

GENERAL BUSINESS TERMS AND CONDITIONS

of ZINK AND KRAEMER AG,
Brüsseler Straße 89-93, 50672 Köln
Liebfrauenstraße 9, 54290 Trier
Germany

- Called „agency“ in the following -

§ 1 GENERAL

1. The general business terms and conditions apply to all contracts closed between the agency and the client and to all accepted orders, unless otherwise agreed upon in writing by the parties.
2. In the case of contradictory general business terms and conditions of the client, the agency's business terms and conditions are exclusively valid.

§ 2 TERMS OF PAYMENT

1. If a monthly fee is agreed upon by the agency and the client, payment of said fee is due by the first of every month and to be paid in full.
2. All invoices are to be paid immediately and in full.
3. For larger orders, interim invoices can be generated by the agency.
4. The agency is furthermore entitled, in particular for advertising/insertion orders, to issue advance invoices.
5. In the case of default of payment, default interest at a rate of 2% above the respective bank rate of the Deutsche Bundesbank (German Central Bank) is to be paid.

§ 3 COPYRIGHT AND TRANSFER OF RIGHTS OF USE

1. The agency is creator of all works, and therefore, for all intended purposes, the exclusive owner.
2. The agency transfers the copyright and rights of use within the scope of the closed contract to the client.
3. The transfer of rights of use is restricted to the area of the Federal Republic of Germany and ends with termination of the underlying contract between the agency and the client.
4. Usage which exceeds the contract period requires special agreement by the client and agency. The same applies to copyright use in foreign countries.
5. For use which exceeds the contract, the agency is entitled to an additional, reasonable fee.
6. The transfer of the copyright and rights of use to third parties, as well as all types of duplication and reproduction, which exceed the contractual use requires explicit written approval by the agency.
7. Transfer to third parties without approval of the agency, use in foreign countries, and/or exceeding the duration of the contract results in a contractual penalty in the amount of 5 times the order value of the right of use which was illegally transferred.
8. If third parties are involved, the agency cannot guarantee that services which were rendered by outside third parties within the scope of the contract do not carry copyrights, service rights, or other rights of third parties, and accepts no responsibility for this.
9. The agency is legally entitled to be listed as creator when their works are used.
10. The agency is entitled to use its work results, or parts of them, for its own advertising purposes at no charge - this shall also apply after the end of the contract period.
11. The agency receives sample copies from the client at the completion of the order.
12. All pieces of work produced within the scope of the contract (final drafts, photographs, lithofilms, digital data, etc.) remain the property of the agency and are to be returned, after termination of the contract, to the agency upon request if they are in the possession of the client or the third party.
13. If, after contract termination, the client uses company markings, logos, and the like, which are produced by the agency, the agency is entitled to a reasonable fee.

§ 4 GUARANTEE, LIABILITY, RISK-BEARING

1. The agency is not liable for artistic, literary, or scientific quality.
2. Services provided by the agency for executing the contract are to be immediately examined by the client after being transferred. Complaints/notifications of defects must be in writing and must be received by the agency within a maximum of 8 days after the works have been transferred to the client. If the client neglects to indicate

this within this period of time, the work is regarded as approved. Subsequent complaints are not permitted. This also applies if an order consists of several individual services (conception, lithography, printing, etc.) In this case, the client is obliged to examine and verify each individual service according to the preceding regulations.

If a defect was not visible when the work was examined, it must be reported immediately after being discovered. Otherwise, the work is regarded as approved even if the hidden defect is accepted.

3. In the case of a reasonable claim, the agency is legally entitled to make subsequent improvements in lieu of nullification or deductions.
4. Furthermore, the legal statutory period of limitations of 6 months, which begins with the acceptance of work, applies.
5. The client is obliged to accept work after inspection. The acceptance of individual services can take place verbally or in writing.
6. The agency is liable only for damages resulting from gross negligence or intent. The assertion of indirect damages is not permitted.
7. The agency is not liable for an external company which was included in agreement with the client.
8. Photographs, lithofilms, layouts or other works of the agency are by to be sent by certified letter. The respective sender bears the responsibility for accidental loss during sending or return.
9. The agency is not responsible for the accidental loss or accidental degradation of materials delivered by the client to the agency. The agency accepts liability for damage, erroneous processing, or loss of materials delivered by the client to the agency only up to the amount of the material's value.
10. If the client is in arrears with acceptance of the agency's services, the risk is transferred to the client.

§ 5 DAMAGES AND ARREARS

1. If a deadline for the agency's services has been arranged, the client is not entitled to any claims that arise from missing the deadline due to arrearage which is not the agency's responsibility.
2. If the agency is in arrears with services to be rendered, the agency's client has to allow a reasonable period of 4 weeks for rendering the services. After the expiration of this period of time, the client is entitled to claim damages due to non-fulfilment of the contract or to withdraw from the contract if the service has not been rendered on time. This does not apply if the non-fulfilment of services stems from circumstances which are not under the agency's control.
3. If orders are cancelled for reasons which are not under the agency's control, the agency can charge a cancellation fee in the amount of 50% of the agreed-upon fee. Any evidence that damage has not occurred, or is considerably less, remains unaffected by this; as does evidence from the agency that higher damage resulted.
4. If an order which has begun but was not finished by the agency for reasons which are not under the agency's control, in particular if the client unfoundedly and definitively rejects the fulfilment of the contract, the agency charges the full fee. The assertion of further claims for compensation by the agency remains unaffected by this. If client involvement is required during production, particularly for handing over documents, the agency can charge reasonable compensation if the client enters into acceptance arrears through omission of this action.
5. If the time planned for executing an order is considerably exceeded for reasons which are not under the agency's control, the agency is entitled to charge an increase of the agreed-upon fee in proportion to the time exceeded.

§ 6 PLACE OF FULFILMENT / PLACE OF JURISDICTION

1. For both parties, the place of fulfilment for all obligations of the contractual relationship is the location of the agency. German law applies.
2. The place of jurisdiction for all disputes resulting from the contractual relationship is the location of the agency.