



# PRINOVIS CONDITIONS OF PURCHASING

## 1. GENERAL, SCOPE OF APPLICATION

- 1.1** These conditions of purchase apply for business conducted with the following companies:
- » Prinovis GmbH & Co. KG
  - » Prinovis Ahrensburg Weiterverarbeitung und Logistik GmbH
  - » Prinovis Service GmbH
  - » Prinovis Klebebindung GmbH
  - » MBS Nürnberg GmbH

They also apply for the following companies, whose business transactions are conducted by the Purchasing Department of Prinovis GmbH & Co. KG:

- » rtv media group GmbH

- 1.2** Our Purchasing Conditions (hereinafter referred to as “Conditions”) shall apply exclusively to all orders. For any orders of construction work, the VOB/B (German ordinance for the award and contracting of construction work – General contracting terms and conditions for the execution of construction work) and/or the VOB/C (German ordinance for the award and contracting of construction work – Technical contractual terms and conditions for construction work) shall primarily apply in their area of application.
- 1.3** Any Supplier’s conditions that conflict with or deviate from our Conditions shall not be acknowledged, unless we have expressly consented to their validity in writing. Our Conditions shall also apply, should we unreservedly accept the delivery in full awareness of the Supplier’s Conditions that conflict with or deviate from our Conditions.
- 1.4** Agreements that deviate from our Conditions must be made in writing. This also applies to the annulment of the written form requirement.
- 1.5** Our Conditions shall also apply to all future transactions with the Supplier.

## 2. ORDERS

- 2.1** Our orders and call-offs shall be made in writing (letter, fax) unless a different form is agreed upon in writing. The Supplier shall confirm each order in writing, to include binding price and delivery date. Should the order confirmation deviate, either in whole or in part, from the content of our order, or should it exceed the content thereof, then the order with its deviating content shall require our written confirmation.
- 2.2** Should the Supplier not accept our order within one week of receipt, we shall then be entitled to withdraw said order. Call-offs are considered binding after ten days after the order date if the Supplier does not object at least in text form. All agreements with us must take place via the purchaser made known to the Supplier.
- 2.3** We reserve the right to change or cancel orders. In the case of

changes, the Supplier is obligated to notify us of any effects on prices and delivery times and to have them approved by us. In the event of a short-term cancellation, we shall reimburse the Supplier for any appropriate costs it has already incurred. However, the Supplier has no claim to compensation for any loss of profit or machine standstills.

- 2.4** As regards correspondence, each order shall be handled separately. All order confirmations, delivery notes and invoices shall be furnished with our specified order number. Invoices that do not refer to the order number transmitted by us cannot be paid by us and will be sent back to the Supplier.
- 2.5** At our request the Supplier must provide additional information as part of a credit check before the order. Should the business situation of the Supplier deteriorate in such a way that it is to be feared that proper fulfillment of orders may not be possible, or should the Supplier file an application to open (preliminary) insolvency proceedings, we shall be entitled to cancel our order(s). 2.3 applies accordingly.

## 3. PRICES, INVOICES, PAYMENT CONDITIONS

- 3.1** The agreed price shall be a fixed price. It includes everything that the Supplier must provide in order to fulfill its delivery and service obligations, including packaging. The current statutory VAT shall always be posted separately in invoices. The transaction currency is the euro.
- 3.2** Invoices shall be issued in duplicate and separately for each order, at the time of dispatch and/or completion at the latest, and shall be submitted separately to accounting. The claim to payment is forfeited for invoices received more than 6 months after the provision of services. Invoices must be furnished with our specified order number. Under no circumstances may invoices be enclosed with shipments of goods. The Supplier may only object within 30 days after the invoice date to an invoice it has issued.
- 3.3** Invoices will be settled within the first 5 days of the following month less 3% cash discount, at the latest within 30 days. The payment and cash discount period shall begin with receipt of a correct and auditable invoice (including specification of the order number) and following complete and defect-free rendering of the performance. If we dispute an invoice in good faith this shall not result in our falling into payment default.
- 3.4** We are entitled to offset all claims by the Supplier and/or its affiliated companies pursuant to Sections 15 et seq. AktG (Aktiengesetz, Stock Corporation Act).
- 3.5** Without our prior written consent, which may not be refused without good reason, the Supplier shall not be entitled to assign its claims against us or have them collected by third parties. In the event of extended retention of title, consent shall be considered as having been given.

#### 4. EXECUTION, EMPLOYMENT OF PERSONNEL

- 4.1 Only our descriptions, drawings and instructions as well as requirements made known by us shall be decisive for the composition and execution of the order. The Supplier shall immediately notify us, prior to execution, of any objections on its part with regard to our specifications. Manufacture and delivery may in such case only ensue following further instructions from us.
- 4.2 The units of quantity we order shall be gross quantities. The subsidy shall already be included therein. Any over-deliveries in excess of this shall only be possible with our express approval; otherwise, we are not obligated to accept them or pay for them.
- 4.3 The Supplier guarantees that all items it delivers and all services it renders comply with statutory provisions. It guarantees that it adheres to all applicable laws and regulations, in particular regarding environmental protection, human rights, labor protection, minimum wage, health, occupational safety, the prohibition of child labor and anti-corruption. We reserve the right to check compliance at the Supplier's production locations. Should the Supplier violate any of these provisions, we shall be entitled to terminate all orders without notice. The Supplier must compensate us for any damage that we suffer as a result of violation of these provisions.
- 4.4 All items delivered by the Supplier and all services rendered by it must be in compliance with state-of-the-art technology, the relevant statutory provisions, the provisions and guidelines of authorities, professional associations as well as industrial unions, e.g. those of the Association of Property Insurers (Verband der Sachversicherer, VdS); as well as with our specifications made known to the Supplier. Compliance with generally recognized international standards such as DIN, ISO, VDI, VDE, CE shall also be mandatory. The Supplier shall be obligated to inform itself of the standards and regulations to be observed and complied with in individual cases. Should deviations to these regulations be necessary in individual cases, the Supplier shall obtain our prior written consent on this matter.
- 4.5 The Supplier must be able to demonstrate existing liability insurance with an adequate coverage amount. Proof of insurance must be provided to us immediately upon request.
- 4.6 The Supplier shall perform its deliveries and services with its own personnel. The Supplier shall, in accordance with the provisions of law, only deploy employees to perform the agreed services who hold a valid work permit for the Federal Republic of Germany or, if the services are not performed in Germany, a valid work permit for the respective country in which the goods are manufactured or the services provided, who are properly registered with the German social insurance institutions or the social insurance institutions of the country in which the goods are manufactured or the services provided and whose services, including the applicable tax and social security deductions, are correctly processed for accounting purposes. The Supplier shall pay all applicable taxes and social security deductions in full and on time to the relevant collection offices (e.g. social insurance institutions, tax office, etc.). The employees have a valid contract of employment with the Supplier and shall be paid according to the respectively applicable provisions. The employees have been instructed by the Supplier to strictly observe the provisions regarding labor protection and general youth labor protection and the respectively applicable conditions imposed by law or by official bodies. The Supplier shall continuously monitor compliance with the above specifications.
- 4.7 The Supplier guarantees that it complies with the requirements

of the applicable Minimum Wage Act and pays its employees at least the statutory minimum wage. Upon request, the Supplier shall submit suitable documents and allow appropriate inspections in order to prove to us that this is the case. The Supplier undertakes to only deploy those sub-contractors and recruitment services that comply at least with the requirements of the applicable Minimum Wage Act. The Supplier undertakes to obligate any sub-contractors to pay the minimum wage in a verifiable way, to the same extent as it is obliged to do so itself under this clause. If the sub-contractor in turn uses sub-contractors, the Supplier must ensure that all sub-contractors are also obliged to comply with the above provisions.

- 4.8 The Supplier shall release us as the Client from all claims from third parties (esp. the Supplier's employees and the German Federal Ministry of Labor) in connection with the violation of its obligation to pay the legal minimum wage (incl. legal and defense costs) upon the first request. In addition to this, the Supplier shall be liable to us for all claims from third parties that arise due to a violation of the obligation to pay the legal minimum wage by any subcontractors used by the Supplier.
- 4.9 We are entitled to terminate the contractual relationship for an important reason if the Supplier (or a sub-contractor) makes or has made payments to employees that do not comply with the provisions of the Minimum Wage Act or if the Supplier breaches one of the above-mentioned guarantees.
- 4.10 The Supplier may only arrange for the service and/or delivery to be carried out in full or in part by a suitable and reliable subcontractor after prior written consent by us. In this case, subcontractors must be verifiably obligated in accordance with the agreements between the Supplier and us, in particular concerning secrecy and data protection. Consent on our part shall neither restrict the obligations of the Contractor/Supplier nor justify any rights of the subcontractor. The Supplier shall be as liable for any culpability on the part of the subcontractors as for its own.
- 4.11 The Supplier confirms that it is not on any list of names in the context of EC Regulations 881/2002 and 2580/2011 (anti-terrorism measures) and shall inform us without delay if it is placed on such a list. Furthermore, the Supplier confirms that it has not been legally convicted of bribery in the last five years.
- 4.12 The Supplier guarantees that no industrial property rights of third parties will be violated by the delivery and proper use of the delivered items. It shall be obligated, upon first request, to indemnify us completely against any claims of third parties in this regard, including the costs of legal action and defense.

#### 5. SELF-SUPPLY, CONFIDENTIALITY

- 5.1 We shall reserve the rights of ownership and copyright to any self-supply items, materials, production documents and other operating documents that we make available to the Supplier.
- 5.2 Our documents may not be made accessible to third parties without our express written permission. They shall only be used for production based on our order. Once the order has been executed, the documents as well as all copies shall be returned to us unbidden at no charge, unless we ask the Supplier to destroy them. The obligation to surrender or destroy does not exist if the Supplier is obligated by statutory provisions to retain the documents.
- 5.3 Should damages be externally detectable on any materials or documents we supply, the Supplier shall notify us about it promptly, at the latest 24 hours after handover. Should this not

occur, it is to be assumed that our supplied materials or documents have been delivered in proper condition.

- 5.4** If we supply materials, we retain ownership thereof. Processing or transformation is performed for us as manufacturer. Should our supplies be mixed with other items, we acquire pro-rated ownership of the new object in the ratio of the value of our supplied materials to the newly manufactured or created object.
- 5.5** The Supplier is obligated to insure materials we supply (including tools) or goods manufactured for us within a warehouse insurance against damage from fire, water or theft.
- 5.6** If the Supplier stores certain goods for us, it must ensure that they are stored safely and protected from access by third parties.
- 5.7** Both Parties undertake to treat any business facts and background information of which they become aware through collaboration with each other as strictly confidential and to refrain from sharing such facts and information with third parties.
- 5.8** Printed products, as a whole or as partial products, may not be taken, nor may their content be made known in general or to third parties prior to their publication. Moreover, taking photographs or videos on our premises is only permissible with our consent.

## 6. SHIPPING, TRANSFER OF RISK AND PACKAGING

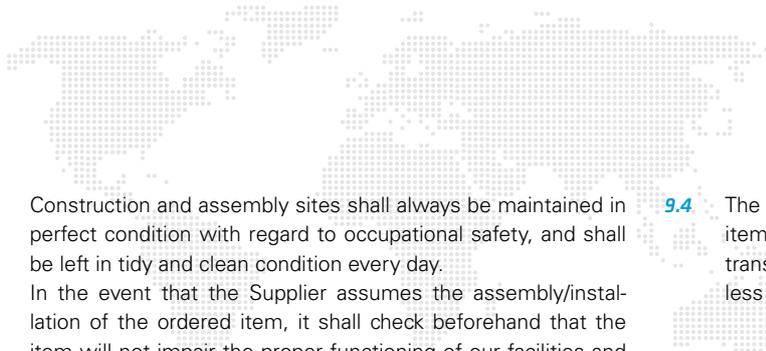
- 6.1** Any delivery within the EU shall ensue pursuant to Incoterms 2010 DAP to the destination point, unless otherwise agreed, and any deliveries from non-EU countries pursuant to Incoterms 2010 DDP to the destination point. Should we, by way of an exception, assume the shipping costs, the most cost-effective shipping method shall as a rule be selected, unless express shipping was expressly requested by us and agreed. The Supplier bears the risk of transport until the goods are received at the named receiving location. In the case of delivery with set-up and assembly, risk is transferred upon acceptance.
- 6.2** If Euro pallets are used for national shipment, an exchange of pallets shall take place between shipper, transport company and recipient. The "Cologne pallet exchange" is considered agreed upon. Exchangeability is regulated by UIC Standard 435-4. An exchange will generally not take place for international shipment, unless otherwise agreed between the parties to the Contract.
- 6.3** All deliveries shall be given to the freight forwarding and logistics company in an adequately packaged state and with the necessary accompanying documentation (transport documents, etc.). A delivery note shall be enclosed with the consignment. Delivery notes, accompanying documentation, accompanying adhesive labels, etc. shall be furnished with our specified order number. The Supplier shall be liable in the case of damages and costs resulting from improper packaging, as well as for rearrangements, etc.
- 6.4** Should it be agreed that we are to take out transport insurance, it shall be incumbent upon the Supplier to promptly inform us of the shipment date, shipment type, value of the consignment, weight, number of packages, as well as the weight and dimensions of the largest package. Should we be unable to take out transport insurance due to absent or delayed notification, this shall then be at the Supplier's risk and expense. The same shall apply in the case of incorrect or insufficient notifications on the part of the Supplier.

## 7. SCOPE OF DELIVERY, DELIVERY TIME, DELAYED DELIVERY

- 7.1** We shall not be obligated to accept partial deliveries. At the same time we shall reserve the right to request the subsequent delivery of missing quantities and to return over-deliveries at the Supplier's expense and risk.
- 7.2** The scope of delivery includes any (planning) drawings, models, descriptions or calculations as well as any other work results produced by the Supplier within the scope of the order. The Supplier transfers to us the rights of use and exploitation requisite for the intended usage (without additional remuneration). If the Supplier delivers equipment or machines, the necessary assessment of hazards shall also be part of the scope of delivery.
- 7.3** Any delivery times we cite shall be binding. If no delivery time is specified, the delivery or service must be performed without undue delay. Should the Supplier not adhere to the delivery time, it shall be in default even without warning. The decisive factor for adherence to the delivery time or the delivery period shall be the receipt of the goods at the point of receipt or use we have cited.
- 7.4** Should the Supplier realize that an agreed delivery time cannot be adhered to, for whatsoever reason, it shall immediately notify us in writing of this fact specifying the reasons and the duration of the delay. In this case, we are entitled, at the Supplier's expense and risk, to take suitable measures to avert a delay. Other rights are expressly reserved; in particular, the right to withdraw from the order in the case of delayed delivery, to order from another supplier and invoice any additional costs that arise to the Supplier.
- 7.5** In the event of a delay in delivery of more than one week, we shall be entitled to demand a contractual penalty in the amount of 1% of the order value for each full week (rounding up to a full week will take place automatically as of the 3rd day after the first week of delay), but not to exceed a maximum of 5% of the order value. Damage claims due to delay that go above and beyond this amount are expressly reserved.
- 7.6** In the event of a delay in delivery by the Supplier in connection with an order to be completed by us for a third party by a deadline, an immediate contractual penalty of up to 10% of the value of the order will apply, in deviation from number 7.5 above.
- 7.7** The right to assert claims for further damages is not thereby affected. In particular, the Supplier shall indemnify us to the legally permissible extent vis-à-vis third parties for damages that occur, including consequential damage, related to the late execution of an order for which the Supplier is culpable.
- 7.8** We receive ownership of deliveries ordered by us at the time of handover or, if we pay prior to the handover, upon payment of the agreed-upon remuneration.

## 8. ASSEMBLY AND REPLACEMENT PARTS

- 8.1** If the Supplier delivers machines and plants, the Supplier shall at our request assume installation and assembly. The assembly costs shall be invoiced on receipt of proof at the agreed rates, unless already included in the price.
- 8.2** The Supplier shall strictly adhere during assembly to all general and special safety provisions applicable to operation; the Supplier shall also obtain all required official permits in advance. Our prior consent must be obtained prior for any storage of construction and/or other materials on our premises. The Supplier must observe all applicable statutory provisions.



- 8.3** Construction and assembly sites shall always be maintained in perfect condition with regard to occupational safety, and shall be left in tidy and clean condition every day.
- 8.4** In the event that the Supplier assumes the assembly/installation of the ordered item, it shall check beforehand that the item will not impair the proper functioning of our facilities and systems (assuming usual and expected use in our operations). In the case of any concerns in this regard, the Supplier is obligated to inform us and, if necessary, to conduct further checks. Should the Supplier confirm that use/installation can take place, or with, or should it then carry out installation, it shall assume the guarantee that our facilities and systems will not thereby be impaired.
- 8.5** Should the Supplier perform its services on our operating premises, it must bring its own necessary equipment and work materials. Should we, by way of exception, permit shared use of our work materials, the Supplier must handle them carefully and return them to us in an undamaged state. The Supplier is liable for any damages incurred by the Supplier.
- 8.6** The Supplier undertakes to keep replacement parts on hand and quickly available and/or to ensure that replacement parts are available to us throughout the term of the warranty.

## 9. DEFECTS OF QUALITY OR TITLE

- 9.1** Acceptance of deliveries or services is always subject to an acceptance inspection. We shall be entitled and obligated to inspect the goods for any defects within a reasonable period of time. A notice of defect shall be considered as having been made promptly if it is received by the Supplier within a period of 20 working days after delivery or, if defects were not discernible during an ordinary inspection, within a period of 20 working days after discovery. If an acceptance inspection is possible only after assembly or during normal operations, this period shall be extended appropriately. We shall be obligated to remit payment only upon successful acceptance. Should we already make payment before acceptance, this does not in any way represent a declaration that the delivery or service is free of defects. Notice given by phone counts as adherence to the deadline.
- 9.2** If our end customer performs the final acceptance, a notice of defect shall be considered as having been made in a timely fashion if we report the defect within 5 days after the end customer has reported the defect.
- 9.3** In the event of a defect, we shall be entitled to all statutory rights even in the case of negligible deviation from the agreed quality or in the case of negligible impairment of usability. We shall in any case have the right to choose between elimination of defect and re-manufacture (re-performance). Should the Supplier fail to meet its obligation to subsequent fulfillment according to our exercised right within a reasonable period of time, should the subsequent fulfillment fail or should subsequent fulfillment not be possible due to scheduling specifications in particular, we shall then be entitled to immediately assert our further rights. The rectification of defect shall be considered as having failed after the first unsuccessful attempt. All necessary expenses for the purpose of subsequent fulfillment shall be borne by the Supplier (including any installation, de-installation and inspection costs). Our claim to fulfillment shall continue to exist until the written or judicial assertion of a claim for damages instead of performance.

- 9.4** The warranty shall begin with the acceptance of the delivered items, or - should no acceptance ensue - at the time of the transfer of risk. The period of warranty shall be 24 months, unless otherwise agreed.

## 10. LIABILITY AND FORCE MAJEURE

- 10.1** Unless otherwise agreed in a written agreement, liability shall be governed solely by statutory regulations.
- 10.2** Force majeure shall release each Party from its performance obligations for the duration of the interruption and to the extent of the effect thereof. The Supplier shall be obligated, within the scope of that which is reasonable, to immediately provide the necessary information and to adapt its obligations to the changed circumstances in good faith. We shall be released from the obligation to accept the ordered delivery/service, either in whole or in part, and, inasmuch shall be entitled to withdraw from the contract, if the delivery/service is no longer economically useful to us due to the delay caused by such circumstances or if we cannot reasonably be expected to wait longer (e.g. due to production schedules, etc.).

## 11. STORAGE OF DATA, DATA SECURITY

- 11.1** We shall use automatic data processing to store data vital to carrying out the business relationship with the Supplier. The surrender and/or disclosure of these Conditions shall be considered as notification in terms of the Federal Data Protection Act.
- 11.2** In the event that the Supplier comes into contact with personal data of ours or our customers, it undertakes to comply with the provisions of the Federal Data Protection Act (Bundesdatenschutzgesetz, BDSG), in particular to comply with data secrecy pursuant to Section 5 BDSG. The Supplier will take the necessary technical and organizational measures required to comply with data protection provisions.

## 12. SUPPLIER CODE OF CONDUCT

As a part of the Bertelsmann Group, we place special value on responsible and ethical conduct on the part of our business partners to employees, business partners, society and the environment. Adherence to the applicable legal provisions and regulations in this regard is a matter of course.

It is therefore binding that the Supplier adheres to the code of conduct for business partners of Bertelsmann SE & Co. KGaA. This is available at any time at [www.prinovis.com/en/downloads](http://www.prinovis.com/en/downloads).

## 13. MANAGEMENT SYSTEMS

- 13.1** We have implemented management systems for quality (only Dresden), environment and energy which meet the requirements of ISO 9001, 14001 and 50001.
- 13.2** We prefer to co-operate with contractors, who support us through compliance, participation and implementation of the above-mentioned requirements while working for us.



#### **14. GENERAL PROVISIONS**

- 14.1** Place of fulfillment shall be the destination point of the service.
- 14.2** With regard to ongoing orders, a notice of termination of 3 months to the end of the month applies if not agreed otherwise.
- 14.3** Place of jurisdiction, inasmuch as the Supplier is a registered trader, shall be the ordering party's branch office location. The same shall apply if the Supplier has no business office or usual domicile in the Federal Republic of Germany when a legal complaint is filed.
- 14.4** In principle, the law of the Federal Republic of Germany shall apply, with exclusion of any conflict of laws. Should this, by way of exception, be unable to apply – for whatsoever reason – the UN Convention on Contracts for the International Sale of Goods (CISG) shall apply exclusively.
- 14.5** We are not taking part in a dispute resolution procedure within the meaning of the German Consumer Resolution Act (Verbraucherstreitbeilegungsgesetz).
- 14.6** Any invalid terms do not affect the validity of the other terms and conditions. The invalid terms are replaced with terms which are closest to the parties' intention within the constraints of applicable law.