

Terms of delivery

1. Objectives

In order to guarantee a smooth logistics process between our **customers** (and their agents and particularly their suppliers) and our **suppliers**, it is mandatory that our conditions relating to logistics, administration and organisation are adhered to, and this is a prerequisite for all deliveries.

The “terms of delivery” agreed below form part of our **general terms and conditions** and as such therefore also form part of the service contracts with our customers. These terms of delivery apply to our suppliers in isolation, i.e. even if our general terms and conditions do not apply to the business relationship between Paragon Customer Communications Schwandorf GmbH and suppliers.

These terms of delivery shall apply to all deliveries of goods, including for instance goods supplied for further processing (e.g. paper sheet components, envelopes, fixed or loose inserts, samples etc.), lettershop items (e.g. mailing envelopes, self-addressed envelopes, address labels etc.), roll/sheet paper and goods for address management use (reply materials etc.).

2. Notification of delivery

Deliveries of five or more pallets must be notified to Paragon Customer Communications Schwandorf GmbH in good time, i.e. 24 hours prior to delivery:

To Germany – Schwandorf:

by phone on +49 9431 620-428 if the goods are for web finishing

by phone on +49 9431 620-642 if the goods are for lettershop/digital printing/responsemanagement

by phone on +49 9431 620-428 if the goods constitute web paper

To Czech Republic – Nýřany:

by phone on +420 378 772-756 (incoming goods)

by phone on +420 378 772-718 (outgoing goods/storage)

Notification must contain the following information:

- name of supplier
- supplier number
- order number
- number of pallets
- desired date of delivery
- desired delivery time slot

If the proposed delivery date or delivery time does not coincide with Paragon’s time frames then we will agree a different modus operandi with you.

3. Delivery

Addresses for delivery:

Location Schwandorf:

Paragon Customer Communications
Schwandorf GmbH
Gutenbergstrasse 1-5
(Lorry delivery via Bellstraße*)
92421 Schwandorf
Germany

Location Nýřany:

Paragon Customer Communications
Czech Republic a.s.
Dr. Klementa 1082
330 23 Nýřany
Czech Republic

***Please drive to the Bellstraße via Industriestraße, as it is forbidden to turn left into the Paragon area on the Bellstraße.**

Deliveries must be made right up to the loading sill.

For delivery on pallets:

- The height of the pallet (including the pallet itself) must not be more than 150 cm
- The total weight of the pallet must not exceed 1.100 kg

Delivery times:

Any delivery of goods which has been notified to us in advance will be accepted on Mondays to Fridays (except bank holidays) between the hours of 0600 and 2000. All delivery times agreed shall be adhered to. Delivery outside these hours will only be possible in exceptional circumstances by prior arrangement. We guarantee that goods will be accepted within a time frame of 2-3 hours if our conditions of delivery/delivery times are adhered to. Delivery of raw materials, such as paper, on Joloda-vehicles must also be supplied within the aforementioned delivery times.

Deliveries of which we have not been notified in advance will only be accepted and unloaded if there is sufficient incoming goods management capacity within the aforementioned delivery timeframes.

Customer material deliveries will not be accepted prior to the agreed delivery date and as such early deliveries may be refused. The agreed delivery date will be stipulated on our Order Confirmation.

Quality of deliveries:

The goods to be supplied must be delivered on exchangeable, undamaged EPAL EURO pallets (see clause 4. below) and duly packaged and secured. We do not accept responsibility for the cost of return/disposal or storage of any transport containers or packaging; this will if necessary be charged to the customer/supplier. Transport containers or packaging will not be accepted unless they are in immaculate condition. If damage to any transport container can be proven, we reserve the right to refuse to accept delivery or to charge a fixed fee amounting to the replacement value. Any damage that has occurred during transport and which can be attributed to the goods having been insufficiently packaged or secured are the sole responsibility of the customer/supplier.

The goods to be supplied and any transport containers or packaging must comply with relevant statutory provisions.

In addition, the following quality features are to be observed:

- Goods must not overhang the front of the pallet.
- Goods may overhang the side of the pallet by no more than 10 cm.
- Transports must be secured so as to prevent bulges or skewed loads.
- The height of the pallet (including the pallet itself) must not be more than 150 cm.
- The total weight must not exceed 1100 kg.
- The foot room below the pallets must be kept clear.
- Materials used in order to secure the load, such as identification labels or similar items, must not flap. They must be secured or affixed such that they do not cause any disruption to the automatic warehousing procedure.
- Packaging materials must display the symbols and substance numbers as required by statute.
- Pallets supplied must each contain one article/type/version of goods only.

Delivery documentation:

When receiving any delivery we require the following information:

Each delivery must be accompanied by a **delivery note** in duplicate which must be handed to us before the goods are unloaded. The delivery note must contain the following data:

- Sender
- Customer name and contact person
- Description of goods
- Number of pallets and items per pallet
- Order number provided by us
- Details of item and issue (if provided)
- Encoding (when requested by us)
- Net and gross weight of the total delivery and of each individual package
- Sample rolls/piles/products (one-up) must be rolled or boxed separately and must be clearly and visibly labelled

Each pallet/packaging unit must in addition contain a clearly identifiable **packing slip** with the following details:

- Sender
- Description of goods
- Order number provided by us
- Number of items on the pallet
- Label stating that it is pallet "x" [number] of "y" [number] pallets
- Manufacturing order number
- Encoding (when requested by us)

If deliveries do not correspond with our requirements as to the quality of deliveries, or if the delivery documentation has not been duly completed, we reserve the right to refuse to accept the goods. If time constraints mean that it is impossible for us to refuse to accept the goods then we shall arrange for the delivery to be repacked by Paragon Customer Communications Schwandorf GmbH. Any costs or additional expenses incurred in doing so will be charged to the customer/supplier.

Service:

In the event that as a result of the goods' specification it is unavoidable for you to alter the delivery conditions, please notify us at least 24 hours prior to delivery and agree these with Paragon's warehouse manager on telephone +49 9431 620-400 or with your known contact person.

4. Exchange of pallets

The quality of the EURO pallets used must conform to the EPAL standards (please refer to the internet site <http://www.epal-pallets.de> for further information on pallet quality and the exchange of pallets). Pallets will only be exchanged on a 'pallet for pallet' basis provided they are from the European pallet pool and they correspond with the measurement, load bearing capacity and condition requirements of EPAL. We will not be responsible for exchange fees or license fees for transport containers (e.g. EURO pallets and EURO cage pallets). Exchange will take place by means of a pallet exchange note. The settlement of exchange pallets forming part of the stock will always take place directly with the relevant carrier/collector.

5. Liability

In the event of non-compliance with the aforementioned conditions of delivery, we reserve the right to charge our customers/suppliers for all additional expenses/consequential loss suffered as a result thereof. We will charge a fee of EUR 40 per hour per additional member of staff required. Further, we reserve the right to charge an administration fee of EUR 20 per delivery. A fee of EUR 5 will be charged per pallet storage space. All fees are quoted net exclusive of any statutory charges or taxes due such as, in particular, value added tax.

In the event of non-adherence to any of the conditions of delivery customers/suppliers shall have no right whatsoever (e.g. in relation to stand charges) to claim against Paragon Customer Communications Schwandorf GmbH.

6. Final provisions

Insofar as permitted by law, Paragon Customer Communications Schwandorf GmbH's headquarters shall be the exclusive place of jurisdiction for all disputes arising from the contractual relationship, including the exchange procedures and the documentation process. Paragon Customer Communications Schwandorf GmbH also reserves the right to bring a claim to the customer/supplier's general place of jurisdiction.

This agreement is governed by German law to the exclusion of the UN Convention on Contracts for the International Sale of Goods and any other conflict of laws provisions.

In the event that any provision contained within this agreement should be void or voidable this shall not affect the validity of the remaining provisions.