

# manroland sheetfed GmbH

## General Conditions for Repair and other Contract Work

### I. General

These conditions shall apply for all types of maintenance, repair, overhaul, modification and other contract work (hereinafter Contract Work), unless the contracting parties have agreed otherwise in writing. If spare parts are required during the course of the work, then the Standard Conditions for Delivery of Spare Parts shall also apply in the currently valid version. These Conditions for Repair and other Contract Work shall prevail over any contradictory or conflicting terms or conditions.

### II. Quotations and conclusion of contract

- All quotations shall be subject to confirmation.
- Technical documents and marketing materials and data on weights, performance, operating costs, etc. shall not be binding unless expressly agreed in writing as a condition of the supply. manroland sheetfed GmbH (MR) shall retain ownership of, and copyright in, quotations, drawings and other documents; drawings and documents shall not be disclosed to third parties and shall be returned immediately if so requested or if no order is placed.
- These conditions shall also be deemed to have been accepted by the Purchaser when he accepts the services of MR or if he himself renders services.
- Other terms and conditions shall not become part of the contract without the written consent of MR, even if they are cited as being contrary to these conditions.

### III. Extent of services rendered

- The written order confirmation by MR shall be conclusive for the extent of services rendered. MR is entitled to alter the extent of the services within the boundaries of Section IV (3) (2nd sentence) of these Conditions, in so far as it appears necessary in order to achieve the purpose of the order.
- To the extent MR provides advisory services, its advice will be to the best of its knowledge.
- All public dues (taxes, fees, tariffs, etc.) payable outside the Federal Republic of Germany as a result of or in connection with the conclusion or handling of the contract are to be paid by the Purchaser.
- The Purchaser shall inform MR and the personnel assigned to carry out the work in good time of any legal or other regulations applicable at the place where services are to be rendered.

### IV. Prices

- Unless any fixed prices are agreed upon, MR shall charge for the services rendered according to the costs incurred. The prices apply plus any value added tax at the legally established rate.
- The prices are calculated on the basis of the costs in an estimate of cost or in a quotation.
- Estimates of cost concerning the total cost of the Contract Work are not binding. Should it not be possible to carry out the Contract Work at the estimated price or should MR consider it necessary to carry out additional work in order to achieve the purpose of the commission, then the

agreement of the Purchaser must be obtained if the price quoted is exceeded by more than 15%.

### V. Non-executable Contract Work

- The work carried out in order to provide an estimate of costs and any further expense incurred (time spent locating faults at the same rate as working time) shall be invoiced to the Purchaser if the Contract Work cannot be executed for reasons which are beyond the control of MR, particularly because: a) the reported fault did not occur during the inspection, b) the Purchaser failed through his own fault to keep the appointment agreed, c) spare parts are not available, or d) the contract was terminated while the work was being carried out.
- In the event that Contract Work is unable to be executed the subject of the Contract Work need only be returned to its original condition at the express wish of the Purchaser in return for reimbursement of the costs incurred, unless the work carried out was unnecessary.
- MR's liability is expressly limited in accordance with the provisions of Section XII.

### VI. Terms of payment

- Payments are to be made on receipt of invoice without any deductions directly into the bank account of MR. The value-added tax shall be payable upon receipt of invoice, unless the advance payments are liable to tax, in which case this shall be payable pro rata on the agreed payment dates. If payment by bill of exchange has been agreed upon, such bills of exchange are accepted on account of performance. Any amendment of the invoice by MR or complaint by the Purchaser must be made in writing at the latest four weeks after receipt of the invoice.
- MR can demand that the Purchaser make a reasonable advance payment before the personnel is sent or that he set up in the Federal Republic of Germany an irrevocable, confirmed letter of credit for an appropriate sum payable in instalments and free of charges.
- A set-off or right of retention may only be asserted in the case of undisputed counterclaims or those which have been confirmed by a court of law.
- In the event that the stipulated date of payment is exceeded - without prejudice to any other legal claims - annual charges at the rate of 7% above the then prevailing European Central Bank Minimum Bid Rate for main refinancing operations plus any value-added tax shall be added, without any reminder being required.
- If the Purchaser should default on his payment obligations, if there is a substantial deterioration in his financial situation or if he ceases to make payment, then the entire balance shall become due immediately, including bills of exchange with a later date of maturity.

### VII. Period for rendering of services

- Information given with respect to the period for rendering service or the limitation of such period is non-binding.
- Should the Contract Work be delayed in cases of force majeure (including epidemics, war, civil war or circumstances

similar to war or civil war or the imminence of such events) or through measures in connection with working disputes, particularly strikes and lock-outs and situations which are not the responsibility of MR, then MR shall be granted an additional period of time of reasonable length. This also applies if such circumstances arise when MR is already in default.

- Should the Purchaser suffer damage which is demonstrably a result of the default of MR, he shall be entitled under exclusion of further claims for default to demand default compensation. This compensation is 0.5% of the price for the Contract Work for every full week of default. However, the aggregate liability in all cases of default shall not exceed an overall amount of 5% of the price.
- If the Contract Work is delayed due to reasons beyond MR's control, the resulting costs shall be borne by the Purchaser.

### VIII. Work certificates and invoicing

The working hours are to be agreed between the Purchaser and the staff and the hours worked certified weekly. MR may issue invoices monthly on the basis of the work certificates. The final invoice is to be received by the Purchaser within a reasonable period after completion of the Contract Work.

### IX. Claims for Defects

#### Defects in the Goods

- MR shall carry out the Contract Work with the trained personnel available to it. Any deficiencies in the Contract Work rendered shall be corrected by MR free of charge.
- The Purchaser must support MR in the execution of any necessary corrective work at his own expense, particularly by granting the required time and opportunity and by supplying at his own expense auxiliary labour, equipment and plant facilities and carrying out incidental work. Additional costs for work outside the regular working hours as well as extra costs due to the machines and plants which are the subject of the Contract Work being removed to a different place than the place of delivery shall be borne by the Purchaser.
- The Purchaser may assert claims against MR only if the discovery of defects is reported to MR immediately and no corrective work has been carried out without the authorisation of MR. Only in urgent cases where operational safety is endangered or in order to prevent a disproportionately high level of damage, whereby the prior authorisation of MR is to be obtained, has the Purchaser the right to correct the defect himself or have a third party do so.
- Software Defects  
Should the Contract Work cause software defects, the provisions of this section IX, subsections 1-3 apply but modified as follows:  
Only those defects are to be regarded as software defects which occur by virtue of the contractually envisaged conditions of application and which affect contractually agreed performance. The Purchaser is aware and agrees that it is impossible according to current technology, to exclude defects completely in data processing programs under all usage conditions.

No claims for defects shall be made in respect of defects which arise due to changes made to the software which were not authorised by MR or defects which arise due to intervention into the software by persons who are not authorised by MR.

Legal Defects

5. If the Contract Work results in an infringement of intellectual property rights or copyright, MR will at its own expense arrange for the Purchaser to have continued use or modify the supplied goods to such an extent that satisfies the Purchaser and so that the infringement of rights no longer exists. Should this not be possible either on commercially reasonable terms or within a reasonable time, then the Purchaser is entitled to withdraw from the contract. Under these conditions MR is also entitled to withdraw from the contract. In addition MR will indemnify the Purchaser with regard to claims of the relevant owner of the intellectual property rights which are undisputed or awarded by a court of law. These represent the full extent of MR's liability subject to section XII in the event of infringement of intellectual property or copyright. Claims may only be brought if the Purchaser immediately notifies MR of claims made against him of alleged infringements of intellectual property rights or copyright, the Purchaser supports MR in its defence against such claims to a reasonable extent and permits MR to make any modifications in accordance with this subsection 5, MR reserves to itself all defensive measures including out of court settlement, and the legal defect is not the result of an instruction by the Purchaser and the legal infringement was not caused by any unauthorised change to the supplied goods by the Purchaser or by virtue of use by the Purchaser which is not in accordance with the contract.
6. The limitation period applies in accordance with section XIV.
7. In all other respects sections X. and XII. are applicable.
- X. Right of the Purchaser to a reasonable reduction of the price / termination of the contract
  1. The Purchaser may terminate the contract, provided that the legal preconditions are fulfilled, by notice in writing,
    - a) if it has become impossible for MR to fulfil the contract. In the case of partial impossibility the right to termination shall be subject to the Purchaser proving that partial fulfilment is of no interest to him, failing which the Purchaser shall be obliged to accept partial fulfilment of the contract and may claim a reasonable reduction of the price. If the impossibility is beyond the control of MR, then MR is entitled to remuneration in proportion to the services rendered
    - b) if MR is in default of performance and the Purchaser has granted MR a reasonable additional period after this time and if MR has through its own fault not observed this additional time limit.
  2. The Purchaser may, provided that the legal preconditions are fulfilled, demand a reduction of the price, as MR agrees reasonable, on condition that he has given written notice of a reasonable additional time limit for the correction of a defect which is the responsibility of MR and which has been acknowledged by MR in accordance with Section IX and MR has not observed this time limit for reasons for which MR is responsible. The Purchaser may also demand a reduction of the price, as MR agrees reasonable, in all other cases of a

failure to eliminate the defect as well as in cases in which the right to terminate the contract is not recognized by law. Only if the Purchaser can prove that the Contract Work, despite a reasonable reduction of the price, is of no interest to him, shall he be entitled to terminate the contract.

3. In all other respects Section XII is applicable.

XI. Right of MR to terminate the contract

Without prejudice to MR's other rights and remedies and where the economic situation of the Purchaser should deteriorate substantially MR may terminate the contract in part or in whole.

XII. Liability

1. MR is obliged to correct free of charge all damage to the machines and plant which are the subject of the Contract Work and which are caused by and are the fault of the personnel employed by MR to carry out the Contract Work. This applies also in the case of damages incurred as a result of demonstrably inadequate Contract Work carried out on the plant and machines affected.
2. The Purchaser may not assert any claims or rights against MR over and above the claims granted as a result of these provisions, particularly not claims for compensation, including claims as a result of inadequate or incomplete advice given by MR, or resulting from non-contractual liability or other rights because of any disadvantages in connection with the Contract Work, regardless of the legal grounds on which he bases such claims. The exclusion of liability does not apply in the case of deliberate acts or gross negligence by managerial staff or in the case of deliberate acts by ordinary personnel commissioned by MR in performance of its obligations, neither does it apply to death or personal injury arising from MR's negligence. It does not apply either in the case of culpable violation of significant contractual obligations or in the case of faults that have been concealed fraudulently or in the context of a guarantee which has been assumed by MR in the Contract. Guarantees are only those which are expressly referred to as such in the text of the contract. Should MR be made liable pursuant to this regulation to reimburse damage caused by or gross negligence by its organs and managerial staff, due to deliberate acts by ordinary personnel commissioned by MR in performance of its obligations or due to culpable violation of significant contractual obligations, the reimbursement shall be limited to purely financial damage, e.g. resulting from production stoppage, reduced production, lost data or loss of earnings pursuant to the general principles of good faith in cases of a disproportional disparity between the price of the services to be rendered and the level of the damage. Liability for other reasons also stated in this section XII shall remain unaffected here from. The exclusion of liability does not apply if MR is liable under the Product Liability Law, or to the extent that the employers' liability insurance concluded by MR is applicable. This insurance is based upon the General Conditions of Third Party Liability Insurance.

XIII. Non-transferability of contractual rights

The Purchaser may not transfer or assign his contractual rights to any third party without the express consent of MR.

XIV. Limitation Period

The rights and claims of the purchaser arising out of this contract in respect of faults in the goods, shall lapse after 12 months commencing upon performance. In all other cases, in particular in the case of deliberate acts and fraudulent concealment of faults, the legal limitation periods shall apply.

XV. Jurisdiction and arbitration

1. The exclusive place of jurisdiction for all disputes arising out of the contract - including actions on negotiable instruments and documents - shall be Offenbach/Main. However, MR may also bring an action at the Purchaser's registered office.
2. In the event that arbitration proceedings have been agreed with a Purchaser having his registered office outside the Federal Republic of Germany, any disputes arising out of the contract or in respect of its validity or the validity of the arbitration agreement, shall be finally settled, to the exclusion of legal proceedings, under the Rules of Arbitration of the International Chamber of Commerce in Paris, by a court of arbitration, composed of three arbitrators, appointed under such Rules. The seat of arbitration shall be Offenbach/Main.

XVI. Applicable law and partial invalidity

1. The contract shall be subject to German law under exclusion of the UN Convention on the International Sale of Goods.
2. In the event that a part of this contract is invalid, the validity of the rest shall be unaffected, provided the invalidity is without prejudice to the essential features of the contract.