

STANDARD TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS AND SERVICES

1. Definitions

In these general terms and conditions the following definitions shall apply:

ARVATO: Arvato Netherlands B.V. and any group company of Arvato Netherlands B.V. which is involved in the performance of any Agreement;

Supplier: any natural person, legal entity or partnership who supplies Products to ARVATO, to whom ARVATO places a Purchase Order, or with whom ARVATO negotiates an Agreement;

Party: ARVATO or the Supplier, depending on the context;

Agreement: any agreement entered into between ARVATO and the Supplier, any change or supplement thereof as well as all acts (whether legal or factual) for the performance of such agreement and, in retrospect, all acts (whether legal or factual) required to enter into such agreement;

Purchase Order: any purchase order, order or assignment concerning the delivery of Products issued by ARVATO to the Supplier;

Products: all goods and services forming the subject matter of any Agreement, including software and Movables;

Working Days: all calendar days other than Saturdays, Sundays or any generally recognised public holidays in the Netherlands or in the country of residence of the Supplier;

Movable: movables (*roerende zaken*) within the meaning of Section 3:2 Dutch Civil Code.

2. Applicability

2.1 Unless ARVATO and the Supplier have expressly agreed otherwise in writing, these general terms and conditions shall form part of all Agreements and these general terms and conditions shall apply to all acts (whether legal or factual) of ARVATO and the Supplier.

2.2 If and insofar as ARVATO and the Supplier have executed an Agreement before and the relevant Agreement was subject to these general terms and conditions, the Supplier agrees, by entering into any Agreement, that these general terms and conditions shall also govern the later Agreement concerned.

3. Notices

3.1 Notices, including commitments or further arrangements, given by either Party to the other Party that are relevant for any Agreement or Purchase Order (or their performance or fulfilment (*nakoming*)) shall only binding upon the Parties if made or confirmed in writing by an authorised person.

3.2 The words "in writing" shall also include "electronically", if:

- (a) the addressee is able to open and read the relevant notice,
- (b) the authenticity of the relevant notice is sufficiently guaranteed, and
- (c) the identity of the person issuing the relevant notice can be determined with sufficient certainty.

4. Conclusion of the Agreement, changes

4.1 Requests by ARVATO are not binding on ARVATO and shall only serve as an invitation to the Supplier to submit an offer. An Agreement is entered into by means of a written confirmation of a Purchase Order by ARVATO; the same applies to any change or addition to the relevant Agreement or Purchase Order. Acceptance by ARVATO of any delivery of Products shall not under any circumstances imply its acknowledgement or acceptance of any deviations from the Purchase Order concerned.

4.2 ARVATO shall at all times have the right to withdraw any Purchase Order within five (5) Working Days after placing it, even if the relevant Purchase Order has been confirmed by the Supplier. In the event of withdrawal of a Purchase Order as referred to in the preceding sentence, the Supplier shall not be entitled to any payment or compensation for damages.

4.3 ARVATO shall at all times have the right, even if this results in additional work or less work:

- (a) to change the nature, scope and scale of any delivery of Products;
- (b) to change images, models, descriptions, specifications (including but not limited to the quantity, size, weight, material and colour) and other properties of deliverable Products.

4.4 If any change as referred to in clause 4.3 affects the agreed price, work method or delivery deadline, the Supplier shall immediately notify ARVATO thereof in writing, stating the exact consequences.

4.5 After receipt of a statement as referred to in clause 4.4, ARVATO shall at all times have the right to cancel (*herroepen*) the Agreement with respect to the delivery of the Products concerned by means of a written notification to the Supplier. In the event of cancellation (*herroeping*) of any Agreement as referred to in the preceding sentence, the Supplier shall not be entitled to any payment or compensation for damages. Additional work shall not be carried out by the Supplier except after prior written orders of ARVATO.

4.6 All costs associated with preparing quotations and offers for the benefit of ARVATO (including but not limited to any indication of the impact of a change) shall at all times be entirely for the account of the Supplier.

4.7 By issuing any quotation or offer in respect of energy services or goods that have or may have a significant impact on energy use, the Supplier acknowledges and agrees that ARVATO generally prefers Products having superior energy efficiency characteristics (and will verify such characteristics when evaluating any Products so quoted for or offered).

5. Price

5.1 All prices stated in any Agreement or Purchase Order are fixed, unless expressly agreed otherwise in writing. Additional costs that are not expressly agreed in advance by ARVATO in writing shall not qualify for reimbursement.

5.2 All prices in the Agreement or Purchase Order are expressed in Euros and are based on the implementation conditions and requirements contained in these general terms and conditions, unless expressly agreed otherwise in writing in the Agreement or Purchase Order.

5.3 Unless expressly agreed otherwise in writing, any and all prices stated in any Agreement or Purchase Order shall be exclusive of value added tax (VAT) but inclusive of any and all costs of insurance, transport, shipping, packaging, customs duties and any other costs, charges or taxes that may be incurred by the Supplier in relation to performance of the Agreement or fulfilment of the Purchase Order (including, without limitation, supply or delivery of the Products); all such costs shall entirely for the account of the Supplier, unless expressly agreed otherwise in writing.

5.4 In respect of any and all of the Products the Supplier undertakes to always apply the most favourable conditions (including pricing) offered to any third parties for comparable products of a similar number and level of quality over similar periods of time.

In the event that the Supplier offers third parties more favourable conditions, the terms and conditions of the Agreement shall (without any further action by ARVATO) be automatically amended and modified in an economically and legally equivalent manner such that ARVATO shall receive the benefit of the more favourable terms or conditions (as the case may be) as from the date they are applicable for the relevant third parties (where necessary with retroactive effect).

6. Payment terms

6.1 Unless expressly agreed otherwise in writing, invoicing of Products shall only take place after the Products have been delivered to and accepted by ARVATO. Without prejudice to clause 14.1, the Supplier shall be obliged to allow ARVATO thirty (30) calendar days as from delivery to inspect Products in order to determine whether they conform to the Agreement or Purchase Order concerned; absent rejection within such period, the relevant Products shall be deemed to have been accepted by ARVATO for purposes of invoicing (but without prejudice to clause 6.7).

6.2 Invoices sent to ARVATO must at least contain the following details, clearly set out and properly arranged in such manner that they can readily be found in any invoice:

- Arvato Netherlands B.V., attention: Accounts Payable, Brem 1, 6598 MH, Heijjen;
- name of ARVATO contact person;
- unique invoice number;
- invoice date;
- Supplier address;
- Trade Register number (or similar registration number) and VAT number of the Supplier;
- full IBAN bank details of the Supplier;
- purchase order number corresponding to the Agreement or Purchase Order concerned and to be specified per position in the Agreement or Purchase Order concerned;
- specification of the delivered Products and quantities;
- net amount, VAT, VAT rate and gross amount;
- and other information to be included based on applicable national and international legal requirements with respect to invoices.

All invoices must be sent by email to 3802@invoice.bertelsmann.de; by entering into any Agreement, the Supplier acknowledges and agrees that it may under no circumstances send invoices via conventional post or to any email address other than the address specified in this clause 6.2. The Supplier shall also ensure that attachments to invoices are provided in a file format different from the file format of the invoice and that the subject line of any emails accompanying invoices does not contain any special characters.

6.3 As long as any of the details referred to in clause 6.2 has not been provided, ARVATO shall have the right to suspend fulfilment of its payment obligations.

6.4 Unless expressly agreed otherwise in writing, the payment term for any amounts invoiced by the Supplier shall be:

- (a) thirty (30) calendar days of the date of the relevant invoice where the Supplier is a creditor as referred to in Section 6:119a (6) Dutch Civil Code;
- (b) sixty (60) calendar days of the date of the relevant invoice where the Supplier is not a creditor as referred to in Section 6:119a (6) Dutch Civil Code,

without prejudice to ARVATO's rights under clause 6.3.

6.5 If and insofar as ARVATO has not received the invoice of any Products within one year after delivery of the relevant Products, all entitlements of the Supplier to payment for such Products shall lapse.

6.6 ARVATO shall have the right to set off any amounts payable to the Supplier against any negotiated discounts and any other claims of ARVATO on the Supplier or the Supplier's affiliates, regardless of whether such claims are due and payable and can be simply determined (in or out of court). The Supplier waives (doet afstand van) any right that it may have or obtain under Section 6:127 ff. Dutch Civil Code.

6.7 No payment by ARVATO of any invoice shall operate as a waiver of any right or claim with respect to proper performance or

fulfilment of any Agreement or Purchase Order by the Supplier.

6.8 If ARVATO is in default (verzuim), ARVATO shall only be liable to pay interest equal to the statutory interest within the meaning of Section 6:119 and Section 6:120 (1) Dutch Civil Code; the Supplier waives any right that it may have or obtain under Section 6:119a or Section 6:120 (2) Dutch Civil Code. ARVATO shall not be liable for any collection costs of the Supplier other than the collection costs actually incurred by the Supplier up to a maximum equal to the amount payable under the Dutch Extrajudicial Collection Charges Compensation Decree of 27 March 2012, without prejudice to the rights of ARVATO under clause 13.

7. Quality and description, obligations of the Supplier

7.1 The Supplier warrants and represents that all deliverable Products:

- (a) in all aspects correspond with the images, models, descriptions and specifications (including but not limited to the quantity, size, weight, material and colour) and other properties set out in the Agreement or Purchase Order concerned;
- (b) fully meet the specified requirements otherwise prescribed by ARVATO and provided to the Supplier, as well as all legal requirements and other government regulations applicable in the Netherlands;
- (c) hold all characteristics arising from the Agreement or Purchase Order concerned, and - if and insofar as the Products refer to Movables - have been manufactured from the prescribed (new) materials and constitute the prescribed version (always without prejudice to the warranty and representation set out in paragraph (e) of this clause 7.1);
- (d) are of a good quality and are free of defects;
- (e) (to the extent reasonable practicable) are carried out or - if and insofar as the Products are Movables - manufactured employing environmentally friendly materials and procedures;
- (f) are not in any way adversely affected in terms of their pricing or fitness for purpose by their superior energy efficiency characteristics as referred to in clause 4.7;
- (g) are carried out or - if and insofar as the Products are Movables - manufactured by qualified employees of the Supplier;
- (h) fully comply with the provisions of the Agreement, are complete and suitable for the purpose for which they are intended (given their nature or as evidenced by the Agreement or Purchase Order concerned).

7.2 The warranties and representations contained in clause 7.1 shall not affect any general (express or implied) warranties given by the Supplier in any Agreement or Purchase Order and are intended to allocate risk between the Supplier and ARVATO in such manner that the consequences of the inaccuracy or incompleteness of any warranty or representation shall at all times be fully for the account of the Supplier, even if ARVATO should have been aware of any such inaccuracy or incompleteness by reason of any investigation or inquiry carried out by ARVATO.

7.3 If any warranty or representation included in clause 7.1 proves to be inaccurate or incomplete, the Supplier shall immediately be in default. The Supplier shall then, as and when requested by ARVATO, be obliged to put ARVATO in the position in which it would have been if the inaccuracy or incompleteness concerned had not occurred by:

- (a) arranging such new delivery of Products to ARVATO as may be necessary to eliminate the consequences for ARVATO of the inaccuracy or incompleteness of the relevant warranty or representation, without ARVATO owing any debt to the Supplier with respect to the delivery concerned; or, at the discretion of ARVATO,
- (b) paying to ARVATO such an amount as may be necessary to eliminate the consequences for ARVATO of the inaccuracy or

incompleteness of the relevant warranty of representation.

7.4 A new delivery or payment as referred to in clause 7.3 shall not affect the existing or future legal rights of ARVATO.

7.5 The approval by ARVATO or any of its employees of any sample of any deliverable Product made available by the Supplier shall not release the Supplier from its obligations under the provisions of this clause 7.

7.6 The Supplier shall not be permitted to transfer the obligations arising from any Agreement or Purchase Order to third parties (whether in whole or in part) without the prior written approval of ARVATO. If and insofar as ARVATO gives such approval, the Supplier shall at all times remain fully responsible for the fulfilment of its obligations under the Agreement or Purchase Order concerned and shall also be fully liable for any non-fulfilment of any such obligations.

8. Packing and Shipping

8.1 Unless expressly agreed otherwise in writing, the Supplier shall, if and insofar as the deliverable Products are Movables:

(a) carefully pack, secure, load, ship, unload and label for identification all the relevant Products in accordance with all ARVATO directions, always ensuring that all Products are packed properly in accordance with standard industry practice and - to the extent reasonable practicable - using environmentally friendly packaging materials;

(b) provide each shipment of Products with a packing slip that includes all agreed or legally required invoicing information also arranged in compliance with all ARVATO instructions;

(c) where the deliverable Products are products as referred to in Article 1 of Directive 2006/42/EC, provide each shipment of Products with any and all assessments prescribed in the relevant Directive;

(d) bear all packing and transport costs and take out adequate insurance, at its own expense, against operating and transport risks.

8.2 If the Supplier, under any Agreement or Purchase Order, distributes goods to or provides services to third parties, the Supplier shall do so - unless agreed otherwise in writing - in the name of ARVATO and in a way that leaves no suggestion that the Products originate from a person other than ARVATO. ARVATO shall at all times have the right to return the packaging materials to the Supplier; where packaging materials have been separately invoiced, the Supplier shall upon their return reimburse ARVATO two thirds (⅔) of any sum charged to ARVATO in respect of the relevant packaging materials (to the extent they are in a reusable condition). Returning of packaging materials to a destination specified by the Supplier shall be at the expense and risk of the Supplier.

8.3 Unless the context requires otherwise, the provisions of this clause 8 shall also apply if:

(a) Products are collected from the Supplier by a third party on behalf of ARVATO;

(b) the deliverable Products are not Movables.

9. Storage

9.1 If any Agreement relates to the storage of products in whole or in part, and unless agreed otherwise in writing, the Supplier shall be obliged:

(a) to store the relevant Products carefully and sufficiently secured so that the preservation of the Products is guaranteed (taking into account the specific nature of the products and the duration of the storage);

(b) to provide the Products with a label produced by the Supplier following specifications of ARVATO and to store these separated from any other stored goods, in such a way that anyone can identify the stored Products as owned by ARVATO or its clients;

(c) to bear all the costs of storage and preservation; and

(d) to take out adequate insurance at the request of ARVATO, after stating the impact on the pricing of Products with respect to the insurance cover required by ARVATO, and at its own expense, against risks associated with the storage of the Products (including but not limited to loss, theft, damage and destruction).

9.2 The Supplier shall also be obliged to inform ARVATO (without prejudice to its obligation to pay damages as a result of the circumstances listed below) immediately in writing if during the period when the Supplier holds Products of ARVATO in storage:

(a) Products are damaged, destroyed, inspected by third parties, copied by third parties, stolen or lost;

(b) the Supplier becomes aware of any attachment order (*beslaglegging*) requested by third parties, or of any intention to request such an order, with respect to Products of ARVATO or any of its clients;

(c) the Supplier has been declared bankrupt (*failliet verklaard*) or an application for the Supplier's bankruptcy (*faillissement*) has been filed;

(d) the Supplier intends to apply for administrative receivership (*surseance van betaling*) or file for bankruptcy;

(e) the Supplier otherwise becomes aware of circumstances that could prevent the Supplier from fully and punctually fulfilling its obligations pursuant to the Agreement or Purchase Order relating to the relevant Products.

9.3 The Supplier shall not be permitted to have Products stored by third parties without the prior written approval from ARVATO, unless this is necessary in the interest of ARVATO to secure the Products and ARVATO's approval cannot be obtained in time. In the latter case, the Supplier shall inform ARVATO as soon as possible of the name and address of the third party that it has engaged.

9.4 The provisions of this clause 9 shall, where applicable, also apply if the deliverable Products are not Movables.

10. Ownership

Title to the Products shall transfer from the Supplier to ARVATO as soon as ARVATO has accepted the delivery of the Products, regardless of when and how payment of the Products is effected; as and when requested by ARVATO, the Supplier shall be obliged to promptly assist in arranging any transfer of title at an earlier time (in which case from that date onwards the provisions of clause 9 shall apply to the Products).

11. Intellectual property rights

11.1 All intellectual property rights (including but not limited to rights to brands, names, works within the meaning of Section 1 of the Dutch Copyright Act, know-how, inventions, models, techniques, instruments, software and applications) in respect of deliverable Products shall transfer to ARVATO after delivery thereof; by entering into any Agreement the Supplier shall, where necessary, transfer all concerning intellectual property rights on the Products to ARVATO in advance.

If and insofar as any Product relates to software or applications specifically developed for ARVATO, the transfer shall include the object code as well as the source code of such software or applications.

11.2 If and insofar as in the opinion of ARVATO or third parties further acts (whether legal or factual, and including the provision of information) may be required or desirable for the transfer of intellectual property rights concerning Products, the Supplier shall be obliged to cooperate in performing all such acts as and when requested by ARVATO. By entering into any Agreement:

(a) the Supplier grants to ARVATO, in order to protect and enforce its interests against third parties, until the moment of the transfer, irrevocable power of attorney to exercise the rights and powers arising from the intellectual property rights in respect of Products that have not been validly transferred yet, both in and out of court, all in the broadest sense and with the power of substitution;

(b) the Supplier waives, if and insofar as legally possible, its rights and powers in respect of the intellectual property rights on Products (including the rights and powers laid down in Section 25 of the Dutch Copyright Act), so that ARVATO shall have the exclusive authority to determine if and how intellectual property rights on Products will be exercised;

(c) the Supplier acknowledges and agrees that it shall not be identified as the manufacturer or the Supplier of the Products and that ARVATO may erase any indications out of or from Products with respect to their origin.

11.3 If Products consist of concepts or product ideas that are not yet eligible for copyright or other protection relating to intellectual property rights, the Supplier shall be obliged to ensure the exclusive rights of ARVATO (and its clients) with respect to the use of the relevant concepts or product ideas by observing confidentiality with due observance of the provisions of clause 17; the Supplier furthermore warrants and represents that it will not use or commercialise such concepts or product ideas in any other way.

11.4 Except in the event of wilful misconduct or gross negligence (*opzet of bewuste roekeloosheid*) on the part of ARVATO, the Supplier shall be obliged to indemnify ARVATO against all and any third party claims, whatsoever and howsoever, concerning compensation of damage, expenses or interest, relating to alleged infringement of intellectual property rights of the relevant third parties in respect of the delivered Products (including but not limited to breaches resulting from the manufacture, repair or use of the Products).

11.5 The production resources required for the performance or fulfilment of an Agreement or Purchase Order, such as auxiliary tools, drawings, models, negatives, positives, lithographic and other graphic or digital material as made available by ARVATO shall at all times remain the property of ARVATO or - where applicable - of its clients.

11.6 If and insofar as the Supplier itself uses production resources as referred to in clause 11.5 for the performance of any Agreement, the provisions in this clause 11 shall apply. ARVATO may at any time, after a reasonable period of notice and without owing any explanation to the Supplier, demand that its production resources are returned. The Supplier shall in such cases be obliged to release the production resources. Unless agreed otherwise, the Supplier shall keep the production resources in storage during two (2) years following the latest production. Afterwards the Supplier shall have the right to destroy the production resources after ARVATO has given its consent in writing.

12. Time of delivery

12.1 Delivery dates or deadlines in any Agreement or Purchase Order shall be binding as strict and for the entire delivery pursuant to the relevant Agreement or Purchase Order. If any delivery date or deadline is not met, the Supplier shall be immediately in default. If and insofar as the Agreement or Purchase Order stipulates that Products need to be delivered by the Supplier in partial deliveries, the provisions of the preceding sentences shall apply to each delivery individually.

12.2 By entering into any Agreement, the Supplier irrevocably and unconditionally waives any right that it may have or obtain to:

(a) to suspend fulfilment of its obligations under the relevant Agreement or any other Agreement (whether by invoking any lien or otherwise) at any time;

(b) to attach any delivered or deliverable Products at any time.

12.3 As soon as the Supplier becomes aware or expects that Products will not be delivered in time, it shall be obliged to immediately inform ARVATO thereof in writing and consult with ARVATO in order to seek a solution for the delivery that adequately reflects the importance to ARVATO of obtaining the Products or similar products at the agreed time; if and insofar as in any such case Products are stored pursuant to clause 12.4, all costs associated with packaging, storage, security, and insurance shall be borne by the Supplier.

12.4 As and when requested by ARVATO, the Supplier shall be obliged to postpone delivery and to store, secure and insure the Products properly packaged and identifiably designated for ARVATO.

12.5 For any breach of any provision contained in this clause 12, the Supplier shall forfeit to ARVATO, without requiring any prior notice of default (*ingebrekestelling*) or legal proceedings, an immediately payable penalty equal to 0.5% of the order value of the Products affected by the breach for each day that the relevant breach continues, up to a maximum of 5% of the relevant order value, without being required to provide evidence of any damage or loss, and without prejudice to ARVATO's right to demand full compensation of the actual damages it may have incurred and, in addition, specific performance (*nakoming*) of the provisions in this clause 12.

13. Risk and Liability

13.1 The Supplier shall bear the risk for all deliverable Products, any packaging thereof, production resources and semi-finished product made available by ARVATO for as long as the Supplier keeps these in its possession or for as long as these are kept in the possession of third parties.

13.2 The Supplier shall be fully liable for all damage suffered or yet to be suffered by ARVATO (including but not limited to consequential damage, loss of profits, immaterial damage, damage due to business interruption or environmental damage) arising from:

(a) any default (*tekortkoming*) of the Supplier with respect to punctual and complete fulfilment of any payment, delivery or other obligation resulting from any Agreement;

(b) any defect in any Product delivered by the Supplier or the packaging or protection thereof;

(c) loss, theft, damage and destruction of property of ARVATO.

13.3 The Supplier shall be obliged to indemnify ARVATO against all and any third party claims, whatsoever and howsoever, with respect to compensation of damage, expenses or interest, relating to the Products or resulting from the use of the Products.

13.4 The Supplier shall take out adequate liability insurance at its own expense. As and when requested by ARVATO, the Supplier shall promptly furnish satisfactory proof of insurance and payment of insurance premium.

14. Inspection and return shipment

14.1 The Supplier shall at all times be obliged to allow ARVATO to inspect Products as and when requested by ARVATO. Where inspection is desirable or necessary, ARVATO will inspect Products within a reasonable time after delivery. If requested ARVATO shall afford the Supplier the opportunity to be present during inspections.

14.2 If delivered Products do not comply with the Agreement or Purchase Order concerned in whole or in part in any way:

(a) ARVATO shall at all times have the right to return the Products to the Supplier at the expense and risk of the Supplier;

(b) The Supplier shall be obliged, immediately after return shipment, to refund all amounts paid by ARVATO for the Products.

15. Rescission and premature termination

15.1 ARVATO shall have the right to rescind (*ontbinden*) or to otherwise prematurely terminate any Agreement without any further notice, final notice or judicial intervention by means of a written statement with immediate effect if:

(a) the Supplier is in default (*tekortschiet in de nakoming*) or otherwise in any way fails to punctually and complete fulfil any payment obligation or other obligation arising from the relevant Agreement;

(b) is declared bankrupt, ceases its business operations, is dissolved, is wound up (*ontbonden*), dies, enters into a debt restructuring arrangement (*akkoord of schuldsaneringsregeling*) with its creditors, employs any statutory debt restructuring arrangement, applies for or is subject to attachment, placement under legal restraint (*curatele*), or otherwise loses its power to dispose (*beschikkingsbevoegdheid*) of its assets or parts thereof.

15.2 ARVATO shall not be liable for any damage of the Supplier resulting directly or indirectly from any such rescission (*ontbinding*) or premature termination as referred to in clause 15.1, and shall also remain entitled thereafter to delivered Products which are kept in its possession as well as to damages.

16. Advertising

Except as permitted in writing by ARVATO, the Supplier shall not:

(a) advertise with Products of or for ARVATO or the clients of ARVATO;

(b) in any way disclose that it supplies or has supplied Products to ARVATO or to or for the clients of ARVATO.

17. Confidentiality and non-competition

17.1 Save as may be required by any law, stock exchange regulations or any other regulations, the Supplier shall not be permitted, without the prior written consent of ARVATO:

(a) (whether or not through the press) to provide, to distribute, or to disclose any confidential information from or with respect to ARVATO, or to make any public statement containing such confidential information, other than for the proper fulfilment of obligations under any Agreement; or

(b) (whether or not through the press) to provide, to distribute, or to disclose information or data concerning any Agreement or any related act (whether legal or factual), or to make any public announcement with respect to any Agreement or any related act (whether legal or factual).

17.2 The restrictions laid down in clause 17.1 shall not apply if and insofar as the confidential information concerned has been public on the date of the provision, distribution, publication or public disclosure other than by acts of the Supplier in violation of the provisions in these general terms and conditions.

17.3 The Supplier shall also impose the restrictions set out in clause 17.1 on all its employees and any third parties that it may engage for whatever reason in relation to the performance of any Agreement (including consultants); such restrictions shall remain in full force after expiry of any Agreement.

17.4 ARVATO shall at all times have the right to independently maintain contacts with employees and third parties referred to in the preceding sentence without involving the Supplier. The Supplier undertakes to enable ARVATO, at its first request, to verify the

confidentiality measures applied by the Supplier and to take such further measures as may be dictated by ARVATO.

17.5 For the purpose of this clause 17, "confidential data" shall mean all and any technical, operational, financial, fiscal, legal or other information relating to the business operations carried on by ARVATO from time to time, including but not limited to:

(a) trade secrets, designs, procedures, work methods, technology and know-how; and

(b) concepts and product ideas as referred to in clause 11; and

(c) information regarding any proposed or accomplished transaction; and

(d) information regarding employees, clients and suppliers.

17.6 The Supplier shall not without ARVATO's prior written consent approach customers or potential customers of ARVATO, whether directly or indirectly, with the intention of acquiring an assignment itself from any such customer or potential customer. For the purposes of this clause 17, "customers of ARVATO" shall mean all natural persons and legal entities who, during the two years preceding the conclusion of any Agreement or placement of any Purchase Order to the Supplier, have given any assignment to ARVATO as well as the clients who openly consider becoming a client of ARVATO (which will at all times be the case if talks are ongoing between the potential client and ARVATO with respect to a the client relationship and it is likely that the Supplier was aware of this).

17.7 If upon conclusion of any Agreement or placement of any Purchase Order the customers or potential customers were demonstrably already customers of the Supplier, the provisions of clause 17.5 shall only apply to the Products as well as to similar products described in the relevant Agreement or Purchase Order, provided that the Supplier shall consult with ARVATO before it approaches such customers again for the first time after placing the Purchase Order.

17.8 The Supplier undertakes to inform ARVATO of any approach by a customer of ARVATO with the objective to obtain information on prices of production, purchasing and distribution of the Supplier with respect to any quotation or offer already requested by ARVATO from the Supplier.

17.9 For any breach of any provision contained in this clause 17, the Supplier shall forfeit to ARVATO, without requiring any prior notice of default or legal proceedings, an immediately payable penalty of €25,000 per breach and €2,000 per day that the relevant breach continues, without being required to provide evidence of any damage or loss, and without prejudice to ARVATO's right to demand full compensation of the actual damages it may have incurred and, in addition, specific performance of the provisions in this clause 17.

18. Force majeure

18.1 The Supplier cannot in any way invoke force majeure (*overmacht*) within the meaning of Section 6:75 Dutch Civil Code in case of:

(a) inaccuracy or incompleteness of any warranty or representation contained in clauses 7 and 20;

(b) strike or work stoppage of or by employees of the Supplier;

(c) blocked traffic at one or more locations or roads where the Supplier must transport Products;

(d) default (*niet-nakoming*) of one or more suppliers of the Supplier;

(e) attachment of Products or packaging thereof by any natural person or legal entity who claims to be a creditor of the Supplier,

unless the circumstance concerned is the result of war, epidemic, revolution, riots, terrorist attacks, unforeseen government

measures regarding the Products concerned, natural disaster or fire with demonstrable implications for the Supplier.

18.2 The Supplier shall at all times immediately notify ARVATO of any force majeure event that has occurred for the Supplier.

If any force majeure event of the Supplier continues for more than ten (10) Working Days after the occurrence thereof, ARVATO shall have the right to immediately rescind any Agreement whose performance is prevented by the relevant force majeure event. The provisions of clause 15 shall apply mutatis mutandis to such rescission.

19. Taxes and social security contributions

19.1 The Supplier shall at all times be responsible for the fulfilment of its payment obligations and other obligations arising from the tax and social security legislation that it is subject to.

19.2 If ARVATO so requests, the Supplier shall be obliged to immediately:

(a) sufficiently demonstrate, inter alia by means of an auditor's report, that it has taken care of the payment of value added tax, income tax, social security contributions and employee insurance contributions payable by it;

(b) open an escrow account (blocked account) whose balance shall serve as security for the payment of the taxes and contributions referred to in paragraph (a) of this clause 19.2, and enable ARVATO to use the relevant account for payments.

19.2 The Supplier shall indemnify ARVATO against all and any liability concerning payment obligations and other obligations of the Supplier arising from tax and social security legislation.

19.3 ARVATO shall have the right, without being obliged to compensate the Supplier in any way, to terminate the Agreement with immediate effect and without judicial intervention, if the Supplier or any third party that it has engaged is in arrears in the payment of value added tax, payroll tax, social security contributions and employee insurance contributions, without prejudice to any other rights and claims of ARVATO, in particular entitlements to compensation.

19.4 Notwithstanding the provisions of clauses 19.1 through 19.4, ARVATO shall at all times be authorised to withhold all amounts payable by the Supplier in respect of value added tax, payroll tax, social security contributions or employee insurance contributions, as well as any charged interest and penalties, from payments to the Supplier, and to pay these directly on behalf of the Supplier to the competent tax authorities or social security agencies; in such cases, payment of the relevant amounts shall discharge ARVATO of its payment obligations relating thereto towards the Supplier.

20. Data protection

20.1 The Supplier acknowledges and agrees that the performance of Agreements will entail the provision by ARVATO of personal data in respect of its employees, clients, other suppliers and other third parties. By entering into an Agreement, the Supplier irrevocably and unconditionally undertakes to use all personal data it receives from ARVATO in connection therewith exclusively for the purpose of proper fulfilment of obligations under the relevant Agreement. As and when requested by ARVATO, the Supplier shall cooperate fully with fulfilment by ARVATO of any its obligations under any regulations concerning the protection of personal data (including but not limited to the General Data Protection Regulation).

20.2 The Supplier warrants and represents:

(a) that it has taken all appropriate technical and organisational measures to secure all personal data received from ARVATO against loss and unlawful processing;

(b) that any processing of personal data received from ARVATO shall at all times fully comply with all relevant applicable legislation

(including but not limited to the General Data Protection Regulation), and in particular that it shall immediately notify ARVATO of any each data breach discovered during such processing.

20.3 Except in case of wilful misconduct or gross negligence on the part of ARVATO, the Supplier shall be obliged to indemnify ARVATO against all and any third party claims (including but not limited to the Dutch Data Protection Authority (*Autoriteit persoonsgegevens*)) which might be submitted or made due to any processing of personal data in breach of relevant applicable legislation (including but not limited to the General Data Protection Regulation).

20.4 When requested by ARVATO, the Supplier shall be obliged to enter into a data processing agreement with ARVATO the provisions of which are materially identical to those of the template used by ARVATO from time to time.

21. General

21.1 If one or more provisions of any Agreement (including, without limitation, any provisions of these general terms and conditions) are or become void, legally invalid or unenforceable, the relevant provisions shall be deemed to have been automatically removed from the relevant Agreement and the remainder of the relevant Agreement shall continue in effect, unless ARVATO notifies the Supplier after discovery of the nullity or invalidity within a reasonable time not to appreciate any correction or adjustment of the Agreement; in the absence of such notice, ARVATO and the Supplier shall negotiate alternative arrangements replacing the relevant provisions for provisions that are legally valid and enforceable and implement the economic purpose of the removed provision to the greatest extent possible.

21.2 ARVATO reserves the right to revise or supplement these general terms and conditions from time to time.

22. Socially responsible business practice

22.1 During the performance or fulfilment of any Agreement or Purchase Order, the Supplier shall be obliged to comply with all applicable national and international legislation (including but not limited to laws, treaties and regulations regarding health and safety at work, employee protection and environmental protection).

22.2 Without prejudice to clauses 22.1 and 22.4, the Supplier shall be obliged to comply with the latest version of the Bertelsmann Supplier Code of Conduct of Bertelsmann SE & Co KGaA which is available on the website www.bertelsmann.com.

22.3 If ARVATO establishes that the Supplier has not acted in accordance with the Bertelsmann Supplier Code of Conduct of Bertelsmann SE & Co KGaA, ARVATO will report this in writing to the Supplier and provide guidance with respect to the adjustments that must be made in order to comply with the Bertelsmann Supplier Code of Conduct of Bertelsmann SE & Co KGaA, all within a time frame to be jointly agreed.

22.4 Without prejudice to clauses 22.1 and 22.2, the Supplier represents and warrants to ARVATO, in the knowledge that ARVATO relies upon the accuracy of each of such statements in entering into any Agreement and that they form the basis of each Agreement, that the following statements are and remain true and accurate in all respects during the continuation of each Agreement:

(a) any and all of the Supplier's activities as well as its employment of any of its staff comply with:

- the Dutch Minimum Wages and Minimum Holiday Pay Act (*Wet minimumloon en minimumvakantiebijslag*);
- the Dutch Aliens Employment Act (*Wet arbeid vreemdelingen*);
- the Dutch Working Conditions Act (*Arbeidsomstandighedenwet*);
- the Dutch Working Hours Act (*Arbeidstijdenwet*);

- the Dutch Placement of Personnel by Intermediaries Act (*Wet allocatie arbeidskrachten door intermediairs*); and
- any collective labour agreement (*collectieve arbeids-overeenkomst*) governing its relationship with the relevant staff;

(b) any and all arrangements governing its relationship with any of its staff members or subcontractors are completely and accurately documented in an employment or service agreement;

(c) there are no grounds for any public denouncement as referred to in Section 18pa of the Dutch Minimum Wages and Minimum Holiday Pay Act, Section 19g of the Dutch Aliens Employment Act, Section 29b of the Dutch Working Conditions Act, Section 8:8 of the Dutch Working Hours Act or Section 15b of the Dutch Placement of Personnel by Intermediaries Act;

(d) any and all wages and benefits owing to any of its staff members are paid as and when they fall due,

and the Supplier shall immediately report any breach of any of the above warranties to ARVATO.

22.5 ARVATO may enter the Supplier's premises, and the Supplier will procure such entry to those of its agents, suppliers and subcontractors, during regular business hours (Monday to Friday between 9am and 5pm) to review all relevant files, correspondence, documents or information and other things relating to the performance of any Agreement and to audit and inspect the Supplier's compliance with the terms of clause 22.4. ARVATO will give the Supplier a minimum of 48 hours notice in respect of any such audit or inspection, except where the circumstances require that shorter advance notice is given.

22.6 The Supplier shall indemnify ARVATO against all and any liability concerning payment obligations and other obligations of the Supplier to third parties in respect of any remuneration, wages or benefits owing to any of the Supplier's staff members or subcontractors, including:

(a) liability resulting from any third party claiming that any of the Supplier's staff members or subcontractors has been made available to ARVATO to carry out work under the direction and supervision of ARVATO;

(b) liability resulting from any third party claiming that ARVATO must be qualified as the person materially employing any of the Supplier's staff members or subcontractors;

(c) liability resulting from any third party claiming that the Supplier or any of its subcontractors has not complied with:

- the Dutch Minimum Wages and Minimum Holiday Pay Act (*Wet minimumloon en minimum vakantiebijslag*);
- the Dutch Aliens Employment Act (*Wet arbeid vreemdelingen*);
- the Dutch Working Conditions Act (*Arbeidsomstandighedenwet*);
- the Dutch Working Hours Act (*Arbeidstijdenwet*);
- the Dutch Placement of Personnel by Intermediaries Act (*Wet allocatie arbeidskrachten door intermediairs*); or
- any collective labour agreement (*collectieve arbeids-overeenkomst*) governing its relationship with the relevant staff.

22.7 By issuing any quotation or offer in respect of any Products, the Supplier acknowledges and agrees that:

(a) all employment risks relating to staff members or subcontractors as referred to in clause 22.6 shall be carried by the Supplier;

(b) the indemnity set out in clause 22.6 shall also apply to any claims relating to any period prior to the date of any Agreement;

(c) the indemnity set out in clause 22.6 may not be rescinded, annulled (*vernietigd*), terminated (*opgezegd*) or suspended (*opgeschort*) by the Supplier (whether in whole or in part);

(d) the indemnity set out in clause 22.6 shall continue in full force and effect for an indefinite period of time and shall not end or lapse on rescission, annulment (*vernietiging*) or termination (*opzegging*) of any Agreement;

(e) the indemnity set out in clause 22.6 shall take precedence over any other agreement or arrangement made by ARVATO and the Supplier (including any Agreement).

22.8 Non-compliance of the Supplier with any provision of clauses 22.2, 22.4, 22.5 and 22.6 shall be a default within the meaning of paragraph (a) of clause 15.1.

23. Disputes and applicable law

23.1 All Agreements and Purchase Orders shall be exclusively governed by Dutch law. The applicability of the Vienna Sales Convention is expressly excluded.

23.2 All and any disputes arising in connection with or from any Agreement or Purchase Order shall in the first instance (*in eerste aanleg*) be exclusively submitted to the competent court in Limburg, the Netherlands.