

General Terms and Conditions for Purchasing as of January 1st, 2016

1. Area of Application

The following General Terms and Conditions of Purchase shall apply exclusively to any order of goods or services placed by BDT Media Automation GmbH, BDT ProLog GmbH, BDT Print Media GmbH and BDT Storage GmbH ("BDT"). Any terms deviating from these purchasing terms, even if they are part of the General Terms and Conditions of the supplier are herewith explicitly objected to; they only apply insofar as they have been expressly consented to by BDT in writing. This is also valid if BDT accepts the supplier's delivery unconditionally in spite of knowing of contradictory terms or terms of the supplier deviating from our General Terms and Conditions of Purchasing. These General Terms and Conditions of Purchase are part of any future order placed by BDT. They also apply to follow-up orders without BDT pointing out these terms again. These General Terms and Conditions of Purchase only apply to dealings with other companies.

2. Offers

- 2.1 The supplier has to submit its offers in writing. Cost estimates will not be compensated.
- 2.2 Possible deviations from the inquiry text are to be marked specially. BDT reserves the right of ownership and copyright to illustrations, drawings, calculations, models, equipment, samples and other documents that BDT made available to the supplier to enable him to draw up the offer and to fulfill the contract. The supplier has to insure any items mentioned above against fire at his own expense.
- 2.3 The documents and objects respectively mentioned in clause 2.2 are not to be made available to Third Parties unless BDT has given its prior written approval to pass them on. The documents and objects are to be used exclusively to process the order and fulfill the contract. They must be returned to BDT without prompting after the order has been duly executed. The documents and objects are not to be disclosed to Third Parties.

3. Orders and Order Confirmation

- 3.1 Only orders placed in writing shall be binding on BDT. Telephone or verbal orders always require BDT's written confirmation.
- 3.2 Only a copy of BDT's order with binding signature shall be valid as confirmation of the order. If such confirmation is not received at BDT within one week of the date of order, BDT shall no longer be bound by the order unless BDT expressly extends the period in which the order is binding.

4. Technical Modifications

- 4.1 Deviations from the contractual specifications and other technical modifications by the supplier after conclusion of the contract shall not be allowed unless approved in writing by BDT.
- 4.2 If, after conclusion of the contract, BDT considers it expedient or necessary that technical modifications should be made to the object to be supplied, it shall inform the supplier thereof immediately. In this case the parties shall agree on the resulting amendments to the content of the contract and its performance.

5. Prices - Payment

- 5.1 The prices agreed upon are fixed prices. They are net prices and include free house delivery to the address indicated by BDT, packing, insurance, import duties and other charges. If, in exceptional cases, ex works prices, prices ex the supplier's or a Third Party's warehouse have been agreed upon, any costs incurring until the transfer of the goods to the forwarding agent, inclusive of loading and portage fees, are to be borne by the supplier.
- 5.2 Offer and invoice have to show the value-added tax separately.
- 5.3 Payment will be made on the 15th of the following month upon receipt of invoice and goods less a discount of 3 % or further 30 days net without discount upon receipt of invoice, at the option of BDT. Assignment of the invoice amounts to Third Parties is not permitted.

6. Object of Supply

- 6.1 BDT's order shall define the object of supply, i.e. the content, nature and scope of supply.
- 6.2 Part, advance, additional or short deliveries shall only be allowed after prior permission has been received in writing from BDT.
- 6.3 The supplier shall review technical documents, drawings or specifications forming part of BDT's order and draw BDT's attention to any discrepancies, requesting an explanation of these. If BDT approves documents, drawings and specifications produced by the supplier, this shall not release the supplier from its responsibility for proper performance of the contract. The supplier shall, on its own responsibility, review the feasibility of proposals and requests for modifications from BDT and draw BDT's attention to any objections.
- 6.4 Notwithstanding the agreed requirements placed on the object of supply, it shall comply with all relevant statutory regulations and the state of the art, in particular the VDE, ISO/DIN and UL conditions in the Federal Republic of Germany. The supplier shall furthermore be responsible for compliance with the accident prevention regulations and shall comply with the requirements for safety equipment and the safety instructions contained therein. It shall also ensure compliance with the current environmental requirements, especially the "Verordnung über gefährliche Arbeitsstoffe" (Regulations on Hazardous Materials).

7. Despatch, Transfer of Risk and Title

- 7.1 The order reference, order date, description of goods supplied, in particular the BDT part numbers, number of packages and total gross weight of supplies, with hazardous goods classification where applicable, shall be entered on the shipping documents.
- 7.2 The supplied objects shall be packed in such a way that damage cannot occur during appropriate transport and storage. This shall apply in particular to chemicals and other hazardous substances. At BDT's request the supplier shall, at its own expense, take back (collect) and dispose of the packaging. The supplier shall meet costs and losses arising from any breach of statutory regulations or BDT's regulations relating to despatch, packaging or marking.
- 7.3 Risk shall pass to BDT on delivery and unloading of the supplied objects at the delivery address specified by BDT in the order.
- 7.4 Title to the supplied objects shall pass to BDT when it takes delivery of the supplied goods, even when this is done by an appointee. In the absence of permission in writing from BDT it shall not be possible to assign BDT's claims for remuneration against end customers or to enter into any processing agreement whereby the supplied goods are installed in or connected to a BDT product on behalf of the supplier in such a way that the supplier acquires joint title to the end product.
- 7.5 All deliveries are based on the Incoterms 2010.

8. Delivery

- 8.1 The delivery dates or deadlines stated in the order shall be binding and shall be understood to refer to arrival at the delivery address specified by BDT in the order. The supplier shall undertake to keep strictly and precisely to delivery deadlines. It shall immediately inform BDT if it becomes aware of circumstances which jeopardise the meeting of a delivery deadline.
- 8.2 In the event of delayed delivery, BDT may, without prejudice to other rights, claim a contractual penalty of 1% of the value of the delayed order for each commenced week of delay, up to a maximum of 5% of the total order value.
- 8.3 The use of part deliveries or parts of a total delivery by BDT shall not imply that it accepts that a total delivery has been made in accordance with the contract.

9. Inspection of Production and Goods

- 9.1 BDT may test the equipment procured by the supplier to carry out the order, the objects of supply and their manufacture, or have them tested, at any time by prior arrangement within normal business hours.
- 9.2 The supplier is obliged to inspect the compliance of the object of supply with the contract before despatch by suitable procedures and in particular to check for completeness, working order and flawless condition.
- 9.3 BDT shall be entitled to test incoming goods at random or, if feasible given the nature of the supplied object, by means of appropriate test procedures, possibly over a longer period of time. If agreed minimum quality values are not met, or in the event of other complaints, BDT shall be entitled, without prejudice to its other claims, at its discretion either to reject all the delivered goods or, at the supplier's expense, to segregate the defective elements of the delivery. BDT may return the rejected goods to the supplier at the expenses and risk of the supplier and demand immediate re-

placements for them. BDT reserves the right to charge the supplier for the costs of testing incoming goods and any necessary supply of replacements.

- 9.4 Any incoming testing of goods by BDT shall not release the supplier from its obligation to conduct an inspection of outgoing goods in accordance with section 9.2.
- 9.5 The supplier shall waive the right to plead failure to give notice of defects in due time. BDT shall immediately give notice of defects upon discovery.
- 9.6 If a contractual delivery is made directly to an end customer by order of BDT, defects shall be deemed known upon receipt at BDT of a corresponding complaint from the end customer.
- 9.7 Payments by BDT shall not imply that BDT accepts that the delivery is in accordance with the contract and free of defect.

10. Liabilities for Material Defects

- 10.1 BDT has the right of option between amendment and new delivery. BDT has the right to rescind the contract, reduce the price and/or claim for compensation instead of performance if the reasonable deadline set to rectify the defect has expired unsuccessfully once.
- 10.2 BDT has the right to demand a price reduction and compensation for damages instead of performance even if the material defects are insignificant.
- 10.3 BDT's claims for compensation based on material damage are subject to a limited period of 24 months upon delivery and acceptance respectively unless otherwise agreed upon in writing or if the law prescribes a longer limited period. The running of a limited period of claims is suspended when the supplier is notified of a defect in writing.
- 10.4 In the event of a rectification the supplier also bears the costs incurred due to the fact that the purchased item was transported to another place than the business address of the recipient after delivery.
- 10.5 If the supplier is in default with the rectification of the defect, BDT can, after prior notification of the supplier, ask another company to remedy the defect at the supplier's costs and risk or BDT can carry out rectification works itself and charge the expenses incurred to the supplier without affecting its right to claim under the liability for material defects.
- 10.6 In the event of material defects BDT is entitled to withhold outstanding payments due under the respective contract relationship or within the framework of business economically connected with it up to triple the amount of the order value concerned.

11. Invoicing

- 11.1 Invoices are to be issued separately for each individual order indicating the order number, item and BDT part number. They are to be sent to the respective BDT invoice address.
- 11.2 Only the dimensions, weights, and number of pieces determined by BDT are relevant to billing. Invoices can only be processed by BDT if they – in accordance with the order instructions – show the order number stated in the order; the supplier is responsible for all consequences arising from his not complying with this obligation unless he can prove that he is not at fault.

12. Resources and Results of Work

- 12.1 Any tooling costs incurred shall only be refunded if they were specified separately in the quotation.
- 12.2 Technical documents, drawings or other resources prepared by the supplier shall become BDT property upon submission to BDT and at latest upon payment.
- 12.3 If BDT provides the supplier with design documents, technical drawings, tools, materials etc., BDT shall retain all intellectual property rights and copyright to them. They shall be marked accordingly. They shall be used exclusively for the purpose specified in BDT's order and automatically returned to BDT upon completion of the order. The supplier shall not be entitled to reproduce them, make them accessible in any form to third parties or allow them to be used without BDT's written permission. The supplier shall not, without BDT's written permission, make available to third parties objects made in accordance with BDT's plans, drawings and/or other resources.
- 12.4 All rights to and arising from the results of work and development (final and interim results, hardware and/or software, images and text, including the recording medium), including any inventions and improvements shall pass to BDT as they arise or are processed, and no later than their delivery or acceptance.

13. Third-Party Intellectual Property Rights

- 13.1 The supplier shall be liable for any infringement to the intellectual property rights of third parties at home or abroad resulting from the supplied objects and their use in accordance with the contract, unless such infringement arises exclusively from the specifications prescribed by BDT.
- 13.2 As soon as BDT informs the supplier of the assertion of an alleged infringement of an intellectual property right, the supplier shall immediately and at its own expense contest the third party's claim against BDT and indemnify BDT against all costs and claims arising for BDT as a result of the infringement of the intellectual property right. BDT shall not make any agreements or reach any settlement with the third party without the supplier's consent.
- 13.3 If an infringement of an intellectual property right has occurred, the supplier shall, on request, obtain for BDT the right to continue to use the supplied objects or replace them or modify them in such a way that they no longer infringe the intellectual property right, although such objects shall continue to comply with the contractual specifications.

14. Confidentiality and Publicity

- 14.1 The supplier shall treat BDT's order and all related commercial and technical details as confidential and shall only make them accessible to third parties after receiving BDT's prior written consent and shall only make them accessible to persons it employs insofar as this is necessary for the fulfillment of the contract, provided that such persons are subject to the same obligation of confidentiality. This agreement shall continue in force after the end of the contract.
- 14.2 The supplier may only refer to its commercial relationship with BDT after receiving BDT's prior consent and approval.

15. Product Liability

- 15.1 The supplier bears the legal product liability risk for the items delivered by him even if BDT builds them into its products.
- 15.2 If BDT has to start a recall campaign on the basis of legal regulations on product liability due to a defect of the sub-contracted component delivered by the supplier, BDT will be entitled to demand reimbursement of all costs and expenses of the recall campaign from the supplier as well as to claim for damages.

16. Official Regulations and Export Conditions

- BDT shall be entitled to refuse to fulfill its contractual obligations, in particular the acceptance of and payment for supplied objects, or to terminate the contractual relationship with immediate effect in accordance with section 11 as soon as it emerges that the continued performance of a contract or the individual obligations thereof would breach the regulations of Germany, European or the United States of America.

17. Miscellaneous

- 17.1 In order to fulfill a contract the supplier is only permitted to sub-contract if BDT has given its written approval.
- 17.2 The supplier is not permitted to assign receivables against BDT to Third Parties without the written approval of BDT.
- 17.3 The supplier consents that all data needed to fulfill the contract inclusive of the data of the offer are centrally stored at BDT and processed by other associated companies, if applicable.
- 17.4 If one provision of this contract becomes invalid, the validity of the remaining provisions will not be affected.
- 17.5 Place of performance is the delivery address indicated by BDT.
- 17.6 The laws of the Federal Republic of Germany shall apply to the exclusion of the UN Uniform Law on the International Sale of Goods (CISG).
- 17.7 Sole place of jurisdiction for all disputes arising from and in connection with contracts subject to these General Terms and Conditions of Purchase is Rottwil a. N. unless the law prescribes an exclusive place of jurisdiction. BDT is, however, entitled to take legal action against the supplier at its general place of jurisdiction.

BDT has got a management assurance system in accordance with DIN EN ISO 9001 and DIN EN ISO 14001. The deliveries and/or services of the supplier are used within the framework of this system.