

HEIDELBERG GRAPHIC EQUIPMENT LIMITED

TRADING TERMS AND CONDITIONS RELATING TO SERVICE, SPARES AND CONSUMABLES SALES

(effective October 2018)

1. GENERAL

1.1 In these Conditions the following words have the following meanings:

Acknowledgement: the written acknowledgement given by Heidelberg to the Buyer accepting the Buyer's order for the Goods;

Buyer: the person(s), firm or company who purchases the Goods from Heidelberg;

Conditions: these terms and conditions relating to Consumables Sales;

Contract: any contract between Heidelberg and the Buyer for the sale and purchase of the Goods incorporating these Conditions;

Goods: any consumables agreed in the Contract to be supplied to the Buyer by Heidelberg;

Order Form: the written quotation and/or purchase order signed by the Buyer and submitted to Heidelberg as an offer to buy the Goods from Heidelberg;

Heidelberg: Heidelberg Graphic Equipment Limited.

1.2 In these Conditions reference to any statute or statutory provision shall, unless the context otherwise requires, be construed as a reference to that statute or statutory provision from time to time amended, consolidated, modified, extended, re-enacted or replaced.

1.3 Condition headings are for ease of reference only and shall not affect the construction or interpretation of these Conditions and words denoting the singular include the plural and vice versa.

1.4 In these Conditions a reference to a Condition is to a condition of these Conditions.

1.5 These Conditions expressly incorporate the terms and conditions of the Heidelberg End User Licence Agreement ("EULA"), a copy of which is available to download at www.uk.heidelberg.com or on request from Heidelberg.

2. ACCEPTANCE

2.1 Subject to any variation under condition 2.3 the Contract will be on these Conditions to the exclusion of all other terms and conditions (including any terms or conditions which the Buyer purports to apply under any purchase order, confirmation of order, specification or other document).

2.2 No terms or conditions endorsed upon, delivered with or contained in the Buyer's purchase order, confirmation of order, specification or other document will form part of the Contract simply as a result of such document being referred to in the Contract.

2.3 These Conditions shall apply to all Heidelberg's sales and any variation to these Conditions and any representations about the Goods shall have no effect unless expressly agreed in writing and signed by a board director of Heidelberg. Nothing in this Condition will exclude or limit Heidelberg's liability for fraudulent misrepresentation.

2.4 Each order for Goods by the Buyer from Heidelberg shall be deemed to be an offer by the Buyer to purchase the Goods subject to these conditions.

2.5 No order placed by the Buyer shall be deemed to be accepted by Heidelberg until the written Acknowledgement is issued by Heidelberg.

2.6 The Buyer must ensure that the terms of the order and any applicable specification are complete and accurate in all material respects.

2.7 Any quotation is given on the basis that no contract will come into existence until Heidelberg dispatches the Acknowledgement to the Buyer. Any quotation is valid for a period of 30 days only from its date, provided that Heidelberg has not previously withdrawn it.

3. PRICES

3.1 All estimates and quotations are net of VAT.

3.2 The quotation given on the Order Form excludes import duties, is inclusive of costs at the date of quotation of standard carriage, transit insurance, freight, import duties or charges.

4. DELIVERY

4.1 Delivery of the Goods shall be made to the Buyer's usual place of business unless otherwise agreed in writing by Heidelberg.

4.2 Delivery of the Goods may in Heidelberg's opinion be suspended, restricted or delayed for reason of insufficient data or information supplied by the Buyer, strikes, lockouts, civil commotion, government control or requisition, fire, breakdown, storm, flood, drought, frost or any other cause beyond Heidelberg's control, or if deliveries are otherwise prevented or hindered from being made within any agreed or estimated time for delivery or installation. No such suspension, restriction or delays shall render Heidelberg liable in damages or justify cancellation or refusal of the Goods by the Buyer. All Goods are offered subject to prior sale. If Heidelberg deliver the Goods in more than one consignment although the Contract does not envisage split or instalment deliveries the Buyer shall not for that reason be entitled to refuse any or all of the consignment. Heidelberg will use reasonable endeavours to deliver the Goods by the agreed or estimated date but time of delivery or installation shall not be of the essence of the Contract.

4.3 Subject to the other provisions of the Contract Heidelberg shall not be liable for any indirect or consequential loss (such terms include, without limitation, loss

of profit, loss of business, depletion of goodwill and like loss), costs, damages, charges or expenses caused (directly or indirectly by any delay in the delivery of the Goods (even if caused by Heidelberg's negligence), nor will any delay entitle the Buyer to terminate or rescind the Contract unless such delay exceeds 28 days.

4.4 If for any reason the Buyer will not accept delivery of any of the Goods when they are ready for delivery, or Heidelberg is unable to deliver the Goods on time because the Buyer has not provided appropriate instructions, documentation, licences or authorisations: (i) risk in the Goods will pass to the Buyer (including for loss or damage caused by Heidelberg's negligence); (ii) the Goods will be deemed to have been delivered; and (iii) Heidelberg may store the Goods until delivery whereupon the Buyer will be liable for all related costs and expenses (including, without limitation, storage and insurance).

5. PASSING OF PROPERTY

5.1 The ownership of the Goods shall not pass to the Buyer until Heidelberg has received in full (in cash or cleared funds) all sums due to it in respect of: (i) the Goods; and (ii) all other sums which are or will become due from the Buyer on any account (including where applicable interest on any sums not paid on the due date) and until such payments are made the Goods are held by the Buyer as bailee for Heidelberg.

5.2 If the Buyer shall sell or purport to sell the Goods so as to purport to pass a valid title to a third party the proceeds of such sale shall be held by the Buyer on trust for Heidelberg and if such proceeds are not paid to Heidelberg they shall be placed in a separate designated bank account.

5.3 The Goods shall be stored by the Buyer in a safe and proper manner and in such a way so as to distinguish them from goods not owned by Heidelberg and shall be separately identified in such manner as approved or directed by Heidelberg.

5.4 Until payment of the whole of the price of the goods has been made by the Buyer to Heidelberg (including interest where applicable) Heidelberg shall have the right to demand the immediate return of the Goods and the Buyer grants Heidelberg, its agents and employees an irrevocable licence at any time to enter any premises where the Goods are or may be stored in order to inspect them, or, where the Buyer's right to possession has terminated, to recover them.

5.5 Heidelberg expressly reserves the right to trace any Goods the price of which remains unpaid or any proceeds of the purported sale of such Goods into whomsoever's hands the same may pass.

5.6 Subject to condition 5.1 the Buyer's right to possession of the Goods shall terminate immediately if:

5.6.1 the Buyer has a bankruptcy order made against him or makes an arrangement or composition with his creditors, or otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors, or (being a body corporate) convenes a meeting of creditors (whether formal or informal), or enters into liquidation (whether voluntary or compulsory) except a solvent voluntary liquidation for the purposes only of reconstruction or amalgamation, or has a receiver and/or manager, administrator or administrative receiver appointed of its undertaking or any part thereof or a resolution is passed or a petition presented to any court for the winding up of the Buyer or for the granting of an administrative order in respect of the Buyer, or any proceedings commenced relating to the insolvency or possible insolvency of the Buyer; or

5.6.2 the Buyer suffers or allows any execution, whether legal or equitable, to be levied on his/its property or obtained against him/it, or fails to observe/perform any of his/its obligations under the Contract or any other contract between Heidelberg and the Buyer, or is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or the Buyer ceases to trade; or

5.6.3 the Buyer encumbers or in any way charges the Goods.

5.7 Each and every sub-condition of this Condition shall be deemed to be separate from the remainder of the Contract and severable accordingly.

6. RISK

6.1 Notwithstanding that the ownership in the Goods shall remain vested in Heidelberg the Goods shall be at the risk of the Buyer immediately from the time of delivery to the Buyer or its agent or other person to whom Heidelberg has been authorised by the Buyer to deliver the Goods.

6.2 The Buyer shall immediately from the time of delivery insure the Goods and keep them insured to the full price against all risks and shall whenever requested by Heidelberg produce a copy of the policy of insurance.

6.3 Until such time as payment for the Goods has been made in full any monies received by the Buyer as a result of any insurance claim of whatever nature with regards to the Goods shall be held on trust for Heidelberg as if the same had been a payment received from a third party under condition 5.2 above and shall upon receipt thereof by the Buyer be forthwith remitted to Heidelberg.

7. LIMITATION OF LIABILITY

7.1 Although Heidelberg can if so requested provide guidance on the Buyer's choice of Goods, the Buyer must ultimately rely on its own experience and knowledge of its business, hence Heidelberg shall have no liability regarding the

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fitness for purpose or satisfactory quality of the Goods (whether express or implied) by statute or otherwise, Heidelberg cannot guarantee the suitability of the Goods for a particular application and it is the responsibility of the Buyer to carry out any tests which the Buyer considers appropriate. Due to the many variable factors in the printing process which are outside the control of Heidelberg, Heidelberg cannot guarantee or warrant that the results indicated in product information sheets or other sales literature will be reproduced either wholly or in part during print production.

7.2 Heidelberg will be under no liability whatsoever for any loss or damage injury or expense caused by the Buyer's misuse of the Goods which arises by way of the Buyer's incompetence or negligence or any other cause which is the fault of the Buyer.

7.3 All warranties, conditions and other terms implied by statute or common law (save for the conditions implied by section 2 of the Sale of Goods Act 1979) are, to the fullest extent permitted by law, excluded from the Contract.

7.4 It shall be a condition precedent to the making of any claim against Heidelberg whether by action arbitration or otherwise, that written notice of such claim shall have been given to Heidelberg by the Buyer within 21 working days of the delivery of the Goods or in a case where a claim is sought to be made in respect of Goods which have not been delivered within 10 working days of the date when it is alleged that they should have been delivered; if the Buyer shall fail to give notice of any claim arising out of or in connection with this Contract within the period referred to above then all claims shall be deemed to be waived and absolutely barred.

7.5 Subject to Conditions 7.1, 7.2, 7.3 and 7.4 Heidelberg's total liability in contract, tort (including negligence or breach of statutory duty), misrepresentation, restitution or otherwise, howsoever arising in connection with the performance or contemplated performance of this Contract shall be limited to the price of the Goods.

8. CONSEQUENTIAL LOSS THE BUYER'S ATTENTION IS DRAWN PARTICULARLY TO THIS CONDITION

In any event notwithstanding anything contained in this Contract in no circumstances will Heidelberg be liable for any indirect or consequential loss or damage in contract, tort (including negligence or breach of statutory duty) or otherwise whatsoever or howsoever caused:

8.1 for any increased costs or expenses;

8.2 for any loss of profit, revenues or anticipated savings, loss of business, depletion of goodwill or otherwise; or

8.3 for any consequential damage of any nature whatsoever said to have occurred consequent upon the supply or the circumstances of the supply of the Goods or services here contracted to be supplied by Heidelberg or any sub contractor to the Buyer.

9. PAYMENT

9.1 If any payment is in arrears for or on account of or in respect of any Goods, spare parts, consumables or services or any instalment of Goods or part of an order delivered under this or any other contract between Heidelberg and the Buyer, Heidelberg shall have the absolute right without giving any notice to the Buyer to suspend further deliveries and services under this or any other contract.

9.2 If any payment or any part thereof pursuant to Condition 10.2 above shall remain in arrears for seven days after written demand sent by Heidelberg to the Buyer, Heidelberg shall have the right to cancel this and any other such contract without prejudice to all Heidelberg's rights and remedies to recover any monies then due and owing to Heidelberg from the Buyer which shall be due and payable forthwith without further time lapse or demand.

9.3 Heidelberg shall be entitled to interest upon all payments for the time being outstanding at an annual rate equal to 5% above the Bank of England base rate from time to time from the date that payment should have been made until the date of payment in full and whether before or after any judgement plus warehousing and all other costs. Heidelberg reserves the right to claim interest under the Late Payment of Commercial Debts Regulations 2002. The Buyer shall also reimburse Heidelberg all costs and expenses (including legal costs) incurred in the collection of overdue amounts.

9.4 Payments shall be considered in arrears if not made within the terms stated in the Acknowledgement.

9.5 Time for payment shall be of the essence.

9.6 No payment shall be deemed to have been received until Heidelberg has received cleared funds.

9.7 The Buyer shall inspect the Goods upon delivery and shall within 48 hours of delivery notify Heidelberg in writing of any alleged defect, damage or failure to comply with description or sample. The Buyer shall afford Heidelberg an opportunity to inspect the Goods before any use is made of them. If the Buyer fails to comply with these provisions the Goods shall be conclusively presumed to be in accordance with the Contract and free from any defect or damage which could be apparent upon a reasonable examination of the Goods and the Buyer shall be deemed to have accepted the Goods in such condition.

9.8 The Buyer shall make all payments due under the Contract without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise unless the Buyer has a valid court order requiring an amount equal to such deduction to be paid by Heidelberg to the Buyer.

10. STATEMENTS AND REPRESENTATIONS

Statements or representations of whatever kind and however made including but not confined to those as to weights, measurements, performance, descriptions, details of designs, prices and charges and whether contained in drawings, floor plans, catalogues, advertisements, brochures, photographs, descriptive materials, verbal representation or otherwise are approximate only and shall not be binding upon Heidelberg or in any way form part of this Contract unless expressly stated to do so by Heidelberg in writing.

11. CONFIDENTIALITY

The Buyer (including its employees, consultants and agents) agrees that all commercial, financial or technical information relating to the Contract and which is disclosed in any manner or at any time by Heidelberg will be deemed to be secret or confidential and all or any such information may not be disclosed to any third party without the written consent of Heidelberg.

12. SUB-CONTRACT

Heidelberg reserves the right to sub-contract or assign all or any part of its obligation to the Buyer under the terms of the Contract to a competent third party, including but not limited to its obligation to deliver the Goods. The Buyer shall not be entitled to assign the Contract or any part of it without the prior written consent of Heidelberg.

13. SEVERABILITY

If any of the provisions of the Contract is found by an Arbitrator or Court or other competent authority to be void or unenforceable, such provision shall be deemed to be deleted from the Contract and the remaining provisions of the Contract shall continue in full force and effect.

14. THIRD PARTY RIGHTS

A person who is not a party to this Contract has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Contract.

15. INTELLECTUAL PROPERTY

15.1 Save for the licence agreement between Heidelberg and the Buyer necessary for the operation of the Goods no right, title, interest or licence is granted under the Contract to the Buyer in any invention, patent, registered design, design right (whether registered or otherwise), copyright, moral right, database right, typographical right, know-how and trade marks (whether registered or not) and the goodwill therein and applications for any of the same and all rights of a similar nature throughout the world except the right to use or resell the Goods.

15.2 Nothing in the Contract entitles the Buyer to use the name of Heidelberg for any reason whatsoever when manufacturing or selling their own goods or finished products to any third parties without Heidelberg's prior written consent.

15. POISONOUS AND HAZARDOUS SUBSTANCES

Where Heidelberg sell goods which contain poisonous or hazardous substances Heidelberg will provide a health and safety data sheet in respect of all such products but it is the Buyer's responsibility to carefully read the health and safety data sheet and act upon all and any measures that may be either recommended or obligatory. Any Goods which are sold and which are within the scope of any relevant legislation (including but not limited to all statutory instruments) for the time being relating to poisonous and hazardous substances are sold subject to any restrictions limitations or liabilities which are or may be imposed by any such legislation.

16. LEGAL CONSTRUCTION

The Contract shall be construed according to the laws of England and the Buyer hereby agrees to submit to the sole and exclusive jurisdiction of the Courts of England. Should these Conditions be translated into any language other than English, this English version of the Conditions shall prevail over any translation.

18. NOTICES

All notices and other communications required or permitted to be given under this Contract shall be in writing and be delivered or transmitted to the intended recipient's address as specified in the Acknowledgement or such other address as any party may notify to the other for this purpose from time to time.