

General Purchasing Conditions

1. General Information

- (a) Unless otherwise agreed in writing or explicitly set down in the orders, these purchasing conditions apply to all orders from Schneider Schreibgeräte GmbH – Schramberg-Tennenbronn and Schneider GmbH & Co. Produktions- und Vertriebs KG - Wernigerode.
- (b) Contrary or divergent conditions of the supplier shall only be deemed accepted if we expressly agree to their validity in writing. Our purchasing conditions shall also apply if we unconditionally accept or pay for the goods and/or services of the supplier, even if we are aware of conditions of the supplier that are contrary or divergent from our purchasing conditions.
- (c) Our purchasing condition shall only apply to businesses pursuant to Article 310 (1) German Civil Code (BGB).

2. Tender

- (a) Tenders are to be submitted in accordance with the specifications in our inquiry. Deviations from our inquiry should be particularly mentioned. Tenders must be submitted free of charge and shall be non-binding for us.

3. Order / Order Confirmation

- (a) Orders or order changes that are supplied to the supplier using data communications shall be binding even without a signature.
- (b) An order confirmation with details of the binding delivery date must be sent to us within three days of receiving each order. If we do not receive a confirmation, we shall consider the data contained in our order to be binding for the supplier.
- (c) If we do not receive a written confirmation within 14 days of the order date, we can withdraw the order without any liability to pay costs. This shall be the case, unless the delivery has been made or the service has been rendered in an orderly manner in the interim.
- (d) The supplier may only subcontract an order placed by us with our written approval. In the event that an order is subcontracted, the supplier remains as liable to us as if he had made the order himself.

4. Delivery Date

- (a) The agreed delivery date is binding. The determining factor for adherence to a date is the receipt of the goods or the provision of the service at the delivery address named in the orders or the promptness of the successful acceptance, provided we are not responsible for any failure in prompt acceptance.
- (b) If the supplier realises that he will not be able to meet an agreed deadline for whatever reason, the supplier must notify us immediately indicating the reasons and the duration of the expected delay. This shall not affect our right to withdraw from the contract or to demand compensation for non-fulfilment.
- (c) Force majeure, labour disputes, operational disturbances beyond the supplier's control, unrest and other unavoidable events shall entitle us to withdraw from all or part of the contract insofar as these result in a not inconsiderable delay in the delivery date or a significant reduction in need on our part.
- (d) The delivery times are set down in the "Delivery conditions for the Tennenbronn and Wernigerode production plants" and are to be adhered to by the supplier. Failure to observe these provisions shall not result in a delay in acceptance on our part.
- (e) In the case of multiple deliveries that exceed the normal quantity, we reserve the right to return the excess goods at the expense of the supplier.
- (f) If a delivery is made earlier than agreed, we reserve the right to return it at the expense of the supplier if we are unable to store it or if this would cause disproportionately high costs. If prematurely delivered goods/services are not returned, the goods shall be stored by us at the expense and risk of the supplier until the originally agreed delivery date. We reserve the right not to make payments for prematurely delivered goods/services until the agreed payable date.

5. Delivery Note / Delivery Address

- (a) Each consignment must be accompanied by a single copy of a delivery note.
- (b) Deliveries must be made to the delivery address specified in the order.

6. Invoice

- (a) Two copies of each invoice must be sent to us on the shipping date.
- (b) Invoice copies must be marked accordingly.

7. Price / Payment

- (a) The agreed price is binding.
- (b) Unless otherwise agreed in writing, the prices for deliveries and services shall include free delivery to the place of receipt, including packaging, transport and insurance costs before VAT.
- (c) When prices are set ex-works, the supplier must ship the goods using the least expensive option, unless we have specified a particular shipping method.
- (d) Unless otherwise agreed in writing, payments shall be made within 14 days with a 3% discount or after 30 days with no deductions. The deadlines are calculated from the point at which the invoice is received but not before the receipt of the goods or the provision of the service.
- (e) Discounts will be deducted from the billed amount and are also permissible if we offset payments against claims or withhold payments due to defects. In the event that payment is withheld due to defects, this payment deadline begins after the complete elimination of these defects.
- (f) We shall be entitled to offset and withhold payments to the extent allowed under the law.
- (g) The assignment of claims arising from services and supplies requires our written approval. However, this approval can only be refused by us on important grounds.

8. Supplied Materials

- (a) Materials supplied by us are solely intended for use relating to our order and remain our property. The supplier must pay compensation for reduced value or loss.
- (b) By processing or remodelling the material supplied we become a direct owner of the new or remodelled item. If this is not possible on legal grounds, the contracting parties agree that we shall become joint owners of the item produced using the material in the ratio of the value of the materials provided to the value of the overall product.

9. Samples / Tools / Drawings

- (a) Samples, tools, drawings or other production means and documents supplied to the supplier for order processing purposes remain our property and may not be used for other purposes, copied or made available to a third party. After the order has been fulfilled these must be returned to us automatically.
- (b) The tools supplied to the supplier must be handled by him with care and maintained in full working order, as well as being insured against fire and theft. At the same time, the supplier herewith assigns to us all compensation entitlements arising from this insurance.
- (c) The supplier shall not be entitled to withhold objects entrusted to it, so that we can demand the return of such objects at any time.

10. Claims for Defects / Recourse

- (a) Supplied goods shall be accepted on a conditional basis. Shipments shall be checked for obvious quality and quantity variations as soon as this is feasible in the ordinary course of business. Any defects discovered shall be reported as soon as they are found. To this extent, the supplier waives the objection of a belated notification of defects.
- (b) Unless otherwise stated below, the statutory provisions in relation to material defects and defects of title shall apply.
- (c) As a rule, we shall also be entitled to choose the nature of the subsequent performance. The supplier shall be entitled to refuse the nature of the subsequent performance chosen by us on the basis of

Article 439 (3) BGB. The expenditure necessary in order to rectify defects, e.g. removal, assembly, freight, packaging, insurance, customs and material costs, shall be borne by the supplier.

- (d) If the supplier does not begin rectifying the defect immediately after our demand to do so, in urgent cases, in particular in order to prevent acute danger or to avoid major damage, we shall be entitled to carry out these measures ourselves or to have them carried out by third parties at the supplier's expense.
- (e) Claims for material defects shall lapse after 2 years unless the item was used for a structure in a manner appropriate to its normal use and has caused this structure to become defective. In the case of claims for material defects, the limitation period shall begin with the transfer of risk.
- (f) For parts of the delivery that are rectified or repaired within the limitation period of our claims for defects, the limitation period shall recommence from the point at which the supplier has fully satisfied our claims for rectification.
- (g) If we accept the return of products produced or sold by us as a result of deficiencies in the contract object supplied by the supplier, we reserve the right to recourse against the supplier; in this case there is no need to set a deadline, as would be necessary otherwise.
- (h) If a material defect becomes evident within 6 months of the transfer of risk, it will be assumed that the defect already existed at the time of the transfer of risk, unless this assumption cannot be reconciled with the type of object or defect.

11. Product Liability

- (a) If claims are made against us based on product liability, the supplier is obliged to indemnify us from these claims if the damage was caused by the contract object provided by the supplier. In cases of liability without fault, this only applies if blame attaches to the supplier.
- (b) If the cause of the damage is within the area of responsibility of the supplier, the burden of proof lies with the supplier. In such cases, the supplier must bear all costs and expenses, such as the costs for any prosecution or recall campaign. In addition, the legal provisions shall also apply.
- (c) The supplier undertakes to arrange product liability insurance with an appropriate level of coverage for personal and material damages and to present this to us on request.

12. Industrial Property Rights

- (a) The supplier offers an assurance that the delivered object is free of third party rights, unless the supplier is not responsible for the encumbrance with third party rights and could not have been aware of such encumbrance.
- (b) If we are pursued by a third party for breach of property rights, the supplier shall be obliged to release us from such claims upon our first written request. If the third party pursues a compensation claim, the supplier is at liberty to provide proof that he was not responsible for the infringement of the rights of the third party.
- (c) We are not entitled to reach any agreement with the third party - in particular to enter into a settlement without the approval of the supplier.
- (d) The supplier's indemnity obligation shall relate to all expense that we incur or in relation to the pursuit of a claim by a third party.

13. Non-disclosure

- (a) The supplier must maintain confidentiality in relation to the business and operational secrets revealed during the course of cooperation and must not share these without our written permission. Furthermore, the supplier undertakes to treat as confidential all commercial or technical details that are not public knowledge and that become known to him through his business relationship and not to allow third parties access to these or to use them for his own commercial purposes.

14. Transfer of Risk

- (a) The supplier shall bear the risk until the goods are accepted by us or our agent at the location where the goods are to be supplied in line with the order. This also applies to a possible acceptance of the goods.

15. Miscellaneous

- (a) In the event that individual clauses in these purchasing conditions become invalid, this shall not affect the validity of the remaining clauses. The contracting partners are obliged to replace the invalid clauses with a provision that reflects as closely as possible the intended economic success.
- (b) The place of performance and fulfilment shall be the place at which the supplier's delivery/service is used by us. Insofar as this location is not mentioned in our order, the place of performance and fulfilment shall be the delivery address mentioned. In all other cases, including payments, the place of performance and fulfilment is the registered office of the Schneider production facility that placed the order.
- (c) The court of jurisdiction for all legal disputes arising directly or indirectly from the contractual relationships upon which these purchasing conditions are based is the registered office of the Schneider production facility that placed the order. We shall be further entitled, at our discretion, to sue the customer at the court of his registered office/subsidiary or the court of the place of fulfilment.
- (d) The contractual relationships shall be subject solely to German law to the exclusion of any conflict of laws and the United Nations Convention on the International Sale of Goods (CISG).

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