



BUSINESS PRACTICES AND GENERAL CONDITIONS SPECIFIC TO PRINTERS

Drawn up by FEBELGRA, the Belgian Federation of Graphic Enterprises asbl,
a member of the Federation of Belgian Enterprises.

GENERAL PROVISIONS

The present general conditions and business practices shall apply to all of our quotes, tasks, agreements and supplies. Each offer and each acceptance of an order shall previously be submitted to the approval of the supplier's credit insurance company.

Article 1 - Definitions

The Client is the party who places the order and the supplier is the party who agrees to execute the order.

Article 2 - Proposals

The supplier's proposals are without obligation and subject to evaluation of the documents to be reproduced and/or composed. The supplier reserves the right to refuse an order. The supplier shall only be validly committed after written confirmation of the order or after commitment of the production expenses

Article 3 - Orders

The fact of handing over production elements (raw materials, models, copies and/or digital files, etc.) to a supplier with a request, without an explicit reservation, to supply a proof or a draft constitutes a commitment to the supplier to entrust the work to it or to compensate it for the expenses incurred.

Article 4 - Quotations

Article 4.1 The quoted price applies to the work specified in the quotation only. Any modifications to the original specifications made by the client will be charged for. In the absence of specification by the client, the font, including layout, shall be freely chosen by the supplier. Quotations are always issued excluding taxes, which are invariably borne by the client. Clients who enjoy a reduced VAT rate or a VAT exemption are obliged to produce proof thereof on commencement of the work. Quotations for work to be carried out within three months are valid for one month. In the case of compound quotations, the supplier is not obliged to deliver part of the work at the corresponding price quoted for the work as a whole.

Article 4.2 In cases where the prices of raw materials (including sources of energy), semi-finished goods and related services, needed to carry out the work, were to deviate by more than 2 % between the time of the supplier's sales proposal and the moment at which the work is delivered, the supplier is entitled to adjust the price agreed upon a ratio of the price corrections imposed on the latter. In casu, the client shall receive a specific description of the reason that gave rise thereto on request.

Article 5 - Indexation

When the salaries and/or prices of raw materials increase, the prices of quotations are reviewed in accordance with the Febelgra indexation formula, which will be sent to the client on first request.

Article 6 - Debtor

Each person or company which places an order and asks for it to be billed to a third party becomes jointly and severally liable for its payment.

Article 7 - Copyright - Patrimonial rights

When a supplier, under whatsoever circumstances, performs a job involving creative activity in the sense of the legislation on intellectual rights, the rights arising from this creation and notably the right of reproduction remain acquired by the supplier and are only transferred to the client subject to a written contract to this effect. On the basis of the abovementioned provisions, the supplier who is the creator of a computerized system of data, images, a graphic tool, matrix, etc. benefits in the copyright area from the protection arising from the regulations on intellectual rights.

The written contract on the transfer of copyright and notably the right of reproduction must be explicit: it cannot result either from the fact that the creative activity was stipulated in the order or from the fact that it forms the subject of special remuneration or finally because ownership of the support medium or copyright digital data was transferred to the client. Except where there is a special exclusivity contract, the supplier can reuse an artistic creation produced by its services.

Article 8 - Copyright & Rights of reproduction

The placement of an order relating to the reproduction of any element which, supplied by the client, benefits from the protection of the provisions of the legislation on intellectual rights implies the assertion of the existence of a right of reproduction to its benefit by the client. It therefore lawfully guarantees the supplier against any challenge which may be faced by this right of reproduction. Each challenge relating to the rights of reproduction suspends execution of the work. In this context, in the case where placing an order would imply the provision by the client of digital media incorporating software and sets of fonts, the latter shall guarantee the supplier, notably on the origin of the acquisition of the software and sets of fonts and more generally against any challenge relating to use of this software. The supplier is not responsible for violations of reproduction rights held by third parties, provided that it executed its reproduction work in good faith. Only the client is responsible.

Article 9 - Mention of the supplier's name

The client cannot oppose the mention of the supplier's name, even if the work already mentions the name of a publisher or intermediary, an advertising agent or others.

Article 10 - Confidentiality clause

Unless it has been authorized in advance by the other party in writing, each of the parties undertakes not to disclose or communicate, not allow the disclosure or communication or directly or indirectly use the data, information, applications, methods and confidential know-how as well as any document of whatsoever nature which it learnt about during its assignment. The confidentiality obligations set out in this contract persist as long as the information in question retains its confidential nature, including beyond the date of the end of this contract.

Article 11 - Ownership of the elements of production

The manufacturing components needed to bring the work to a successful conclusion remain the property of the supplier who created them.

However, on the one hand, ownership of these elements (e.g. pictures, films, diskettes, every type of support for digital files, etc.) can be transferred to the client at any time by explicit agreement, subject to the provisions of Article 7. And on the other hand, when these manufacturing elements present themselves in a form whose exploitation by the client would make it possible to create new works that notably lead to the creation of reproduction rights, the supplier reserves the exclusivity of the production tool that it has created except where there is an explicit agreement stipulating the procedures for the user's intervention.

Article 12 - Proof

At the request of the Client, the supplier shall provide a simple proof. Any proofs, inter alia, in true colors and/or on edition paper shall result in extra costs. If the Client does not request a proof, he will be considered to have transmitted the "ready for press" copy.

Article 13 - Corrections

The supplier is bound to correct the corrections indicated by the client, but it cannot be held responsible in any way for spelling errors or non-indicated linguistic and grammar errors. Any modification of the original order in whatsoever way (in the text, in the handling or placement of the illustrations, in the formats, in the printing or binding work, etc.) made in writing or in any other way, by or in the client's name, will be invoiced as a supplement and will extend the execution period. This also applies to the shutdown time for machines while waiting for the "ready for press" document. Modifications transmitted verbally, in particular by telephone, will be executed at the client's risks and perils.

Article 14 - Ready for press copy

The transmission by the client of a duly dated and signed "ready for press" document discharges the supplier of any responsibility

concerning errors or omissions which may be observed during or after the printing. The "ready for press" document remains the property of the supplier and will act as proof in the case of a dispute.

Article 15 - Client's equipment - Availability

If the client places equipment at the supplier's disposal, it should be supplied on time (in compliance with the production calendar), postage-paid, duly wrapped, into the buildings where the supplier's business is located. The signature showing receipt of the transport documents only confirms receipt of the material concerned. If the client supplies prepress material in a digital form without a printed version, the supplier is not responsible for the result of the flashing in any way. If the client places digital files at the supplier's disposal, it is bound to keep the original files itself and is responsible for the quality of these files. The supplier is not responsible for the typographical quality of ready to print models or the page layout files which it receives from the client.

With the exception of malicious damage and professional negligence on the part of the supplier, its staff or subcontractors, any difficulties or delay during production caused by problems with supplied materials shall extend the deadline and increase the price by the amount of the additional costs incurred by such problems.

Article 16 - Client's equipment - Storage

The supplier is never bound to store the client's equipment. If the client wishes the supplier to store production components such as compositions, films, montages, cutting forms, drafts, drawings, diskettes, programs, digital data files, etc. it shall agree this in writing with the supplier before execution of the order. Storage occurs at the risks of the client who explicitly releases the supplier from any liability relating to the storage (notably loss or damage) except in the case of malicious damage or professional negligence on the part of the supplier.

Article 17 - Client's equipment - Risks

All goods (paper, films, information supports, etc.) which are entrusted to the Client and are on the premises of the supplier shall remain for the account of and at the risk of the Client, who expressly discharges the supplier from any responsibility whatsoever, including in the event of damage or loss, whether partial or whole, for any reason whatsoever, except in the case of malicious damage, professional negligence on the part of the supplier, his personnel or his subcontractors. This also applies in the case of goods which are intended for the Client. The storage costs are charged from the date notified to the Client. In the event of non-payment by the agreed date, any such goods may be retained as guarantee and pledge for the amounts outstanding.

Article 18 - Client's equipment - Insurance

Following a written request, the supplier is prepared to cover all of the risks by insurance whose expenses shall be borne by the client. This insurance solely covers the costs of repairing damage to the equipment. The depreciation which may ensue and indirect deterioration such as loss of earnings are never covered by this insurance.

Article 19 - Periodical jobs - Prior notice

The client can only withdraw the execution of a periodic-type job (i.e. a job made up of recurring partial tasks) from the supplier subject to respecting the notice periods stated below. The notice period must be served by registered letter. If the time frames are not respected, the client shall indemnify the supplier for all of the losses incurred and the loss of earnings suffered during the period of non-compliance. Notice period:
3 months for a periodic job representing an annual turnover of less than EUR 7,500;
6 months for a periodic job representing an annual turnover of less than EUR 25,000;
1 year for a periodic job representing an annual turnover of EUR 25,000 or more.

Article 20 - Tolerance

For flexible packaging materials incorporated by the supplier, the Client accepts the tolerances stated by the manufacturers of such materials. The Client may supply and deliver 10% (with a minimum of 50 kilograms) more or less than the number of kilograms ordered. The reduction or increase in weight shall be charged at the price of the order confirmation.

Article 21 - Special requirements

All of the orders will be executed with the normally available raw materials. Specific requirements such as the inalterability of the ink, a suitability for direct contact with foodstuffs, etc. must be specified when the client requests a quotation. If these are specified later they can lead to price alterations.

Article 22 - Delivery procedures

The deadlines stipulated in writing at the time of placing the order shall only start from the working day following the handing-over of the necessary elements. The agreed delivery deadlines are extended at least to cover the period during which the Client has failed to deliver the necessary elements or to return the rectified proofs and the "ready for press". If, at the client's request, execution of the order leads to additional costs due to a shorter time frame than the contractual or normal time frame, these shall be charged for. The delivery takes place on the premises of the supplier. Packaging and transport shall be borne by the Client. The risk to the goods during transport shall be borne by the Client. In the event of delivery on demand, the invoice amount of the total order shall be invoiced upon first delivery.

Article 23 - Cancellation

If the order is cancelled or if its execution is temporarily suspended at the client's request, the invoicing will take place at the current stage of the order's execution (salaries, raw materials, sub-contracting, etc.). The invoiced amount will comprise the expenses incurred by the supplier increased by contractual indemnification amounting to 15%. In all cases, a minimum amount of EUR 75 will be claimed. If a given job is interrupted due to the client's delay in following up the items presented to it, the job shall be invoiced to it in its current state of execution as stipulated above after a period of one month.

Article 24 - Payment

When the order is being placed, payment of a down payment of one third of the amount of the order may be demanded, the same down payment on receipt of the last corrected proof or the 'ready for press' item and the balance at delivery. Bills, cheques, warrants or receipts neither carry a novation nor derogation from this clause with them. In the event of invoicing for one or more deliveries to break down an instalment-based order, the client cannot invoke this procedure to defer its payment until the time of the global delivery. If a client- consumer has paid an advance and the delivery is postponed, a purchase order will be issued to him.

Article 25 - Due date

25.1. Invoices are payable at latest on the due date at the supplier's business. Each default in payment on the due date of the invoice, shall, automatically and without further notice of default, give rise to an interest for late payment of 12.5%, unless the interest rate of the Law on combating late payment (Law of 02/08/2002) at the time of the invoice date and/or at the time the invoice becomes due, is higher. Then the higher interest of the law of 02/08/2002 will be applied. As well as damages and interest covering recovery costs fixed contractually at 15% of the amount of the demandable receivable with a minimum of EUR 150. The supplier is entitled to claim an higher indemnity if he is able to prove that he suffered more damages. Moreover, where applicable, the supplier is entitled to demand the immediate payment of all (non-due) invoices and all other amounts, for which the supplier has granted a payment period to the customer. The supplier therefore has the right to suspend execution of the contracts underway until the client has paid the abovementioned down-payments. 25.2. This clause applies exclusively when the client is a consumer within the meaning of the Code of Economic Law. In case of non-payment on the due date, the client-consumer will receive a first reminder for free. In case of non-payment within a period of 14 calendar days after the sending of this free reminder, the client-consumer shall be liable for interest, at the rate specified in Article 5, paragraph 2 of the Law of 2 August 2002 on combating late payment in commercial transactions. The period of 14 days starts three working days after the sending of the first reminder by post, and on the first calendar day after

sending in case of electronic transmission. Furthermore, in the event of non-payment within a period of 14 calendar days after the dispatch of the reminder, the client-consumer shall be liable for a lump sum compensation, amounting to the following:
- €20 for outstanding balances up to €150
- €30 + 10% of the part above €150 for outstanding balances between €150 and €500
- €65 + 5% of the part above €500, without the payable compensation exceeding €2000.

The first reminder shall be drafted in accordance with Article XIX.2. §3 of the Code of Economic Law.

Any collection and enforcement costs incurred after this first free reminder shall be borne by the defaulting client-consumer. However, the costs for additional reminders shall not exceed €7,50 per reminder, exclusive postage costs.

Article 26 - Right of retention

The supplier benefits from a right of retention up to full payment of the price, on all of the raw materials, documents, manufacturing elements, objects, goods or supplies which were supplied to it by the client to perform a job to service and over all of the documents or objects realized following execution of an order.

The client will only become the owner of the goods sold after full payment of the amounts due. Nonetheless, the risks that the goods might incur will be borne by the client as soon as these are ready for removal.

Article 27 - Processing of Personal Data for the Principal

It may be that the supplier, within the framework of the execution of the order, has to process personal data as defined in the applicable regulations. In this case, the supplier acts as the processor for all operations taking place at the request of the principal, who will be considered responsible for the processing. The supplier will then process the personal data solely on the basis of written instructions from the principal, and for the purpose of the execution of the order.

The principal undertakes fully and solely to comply with the statutory requirements, being the one responsible for the processing of the personal data. The supplier shall, in good faith, assist the principal in ensuring and proving compliance with the applicable statutory requirements. Staff members of the supplier who have access to the data are bound by an obligation of confidentiality. The supplier shall take reasonable technical and organisational measures to secure the data as is customary in the sector. The principal confirms that the data are not subject to any particular statutory safety or confidentiality requirements, except insofar as has been agreed in writing between the supplier and the principal. The principal agrees that the supplier may entrust the processing of the personal data to a third party, including outside the European Union, provided that the supplier ensures compliance with applicable regulations. After completing the order, the supplier is under no obligation to retain the personal data.

Article 28 - Processing of Personal Data for the Supplier

In the event that the supplier, upon execution of the order, has to process personal data for his own purposes, namely for the management of the relationship with the principal and of his order, the supplier shall be responsible for the processing. In that case, the personal data are only processed insofar as necessary for the performance of the agreement with the principal, or for compliance with the applicable legislation, and for defending the supplier's legitimate interests. The supplier shall ensure compliance with the applicable legislation for these operations. The principal agrees that the supplier may entrust the processing of the personal data to a third party, including outside the European Union, provided that the supplier ensures compliance with applicable regulations and compliance with the present General terms and Conditions.

Article 29 - Complaints

Under penalty of loss of rights, the Client shall send any complaint or protest by registered letter to the supplier at the latest within 8 days following receipt of the first delivery of goods. In the event that the Client does not take reception of the goods, the period of 8 days starts from the date of the invitation to receive the goods, or otherwise from the invoice date. In the event that the supplier does not receive any complaint within this period of 8 days, it shall be considered that the Client has accepted all the goods in full. If the Client uses part of the goods or has them dispatched to third parties by post or for distribution to a distribution company, it shall be considered that he has accepted the entire run. Any

nonconformities affecting part of the delivered goods do not entitle the Client to refuse the entire dispatch. On pain of losing its rights, the client must send any claim or challenge concerning the invoicing of the goods to the supplier by registered letter, in the eight days following receipt of the invoice. If the supplier does not receive a claim concerning the invoicing of the goods during this eight day period, the client is deemed to have accepted the invoice.

Article 30 - Force majeure

Article 30.1 Cases of force majeure, and more in general, any circumstances that prevent the supplier from carrying out the work, or reduce, delay, or place an excessive burden on the commitments the latter entered into, shall release the supplier from any and all liability. Events of force majeure inter alia include but are not limited to: war, civil war, mobilization, unrest, strikes and lockouts, whether at the supplier or at its suppliers, the breakdown of machinery, software viruses or bugs, fire, water damage, transport problems, issues with the supply of raw materials, materials, and energy by third parties, and restrictions or bans imposed by the authorities.

Article 30.2 In the case of an event of force majeure, the supplier has the option of suspending the performance of the agreement until the situation of force majeure has come to an end or of rescinding the agreement, in whole or in part, either or not after initially having opted for its suspension. In either case, the client shall not be entitled to any form of compensation. If the period in which the supplier is unable to meet its obligations for reasons of force majeure exceeds thirty (30) days, also the client shall be free to rescind the (future) performance of the agreement, on the understanding that the supplier will be entitled to invoice the client for the goods CQ work/services supplied already. Partial rescissions do not give rise to an obligation to compensate for the (potential) damage caused. If the supplier has already performed part of its obligations or will only be able to perform part of its obligations at the moment the event of force majeure occurs, it shall be entitled to invoice the client for the part already performed and the client will be obliged to settle this invoice as if it were a separate agreement.

Article 31 - Liability

31.1. In the case of an error or poor finish the supplier's liability is limited to the retrieval of the non-compliant copies which will be deducted from the price of the supplementary copies and which cannot provide entitlement to damages and interest except in the case of malicious damage or professional negligence on the part of the supplier, his personnel or his subcontractors. The supplier cannot be held liable in any case for indirect losses caused to the client, such as loss of earnings. In any case the supplier's liability is limited to the amount of the contract, i.e. the amount that the client would have paid if the supplier had completed the job to the client's satisfaction. 31.2. The parties exclude any non-contractual liability of one party towards the other, as well as towards their auxiliaries, for damage caused by the non-performance of a contractual obligation related to this assignment, even when the event that caused the damage also constitutes an unlawful act. This article does not prejudice the statutory provisions of public order or mandatory law. The auxiliaries can invoke the clauses of this article as third-party beneficiaries. For the purposes of this article, 'auxiliaries' refers to any natural or legal person entrusted by the debtor of a contractual obligation with the full or partial performance of this obligation, throughout the entire contractual chain, such as, for example, subcontractors, employees, members of the management, directors, etc

Article 32 - Encroachment of the validity - Non-renunciation

If any clause of these Terms are to be considered as invalid, illegal or void, this will in no way affect the validity, legality and applicability of the other clauses. Failure at any time by the supplier to enforce or to exercise any of the rights set out in these Terms, could never be seen as a renunciation of these rights and will never affect the validity of these rights.

Article 33 - Competence

Any dispute relating to the conclusion, validity, interpretation or execution of this contract and the contracts ensuing from it is governed by Belgian law and comes within the exclusive competence of the courts in the jurisdiction where the supplier's business is established.