliance with the duty of care under §11 BDSG reveals any such problem.

3. Delivery

3.1 Deviations from our sales and/or orders must be agreed to in advance by us in writing to be permissible.

3.2 Agreed deadlines are binding and apply to the time of arrival at the place of performance. If delivery is not agreed to be Delivered Duty Paid or Delivered at Place per Incoterms 2010 then the vendor must ensure the goods are available for shipment in good time making all due allowance for the date/time of such availability to be agreed with the carrier.

3.3 If agreed deadlines are not adhered to then legal rules applicable in such cases apply. If the vendor anticipates difficulties where manufacture, materials supply, adherence to deadlines or the like is/are concerned that may hinder their

rendering punctual shipment or shipment in the quality contractually required then they must advise the orderor of same without delay.

3.4 Unconditional acceptance of delayed contractual goods and/or services does not imply any waiver of any entitlement to assert any claim/s for compensation due to same. This applies until the invoice/s for the goods and/or services in question have been settled in full by us.

3.5 Part shipments are basically not permissible unless we have expressly agreed to same and they are reasonable from our standpoint.

3.6 The values determined by us during Goods Inward inspection are decisive where quantity, weight and dimensions of contractual goods rendered are concerned.

4. Force majeure

Force majeure, interruption to business operations for which we cannot be held liable, civil disorder, measures taken by authorities and other unavoidable events relieve us of our duty of punctual acceptance for their duration. During such events and within a fortnight of their ending we are entitled to withdraw from the contract either in whole or in part if said event/s is/are of not inconsiderable length and our needs fall due to purchasing from other sources. This shall not affect our rights in law.

5. Shipment advice and invoicing

The details given in our order/s and order call/s apply. Each invoice must be unique and include the invoice number and client order number and be directed to the address given above. No invoice is to accompany any shipment.

6. Pricing and transfer of risk

Unless otherwise agreed prices are DAP at the location given per Incoterms 2010 including packaging. VAT is not included. The vendor bears the material risk until the goods and/or services have been formally accepted by us or our authorised representative at the location to which same is/are to be contractually sent.

7. Terms and conditions of payment

Unless otherwise agreed invoices will be settled either within a fortnight less 3% discount or within 30 days of due date and receipt of both the invoice concerned and the goods and/or services concerned. Payment is always subject to auditing.

8. Right to assert claim for defect and recourse

8.1 The client reserves the right to inspect the goods and/or services for visible evident defects on receipt and only then to formally accept same. In the event of complaint the vendor may be held liable for the inspection and remedy costs. The deadline for complaints is 14 days from detection regardless of type. The vendor waives the defence of delayed advice of concealed defects during the guarantee term.

8.2 The legal rules on material and legal defects apply unless otherwise agreed below.

8.3 msp always has the right to choose the type of delayed performance. The vendor may reject the form of delayed performance chosen by msp if same is associated with disproportionate costs.

8.4 Should the vendor not commence remedying any defect promptly despite our request then we may have said remedy performed by a third party at the vendor's expense in urgent cases, particularly those in which acute risk must be avoided or greater damage prevented.

8.5 In the event of defect/s in law the vendor indemnifies us herewith against any claim/s that may be asserted by any third party unless the vendor cannot be held liable for said defect/s.

8.6 The right to assert claim/s for defect/s expires in three years except in cases of fraud. This time limitation begins when the contractual goods and/or services are rendered (transition of risk).

8.7 If the vendor fulfils their duty of remedy by replacement then this time limitation period begins anew on delivery/rendering of same unless the vendor has expressly and appropriately reserved the right in such case to make replacement as remedy for goodwill reasons only, to avoid dispute or in the interests of maintaining the shipment transaction relationship hereunder.

8.8 If we incur any expense due to defective contractual performance, particularly shipping, carriage, labour or for Goods Inward inspection of a scope exceeding the norm, then the vendor shall bear same.

8.9 Additional costs incurred by the client due to any shipment being lacking in quantity will be deducted from the relevant invoice amount at a rate of 35 Euros per shipment. This lump sum compensation does not affect right/s in law due to any such material defect/s.

8.10 In the event of an agreed contractual penalty for delayed delivery the right to assert claim/s remains extant even if not expressly asserted when the shipment/s concerned was/were accepted. Other rights in law remain unaffected.

9. Product liability

9.1 Should any claim be asserted against us under product liability law then the vendor shall have a duty to indemnify us against same provided the damage was caused by a defect or defects in the contractual goods and/or services rendered. In the case of liability without culpability this shall only apply if the vendor is responsible. If the damage caused lies within the vendor's sphere of responsibility then the burden of proof lies with the vendor. The vendor undertakes to take out adequate product liability insurance cover.

9.2 In the event of the provisions of 9.1 applying the vendor shall assume liability for all costs and expenses incurred, including those for any legal action taken.

9.3 In all other respects the legal rules apply.

10. Right of withdrawal and of serving notice of termination

10.1 msp is entitled to withdraw from the contract or serve notice of termination of it with immediate effect for any of the reasons below in addition to their applicable such rights in law.

- the vendor has ceased to supply their client;
- the vendor's financial position worsens considerably or threatens to do so and
this represents a risk to the fulfilment of their contractual obligations to msp;

- the vendor becomes over-indebted or insolvent;
- the vendor ceases payment.

10.2 msp is entitled to withdraw from the contract or serve notice of termination of it if the vendor applies for bankruptcy proceedings to be opened against their assets or for comparable such action in law to settle their debts.

10.3 If the vendor renders part performance of contract then msp is only entitled to withdraw from the entire contract if they have no interest in said part performance.

10.4 If msp withdraws from the contract under the foregoing rights to do so or serves notice of termination of the contract then the vendor must recompense them any and all costs so incurred unless they cannot be held liable for the conditions leading to such withdrawal or serving of notice.

10.5 The provisions in clause 10 herein do not restrict legal rights in any way.

11. Rendering contractual goods and/or services

11.1 Persons rendering contractual performance on our company premises must adhere to the applicable company internal rules. Liability for accidents suffered by said persons on our premises is excluded unless due to deliberate or grossly negligent breach of contractual/legal duty by our legal representative/s and/or vicarious agent/s.

11.2 Sub-contracting is subject to the client's prior written permission. The vendor must oblige all sub-contractors they commission hereunder to adhere to the same obligations they themselves have toward the client where contract performance is concerned.

11.3 If a sub-contractor is used without the client's prior written permission then a lump sum contractual penalty of 10,000 EUR per case up to a maximum of 100,000 EUR per financial year shall become due and payable.

12. Documents and confidentiality

12.1 All business and/or technical information made accessible by us (including characteristics possibly to be extrapolated from items, documents or software handed over and other knowledge and experience) is to be kept confidential toward all third parties insofar as not known to be public knowledge and may only be made available to those of the vendor's staff who need such information to perform their duties hereunder and who are obligated to observe the same confidentiality. Technical information remains our sole property and may not be copied or made commercial use of without our prior written permission except for contract performance to us. All information stemming from us (including all copies and records) and articles loaned by us must be immediately and completely returned or destroyed on our request. We reserve all rights in such information (including copyright and the right to register industrial property rights of any kind in same). This reservation of rights also applies in favour of those third parties that made same accessible to us.

12.2 Products manufactured according to documents such as drawings, models, our confidential specifications or with our tools or tools copied from ours or the like drafted by, or belonging to, msp may not be used by the vendor or offered to third parties or supplied them. This applies mutatis mutandis to our print orders.

12.3 The vendor grants unrestricted client protection for 24 months from the date of complete performance of the relevant order/s to customers from the client's master client database whose names become known due to any order made by the client or are identified due to any goods or service rendered.

13. Export monitoring and Customs

The vendor has a duty to advise us of any approval obligations for (re) export of their goods under German, European or US export and customs law and the export and customs law of the nation of origin in their business documents. For this purpose the vendor must give the information below for the affected items in their offers, order confirmations and invoices:

- export list number per Appendix AL to the German foreign trade regulations or comparable listing in relevant export lists;
- for US merchandise the ECCN (Export Control Classification Number) per US Export Administration Regulations (EAR);
- the country of origin in commercial law of their goods and parts thereof including technology and software;
- whether the goods were shipped through the US, made in the US, stored there or manufactured with the aid of US technology;
- the statistical goods number (HS code) of the goods, and
- details of a contact person in their company able to clarify our queries.

At our request the vendor must advise us in writing of all other export trade data concerning their goods and their components and advise us promptly in writing (before shipment of any goods affected) of all and any amendments to the foregoing data.

14. Compliance

14.1 The vendor undertakes to adhere to legal rules in dealing with employees, environmental protection and occupational safety and to continue to reduce the deleterious effects of their activities on people and the environment. The vendor will also observe the principles of the UN Global Compact Initiative. These mainly concern protecting international human rights, the right to collective wages and salaries, tariff negotiations, scrapping forced and child labour, non-discrimination in recruitment, taking responsibility for the environment and preventing corruption. Further information on the subject is given at www.unglobalcompact.org.

14.2 If any vendor breaches the law and continues to do so despite being notified appropriately and does not prove that it has been remedied insofar as possible and suitable precautions have been taken to prevent such a breach in future then we reserve the right to withdraw from all extant contracts or to serve notice of termination of same with immediate effect.

15. Place of performance

Place of performance is that place at which the contractual goods and/or services are to be rendered.

16. Miscellaneous provisions

16.1 Should any provision herein be or become null and void for any reason whatsoever this will not affect the remainder. The contracting parties have a duty to replace any such provision with one that comes as close as legally possible to their original intent.

16.2 German law is the sole legal code applying to the contractual relations between the parties hereto. Neither conflicting law nor the UN Convention on the International Sale of Goods applies.

16.3 Place of jurisdiction for all legal disputes arising directly or indirectly from this contractual relationship between the parties hereto is Mudersbach, Germany. The county court (Amtsgericht) of Betzdorf (57518 Betzdorf) has jurisdiction. We are entitled to institute legal proceedings against the vendor before the court holding jurisdiction over their registered office location/s or before the aforementioned court.

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