Ordering Conditions

For Machinery, Systems, and Equipment

Last updated: December 2023

Section 1 Scope

(1) These Ordering Conditions apply for all contracts that are concluded between Heidelberger Druckmaschinen AG, one of its subsidiaries, or one of its sales partners (hereinafter jointly referred to as "Heidelberg") and the Supplier, and whose subject matter is an invitation to tender, offer, issuance, execution, handover, or invoicing for delivery and performance, including assembly of machinery, systems, and equipment for Heidelberg. These Ordering Conditions take precedence over the General Terms of Sale of Heidelberg within their scope.

(2) If these Ordering Conditions have been made an integral component of a contract, then they shall additionally apply for contracts concluded later. This also applies even if they are not expressly agreed to in connection with the conclusion of said later contracts. The relevant applicable version of these Ordering Conditions as at the time of contractual conclusion shall be decisive.

(3) Diverging general terms and conditions of business of the Supplier are not accepted, even if they are not expressly refused.

Section 2 Orders and Contracts

(1) Before submitting an offer, the Supplier must thoroughly familiarize itself with the task assigned by Heidelberg, including all boundary conditions and interfaces with other tasks as well as Heidelberg's execution standard, and request all particularly necessary information from Heidelberg in writing.

(2) Orders or assignments of a mission by Heidelberg are only binding if they are issued by Heidelberg at least in text form.

(3) Heidelberg is entitled to change the time and location of the delivery, as well as the type of packaging, at any time by written notification with a period of notice of at least 14 calendar days before the agreed delivery date. The same applies for changes to product specifications, insofar as these can be implemented within the scope of the Supplier's normal production process without substantial additional expense; in such cases, the notice period pursuant to the sentence above shall amount to at least one month. Heidelberg shall reimburse the Supplier for any relevant substantiated and appropriate costs incurred due to the change. If changes of this type result in delivery delays that cannot be avoided by means of reasonable efforts within the Supplier's normal production and business operations, then the originally agreed delivery date shall be postponed accordingly. The Supplier shall inform Heidelberg in writing of the additional costs or delivery delays to be expected in accordance with a careful estimation; this must, however, be done within five working days after receipt of the notification pursuant to sentence 1. (4) Heidelberg is entitled to terminate the contract at any time by written declaration stating the grounds if the products ordered can no longer be used in the business operations of Heidelberg due to circumstances occurring after the conclusion of the contract. In such an event, Heidelberg shall compensate the Supplier for the partial performance carried out.

Section 3 Order Scope

(1) The delivery and performance of the Supplier ("subject matter of the agreement") are agreed on through the order. Also to be compensated are all those services that are not presented in the contractual components, yet are necessary in order to implement the contractual purpose specified by the subject matter of the agreement, and that were apparent to the Supplier upon contractual conclusion based on the technical knowledge to be expected from the Supplier. Since Heidelberg is ordering a complete, production-ready solution (complete system) for the assigned task, these deliveries and performances also encompass the following in particular, without requiring an explicit mention:

a) the timely delivery of the documents necessary for the operation of the delivered system in the German language, covering all components of the complete system, such as mechanical systems, electrical systems, electronics, and hydraulics, in a sufficient quantity, which must enable Heidelberg to carry out the planning, coordination, and implementation of the foundational work, installation, assembly, and commissioning, the production operation, and the maintenance of the subjects of the delivery objects, including the in-house manufacture of suitable replacement and wear parts, with sufficient precision; these documents shall become the property of Heidelberg; these must be brought up to date by the Supplier free of charge before the handover;

b) Software licenses and hardware that are required for the production-oriented operation of the complete system;

(2) If technical details are still unclear in the order, these shall be specified by mutual agreement in the course of the fulfillment of the contract such that the assigned task can be resolved.

Section 4 Delivery

(1) The Supplier is only permitted to dispatch the delivery objects as express goods or air freight according to special agreement.

(2) The time of delivery (delivery date or period) specified in the order, or decisively agreed by other means, is binding. Early deliveries or partial deliveries are only permissible with the consent of Heidelberg. The Supplier is obligated to immediately inform Heidelberg in writing if circumstances occur or become apparent which make it impossible to comply with the time of delivery.

(3) If the delivery object is not delivered to the agreed shipping address on schedule, Heidelberg is entitled, after a reasonable grace period set for the Supplier has expired without the desired result being achieved, to withdraw from the contract and to demand damages for non-performance or compensation of the expenses it has wasted. Heidelberg can withdraw from the agreement immediately without setting a grace period and demand damages for non-performance or compensation of the expenses it has wasted if extraordinary circumstances occur which justify immediate withdrawal in consideration of



(4) If the date by which the delivery must take place at the latest can be determined based on the contract, then the Supplier shall be in default after the end of that day without the need for a warning from Heidelberg. In the event of delivery default, Heidelberg shall be entitled to the statutory claims without restriction, including the right of withdrawal and the right to damages instead of performance, after a reasonable grace period has expired without the desired result.

(5) In the event of delivery delays, Heidelberg is entitled to demand a contractual penalty of 0.5% to a maximum of 5% of the relevant contract value for each commenced week of delivery default following prior written warning to the Supplier. The contractual penalty must be charged to the default damages to be refunded by the Supplier.

(6) If Heidelberg is wholly, partially, or temporarily prevented from accepting the performance of the Supplier by force majeure, Heidelberg is not responsible for this. Heidelberg is released from any obligation or duty of acceptance for the duration of the delay and is not liable for resulting damage. If the delay lasts more than 90 calendar days, Heidelberg can terminate the contract without the need for a notice period by giving written notice. This will not give rise to any claims of the Supplier. Force majeure for the purposes of this section includes all incidents that, due to their occurrence and impact, prevent Heidelberg from performance by reasonable measures, in particular events that are beyond its control. This includes but is not limited to war, warlike situations, epidemics and natural disasters.

(7) Retentions of title of the Supplier shall only apply insofar as they pertain to the payment obligation for the respective products to which the Supplier reserves the title. In particular, expanded or extended retentions of title are not permissible.

(8) The Supplier must take out transport insurance equivalent to the value of the delivery object that also includes transport within the facilities of Heidelberg up to the place of use.

Section 5 Price and Payment

(1) Prices apply as fixed prices including all incidental costs. They are given excluding valueadded tax, which shall be specified separately.

(2) If sliding-scale prices are agreed, then even in the event that the agreed delivery date is exceeded by the Supplier, only the price that would have been calculated in the case of compliance with the delivery deadline shall be paid.

(3) The INCOTERMS in the version applicable at the time of contractual conclusion shall apply for the interpretation of commercial clauses. If no special agreement is made, the prices are understood to be delivered duty paid (DDP) including packaging.

(4) Deliveries and performances shall only be remunerated if Heidelberg has ordered them at least in text form. This also applies to subsequent changes to the scope of the order. For this, the price level and results of negotiations are taken into consideration.

(5) Payment periods run in accordance with the conditions specified in the order. If payments are made in advance, the invoice amount shall apply minus a 2% discount. The periods described above shall begin when the risk has been transferred to Heidelberg and Heidelberg has received the invoice. The decisive date for the observance of the payment period shall be the date on which Heidelberg issues the transfer order.

(6) The Heidelberg order number must be specified in all invoices. The order and invoice currencies must be the same. Invoices that do not correspond with these provisions will not be accepted by Heidelberg and will not trigger any maturity.

(7) The Supplier must collect the packaging or parts thereof from the location of the shipping address free of charge at Heidelberg's request.

Section 6 Installations

(1) The Supplier must familiarize itself at the beginning of the fulfillment of the contract for Heidelberg with how its deliveries should be introduced into new or existing facilities and buildings without hindering Heidelberg's operational procedure. Furthermore, the Supplier must acquaint itself with the premises and establish contact with the responsible Heidelberg contact persons before installations. Additionally, the supplier must appoint an installation manager.

(2) Heidelberg reserves the right to demand the deployment of different personnel of the Supplier for important technical, disciplinary, or scheduling reasons. The Supplier must store materials, tools, and auxiliary devices such that other suppliers will not be impeded. In the event of impediment, Heidelberg can relocate the relevant items to a different storage location at the cost of the Supplier if the Supplier does not immediately remove the impediment in spite of a request and a reasonable deadline. The same applies to the removal of construction rubble, waste, and packing materials.

(3) The Supplier shall ensure that the deployed personnel are qualified for the activities to be performed in accordance with the German Ordinance on Industry Safety and Health (BetrSichV) and that up-to-date safety training can be substantiated. The Supplier must be able to present the corresponding safety data sheets for all operational and auxiliary materials.

Section 7 Transfer of Risk

The Supplier shall bear the risk until the full completion and handover of the subject matter of the agreement. If deliveries and performances of the Supplier are already being used for the purpose of the handover of the deliveries and performances of another Supplier involved in the complete system, then the risk shall only be transferred to Heidelberg after the completion of the complete system.



Section 8 Handover and Acceptance

(1) The Supplier must inform Heidelberg in writing and, at Heidelberg's request, furnish evidence demonstrating that its delivery and performance have been fully completed and are ready for delivery from the Supplier. Heidelberg reserves the right to review the completeness of the delivery and performance as well as the contractually regulated fulfillment of requirements for precision / handover conditions at the premises of the Supplier before delivery.

(2) The handover and acceptance shall take place at the place of use specified by Heidelberg.

(3) If it becomes apparent during the handover that the deliveries and performances have not been executed in accordance with the contract, the Supplier must immediately achieve the contractually stipulated state and request a repetition of the handover within a reasonable period. All costs incurred for this repetition shall be at the expense of the Supplier.

(4) The acceptance will be declared by Heidelberg in writing after the Supplier has executed the order completely and without defects. If the parties have made special arrangements with regard to the acceptance of the delivery object, then the acceptance must be carried out accordingly.

(5) If defects that will not affect the performance or function of the delivery object or the health and safety of employees are identified, then the acceptance can take place subject to the immediate removal of these defects. A reasonable amount will then be withheld from the final payment until the removal.

Section 9 Samples, Drawings, Models, and Operating Instructions

(1) Delivery objects manufactured according to Heidelberg's specifications, and according to Heidelberg's drawings in particular, may only be delivered to Heidelberg. This also applies, but not exclusively, when

a) the Suppler has procured tools, models, and other items at its own cost;

b) delivery objects are not accepted due to defects;

c) no further orders or contracts are issued.

(2) Heidelberg reserves all title and intellectual property rights to all informational materials, particularly samples and drawings, handed over to the Supplier. These documents may not be made accessible to third parties, insofar as they do not concern information that was publicly known or legally shared with the Supplier by third parties before the handover, or which becomes known afterwards. These informational materials must be immediately returned to Heidelberg as soon as they are no longer necessary for the fulfillment of the Supplier's obligations to Heidelberg. There is no right of retention.

(3) Tools, devices, and models that Heidelberg provides to the Supplier or are manufactured for contractual purposes and separately billed to Heidelberg by the Supplier shall remain the property of Heidelberg or be transferred to the property of Heidelberg. These must be marked by the Supplier as the property of Heidelberg, stored carefully, protected from damage of any type, and must only be used for the purposes of the contract. The Supplier shall immediately notify Heidelberg of all non-insignificant damage to these objects. The Supplier is obligated to hand over the objects to Heidelberg in proper condition at Heidelberg's request when they are no longer needed by the Supplier for the fulfillment of the contracts concluded with Heidelberg.

(4) The Supplier is obligated to observe all applicable German and European provisions with regard to the transfer and/or availability and/or attachment of technical or other documents, information, operational or other instructions, declarations, and markings. It will provide Heidelberg with operating instructions for the delivery object in the German language and in other languages on request in written and electronic form unless otherwise agreed. Heidelberg has the right to use the operating instructions provided by the Supplier wholly or partially in any form. This applies in particular for the integration of the operating instructions of the Supplier under German or European provisions beyond the provisions of this section remain unaffected.

Section 10 Intellectual Property Rights of Third Parties

The Supplier is liable to Heidelberg for claims that arise from a violation of intellectual property rights and/or of applications for intellectual property rights during the use of the delivery object delivered by the Supplier. The Supplier indemnifies Heidelberg against all claims arising from such violations and undertakes to assume all costs incurred in this context, including the costs of licensing fees that may have to be paid as well as appropriate legal costs. In addition, the Supplier shall support Heidelberg in any judicial or extra-judicial confrontations with the holder of the intellectual property rights.

Section 11 Claims for Defects

(1) Within the period specified in Section 2, the Supplier shall guarantee that the delivery object does not exhibit any defects of quality or title. A defect of this kind shall also be deemed to exist if the delivery object does not correspond to the contractually agreed or typical purpose of use, the recognized rules or technology, or the applicable statutory and official provisions, especially licensing regulations, occupational health and safety provisions, and accident prevention regulations, at the time of the transfer of risk. If CE, DIN, ISO, VDE, VDI, DVGW standards or equivalent standards are applicable to the delivery object, then it must be in compliance with these at the time of the transfer of risk. The provisions of this section also apply if construction or installation work must be performed by the Supplier in connection with the delivered goods. The acceptance or approval of the submitted samples or prototypes does not constitute a waiver of guarantee claims.

(2) All of Heidelberg's claims for defects shall lapse after three years from the transfer of risk unless otherwise agreed. Delivery objects that have been used for building structure

in accordance with their typical manner of use and have caused this to be defective are subject to a period of limitation of five years.

(3) Upon receipt of the written notification of defects by the Supplier, the period of limitation for guarantee claims is suspended until the Supplier rejects the claims in writing, declares that the defect has been resolved in writing, or otherwise refuses to continue negotiations on the claims of Heidelberg in writing.

(4) At its discretion, Heidelberg can either request that the defect be repaired or that a defect-free replacement product be delivered. If the Supplier delivers a replacement, the period specified in Section 2 shall recommence for the replaced parts. This does not apply if the supplementary performance was not carried out in order to resolve a defect and is not considered the Supplier's acknowledgment of being obligated to this from the perspective of Heidelberg. In particular, no acknowledgment shall exist if the fact that the Supplier did not intend to grant acknowledgment arises from the scope, duration, and costs of the supplementary performance. In all other respects, the statutory claims for defects apply.

(5) If no other contractual agreements have been made, the following shall apply: the period for complaints of defects that can be identified following an inspection that goes beyond a mere receiving inspection shall amount to two weeks beginning from the handover. In the event of concealed defects, this period shall begin upon discovery of the defect.

(6) Heidelberg is entitled to resolve defects itself, have defects resolved by third parties, or otherwise procure replacement at the cost of the Supplier if the Supplier refuses the fulfillment of its obligations due to Heidelberg's claims for defects or does not fulfill these obligations within a reasonable period.

(7) The Supplier shall indemnify Heidelberg of any costs that Heidelberg incurs as a result of the fact that claims are asserted against Heidelberg for damages, the cause of which is to be attributed to the scope of responsibility of the Supplier. This shall also apply if a claim is asserted against Heidelberg based on the Produkthaftungsgesetz (German Product Liability Act).

Section 12 Guarantees

Guarantees must be issued by a credit institution or insurer licensed in the Federal Republic of Germany in accordance with Heidelberg's template. Heidelberg can reject guarantors from the group proposed by the Supplier for legitimate reasons. If the guarantees are not issued in due time, Heidelberg is entitled to withhold payments of an equivalent amount as collateral in their place. In the event of the issuance of supplementary orders, guarantees must be adjusted to the amended order amount.

Section 13 Liability / Insurance / Minimum Wage

(1) The Supplier is liable under the statutory provisions. The Supplier is liable for all damage to Heidelberg for which the Supplier, its personnel, and other third parties employed by it within the scope of the project are to blame. Furthermore, the Supplier shall indemnify Heidelberg of any costs that Heidelberg incurs as a result of the fact that claims are asserted against Heidelberg for damages caused by its delivery objects or performed services, the cause of which is to be attributed to the scope of responsibility of the Supplier. This includes the costs of any precautionary recall campaigns (machinery clause) and also applies in the event of claims asserted based on the Produkthaftungsgesetz (German Product Liability Act) or Umwelthaftungsgestz (German Environmental Liability

(2) The Supplier must take out expanded operational and product liability insurance (if required for the relevant delivery with machinery clause) including coverage of the full coverage according to the so-called product liability model, i.e. particularly also for the costs of disassembly and installation, with a coverage amount of at least EUR 5 million.

(3) The Supplier must present a confirmation of insurance to Heidelberg on request, from which the conclusion of the above-mentioned insurance results. The Supplier undertakes to immediately inform Heidelberg of every contract termination or change in coverage, regardless of grounds, but particularly the expiration of the contract without the conclusion of a succeeding contract.

(4) The Supplier shall ensure that it complies with the provisions of the law regulating a general minimum wage (MiLoG) in the fulfillment of the contract, and in particular that it pays the minimum wage in due time. In addition, it shall ensure that in the case of the engagement of subcontractors, it will not employ any subcontractors that do not pay the minimum wage or do not pay the minimum wage in due time, and will not permit a subcontractor to perform work if they do not do so. The Supplier fully indemnifies Heidelberg against liability under Section 13 MiLoG in conjunction with Section 14 of the Arbeitnehmer-Entsendegesetz (German Employee Secondment Act). If subcontractors are engaged, the Supplier undertakes to ensure that the subcontractors also fully indemnify Heidelberg.

Section 14 Confidentiality

(1) The contractual parties undertake not to disclose confidential information of the other contractual party.

(2) Confidential information is information that is either expressly identified as such or for which the fact that it constitutes confidential information can be determined from the circumstances.

(3) Heidelberg may share confidential information with third parties insofar as this is necessary in connection with the execution of the contract. In such an event, Heidelberg shall obligate the third parties to confidentiality in accordance with their own obligations.
(4) Neither Heidelberg nor the Supplier will make the shared information marked as confidential the subject of applications for intellectual property rights, nor will they reply to the applications for intellectual property eights.

(5) The non-disclosure obligation does not apply to confidential information that is generally known, that was already demonstrably known to the receiving party before being passed on, that was demonstrably independently prepared or legally obtained by one contractual party, that became otherwise generally known to one of the parties without infringement of the non-disclosure obligation, or that one of the parties is obliged to disclose on the basis of a regulatory or court order or for any other legal reason. In any case, the non-disclosure obligation shall expire three years after the full execution of the contract.

Section 15 Assignment, Offsetting, Right of Retention

 (1) Claims of the Supplier arising from the contract may not be assigned in full or in part without the written consent of Heidelberg. This does not apply to pecuniary claims.
 (2) Offsetting or exercise of the right of retention by the Supplier is permitted only with undisputed, acknowledged, or legally enforceable claims.

Section 16 Compliance

(1) The Supplier undertakes to comply with the standards set forth in the Code of Conduct for Business Partners of Heidelberg ("Code of Conduct"), available at www.heidelberg.com/Compliance, in the respective valid version.

(2) The Supplier undertakes to adopt all necessary and appropriate measures to prevent corruption, ensure fair competition and prevent related criminal offenses.

(3) The Supplier undertakes to communicate the Code of Conduct to its employees, subcontractors and third parties deployed in connection with the fulfillment of its contractual obligations and to use its best efforts to oblige them accordingly and to regularly monitor compliance with the obligations.

Section 17 Data Protection

(1) If Heidelberg provides the supplier with personal data of its employees (hereinafter "personal data") as part of the implementation of the contract or if the supplier gains knowledge of this personal data in any other way, the following provisions apply:

(2) Personal data that is disclosed in the above-mentioned manner and is not processed on behalf of Heidelberg may only be processed by the supplier for the purpose of executing the contract and may not - unless legally permissible - be processed in any other way, in particular disclosed to third parties and/or analyzed for its own purposes and/or used to create profiles.

(3) The supplier may further process the personal data, in particular pass it on to its group companies for the implementation of the relevant contract, to the extent this is permitted by law.

(4) The supplier ensures that the personal data is only made accessible to those employees of the supplier who are used to implement the contract in question and only to the extent necessary for the implementation of this contract (need-to-know principle). The supplier will design its internal organization in such a way that it meets the requirements of applicable data protection law, in particular taking technical and organizational measures to adequately protect personal data against misuse and loss.

(5) The supplier does not acquire any rights to the personal data and is obliged to correct, delete and/or restrict the processing of the personal data at any time under the legal requirements. Rights of retention with regard to personal data are excluded.

(6) In addition to its legal obligations, the supplier will inform Heidelberg immediately, at the latest within 24 hours, of any violation of the protection of personal data, particularly in the event of loss. Upon termination of the relevant contract, the Supplier will delete the Personal Data, including all copies made, in accordance with legal requirements.

Section 18 Quality

The supplier will carry out and maintain effective quality assurance and provide evidence to Heidelberg upon request. For this purpose, the supplier will use a quality assurance system with the elements of ISO 9000 ff. or an equivalent type. Heidelberg is entitled to inspect the supplier's quality assurance system itself or through third parties commissioned by Heidelberg upon notification.

Section 19 IT security

(1) If and to the extent that access to the Heidelberg premises and/or access to Heidelberg IT systems is necessary for the provision of the service, the supplier must comply with the applicable regulations of Heidelberg.

(2) The supplier must inform Heidelberg immediately in writing if it becomes aware of or has reasonable suspicion of information security violations (including violations of the protection of personal data) and other manipulations of the processing process that affect Heidelberg data and services - in coordination with Heidelberg – to take all necessary steps to clarify the matter and to limit the damage.

(3) The supplier must take appropriate technical and organizational measures to protect the services, in particular the Heidelberg data processed with them. Heidelberg may require suitable, regular written evidence (in particular through suitable certificates such as ISO 27001) of the implementation and compliance with these measures. If there are any doubts, the Heidelberg supplier will also arrange for an on-site inspection and provide the necessary information.

(4) If the supplier uses third parties in accordance with the contract to provide the service, he undertakes to oblige the third party(s) in accordance with the provisions of this Section 19.

Section 20 Cartel damages

If the supplier has verifiably made an agreement as a result of the contract negotiations or in connection with the contractual relationship that constitutes an inadmissible restriction of competition or otherwise violates antitrust regulations, the supplier must pay an amount equal to fifteen percent (15%) of the net The order sum (excluding sales tax) of the services provided to Heidelberg and included in the agreement must be paid as flatrate damages. Proof of an inadmissible agreement can also be provided by a final decision (e.g. a fine) from the responsible antitrust authority or a court. If such a decision is made, the supplier must provide Heidelberg with all information necessary to examine the existence of a claim; In particular, the supplier must inform Heidelberg which services were covered by the agreement in terms of time and material. If the supplier proves that Heidelberg's actual expenses and costs are significantly lower, the amount of the flat-rate compensation will be reduced accordingly. Further claims by Heidelberg remain unaffected.

Section 21 Place of Performance, Venue, and Applicable Law

(1) For deliveries and performances, the place of performance is the place at which the delivery takes place or the service is to be performed. For all other obligations arising from the contract, the place of performance is the shipping location.

(2) In the case of contracts with businesspeople and also with legal entities under public law or special funds under public law, Heidelberg is agreed as the exclusive venue.

(3) If the above terms and conditions do not contain a conclusive regulation, German law shall apply; the United Nations Convention on Contracts for the International Sale of Goods and the conflicts of laws provisions shall not apply.

Section 22 Additions, Partial Unenforceability

(1) Amendments/additions to contracts concluded within the scope of these terms and conditions of business, as well as the annulment thereof, must be made in written form. This written form requirement can be waived only in writing. The use of a simple electronic signature by a certified signature provider (such as DocuSign, Adobe Sign, etc.) meets the agreed written form requirement. There are no verbal subsidiary agreements or assurances. All agreements that have been made between Heidelberg and the Supplier for the purpose of the execution of this agreement are recorded in writing in the present agreement. No verbal side agreements have been made.

(2) If any provision of a contract is or becomes invalid in whole or in part, this will not affect the validity of the remaining provisions.

We declare

that we have acknowledged the present Ordering Conditions for Machinery, Systems and Equipment of Heidelberger Druckmaschinen

Aktiengesellschaft and agree that they will apply; this also applies for future orders; that we are authorized and technically qualified for the execution

of the offered deliveries and performances including installation;

that before the submission of the offer, we have thoroughly familiarized ourselves with – the task assigned by Heidelberg including all boundary conditions and interfaces with other tasks,

- the execution standards of Heidelberg,

- the type and scope of the deliveries and performances including installation, and

the local conditions, particularly the installation conditions,

accessibility conditions, and storage options;

that we will clarify the interfaces between our deliveries and performances

and adjacent deliveries and performances and notify Heidelberg of possible difficulties immediately;

that we undertake to deliver and perform the deliveries and performances in observance of the currently applicable accident prevention regulations of the relevant industrial trade associations.

_, the ____



Supplier

Address

HEIDELBERG