

General Terms and Conditions for Purchase

1. Scope

1.1. The following Terms and Conditions for Purchase shall apply to any and all contracts awarded to third parties (hereinafter the "Contractor") by Grabarz & Partner Werbeagentur GmbH, Grabarz XCT GmbH, or Grabarz Finanz & Service Holding GmbH & Co. KG (hereinafter respectively referred to as "G&P") in their own name or on behalf and in the name of any third party including, but not limited to, the purchase of goods and all orders and contracts regarding the rendering of any services.

1.2. These Terms and Conditions for Purchase shall apply exclusively. Purchasing terms and conditions contrary to or deviating from these Terms and Conditions for Purchase ("TCP") shall not be applicable, even if G&P despite having knowledge of any conflicting or deviating terms and conditions of the Contractor unconditionally accepts services or deliveries from the Contractor.

1.3. These Terms and Conditions shall also apply to all future business matters with the Contractor.

1.4. G&P contracts are to be immediately confirmed in writing or via telefax by the Contractor.

2. Scope of Contract

2.1. Delivery volumes and/or any scope of services specified in any G&P order shall be binding. Additional volumes exceeding the agreed scope shall not be compensated even in the event they have been caused by production/technical issues.

2.2. All drafts and alternatives prepared by the Contractor shall belong to the scope of services.

3. Delivery Time

3.1. Dates and delivery deadlines specified in G&P orders shall be binding. With respect to all G&P orders relating to the design or the production of advertising material time is of the essence within the meaning of Sec. 323 para. 2 no. 2 of the German Civil Code (Bürgerliches Gesetzbuch - BGB), Sec. 376 of the German Commercial Code (Handelsgesetzbuch - HGB).

3.2. Contractor shall inform G&P in writing without undue delay if it becomes apparent that a delivery will be delayed. In the event of delivery default, G&P shall be entitled to claim liquidated damages in the amount of 5% of the order volume per week ended, up to a maximum amount, however, of no more than 10% of the order volume. Additional statutory claims remain unaffected. The Contractor shall be entitled to prove that lesser damage has been caused to G&P as a consequence of default, in which case the liquidated damages lump sum shall be reduced accordingly.

4. Delivery, Delivery Information

4.1. Deliveries shall be effected at the expense and the risk of the Contractor and only to the delivery address specified in the G&P order.

4.2. G&P order numbers must be specified on all shipping documents and shipping orders;

otherwise any delays resulting therefrom shall be at the expense of the Contractor.

4.3. The Contractor shall not be entitled to render partial deliveries without the prior written consent of G&P.

4.4. Packaging costs shall be borne by the Contractor.

5. Prices, Payments

5.1. Agreed prices shall be binding. They may not be exceeded. Should any subsequent changes and amendments requested by G&P lead to additional expenditures of the Contractor, the Contractor shall only be entitled to demand additional compensation if Contractor has immediately informed G&P of such additional compensation in writing.

5.2. Unless otherwise agreed in writing, G&P shall pay within fourteen (14) days of delivery and receipt of a proper invoice with a 2% discount or within thirty (30) days of receipt of the invoice without any deduction. Should more beneficial terms and conditions of payment be specified in an invoice, then these shall apply.

5.3. Invoices are to be issued with the order number, the client number, and the date of delivery and invoice. Value-added tax is to be listed separately on each invoice. The same shall apply to any accruing social security contribution for artists (Künstlersozialabgabe).

5.4. Unless otherwise agreed in writing, all expenses and services of the Contractor shall be compensated in full by the agreed remuneration, in particular all costs for models, props, materials, locations, and travel and accommodation etc.

6. Liability for Defects

6.1. The Contractor represents and warrants that its deliveries and services will comply with the specification agreed in the contract and the instructions issued by G&P as well as with the latest state of the art.

6.2. For G&P orders relating to the design or production of advertising materials, the Contractor further warrants that the task set by G&P has been solved and assures that its deliveries and services comply with any templates and samples provided by G&P (if applicable).

6.3. Furthermore, the Contractor represents and warrants that its deliveries and services are free of any third-party rights including, but not limited to, copy-, trademark-, and personality rights and that they do not violate applicable competition law. The Contractor shall be obliged (i) to indemnify and hold G&P harmless from any and all claims asserted by any third parties against G&P based on an alleged infringement of their rights in connection with the use of Contractor's contractual services and (ii) to reimburse G&P for any and all expenditures, costs, or damages incurred in connection with any such assertion including, but not limited to, court and attorney fees. G&P shall be entitled to the above regardless of whether Contractor is at fault.

6.4. With respect to printing related orders, the Contractor represents and warrants that all its deliveries comply with the agreed specifications and issued instructions relating to the reproduction and execution of such printing order (press proofs, paper, layout, print, binding dummies, etc.). Printing errors shall be considered defects. Type samples are to be sent directly to G&P by no later than the day on which the initial delivery is made.

6.5. Quality and quantity deviations shall be deemed to have been objected to in a timely manner, if G&P notifies the Contractor thereof within seven (7) business days following delivery. Concealed material defects shall be deemed to have been objected to in a timely manner, if G&P notifies the Contractor thereof within ten (10) business days of the defect being identified. The objection right shall persist even after payment has been effected.

6.6. Defects, even if only affecting parts of the delivery, shall entitle G&P to reject the entire delivery.

6.7. The statutory right to subsequent performance shall be so determined that G&P is able to award the contractual services to another vendor/provider in the event the subsequent performance fails and meet any subsequent deadlines.

6.8. The warranty period shall be thirty-six (36) months from the passing of risk.

6.9. Otherwise, the statutory warranty provisions shall apply.

7. Cancellation Fee

Should the Contractor have designed or produced advertising materials which are free of any defects, but do not comply with the commercial and/or aesthetic requirements of G&P, then G&P shall have the right to waive its claim to the services and to pay, as a cancellation fee, only one third of the agreed upon remuneration, but no less than the sum of any proven third party costs of the Contractor.

8. Working Documents and Materials

8.1. All documents and materials provided to the Contractor by G&P including, but not limited to, props, are to be treated with care. Without G&P's prior written consent they may not be made accessible to third parties and/or be used and/or sampled after the termination of the contract. All rights to such documents and materials, including all property rights, shall remain with G&P and/or its clients. After termination of the contract, they are to be returned to G&P in their entirety and in good condition at the expense and risk of the Contractor under exclusion of any retention rights.

8.2. Title to any documents and materials including, but not limited to, electronic data carriers, films, diapositives, image and audio carriers, graphic materials, etc., shall be transferred to G&P upon payment of the agreed compensation, and are to be sent to G&P upon its first demand at the expense and risk of the Contractor.

9. Storage Obligations

9.1. Title to illustrations shall be transferred to G&P upon payment of the agreed fee.

9.2. Non-delivered drafts, interim work products, and reproduction materials produced or procured by the Contractor for the execution of the contract including, but not limited to, tools, print documents, photographs, stamping molds, lithographs, illustrations, moving image content produced by the Contractor, and the data prepared by it including, but not limited to, programming elements, CGI data, etc., shall have to be preserved by the Contractor and at no expense to G&P for up to twelve (12) months after acceptance, and the destruction thereof is to be reported to G&P by no later than two months in advance. Upon request, they are to be surrendered to G&P.

10. Software Development

In the event the contractual services of the Contractor comprise the development of any individual software products for G&P and/or its clients, the Contractor is obliged to provide G&P with the source code and the corresponding documentation for such software. Should any software that has already been delivered be changed by the Contractor, then these changes are to be reflected also in the corresponding documentation, and a copy of both the respective current source code and the documentation are to be immediately provided to G&P. In the event that, for technical reasons, there is no source code and/or development documentation for the software, the Contractor shall furnish to G&P any and all data, material, and other documents necessary for allowing G&P, at its discretion, to modify the software that had been individually developed for G&P and/or its clients without the help of the Contractor.

11. Photo Orders

11.1. If G&P places orders for photo shootings, the Contractor shall – if not otherwise agreed in writing – procure for all models, props, and locations at its own expense and risk.

11.2. Should the Contractor not be able to take photographs because the models did not show up, the Contractor shall bear any additional costs associated therewith.

11.3. The Contractor shall waive the right to sign the photographs and the right of being named. G&P shall, however, have the right to name the Contractor.

11.4. Title to the shooting material including, but not limited to, negatives, positives respectively all digital photography material and data etc., shall be transferred to G&P upon payment of the agreed fee. The Contractor shall be obliged to provide G&P with the shooting material at the latest together with the invoice or, at the discretion of G&P, to retain such material for and at no expense to G&P for a period of five (5) years commencing with the invoice date and, on the request of G&P, to hand it over free of charge during that period.

11.5. Unless otherwise agreed, the Contractor shall be obliged to have written agreements executed by the models for the unlimited transfer

of all rights of use subject to Section 12 below and to provide such agreements to G&P at request.

11.6. Third party costs shall only be reimbursed to the Contractor if G&P has accepted them in writing prior to their occurrence in terms of reason and amount on the basis of a complete preliminary calculation submitted by the Contractor.

12. Granting of Rights

12.1. Upon conclusion of the contract, the Contractor shall transfer to G&P – for the agreed upon purposes including, but not limited to, for advertising and other commercial purposes – any and all rights of use under applicable copyright and ancillary copyright law, as well as any other existing or emerging rights regarding the services rendered under the contract on an exclusive basis, and without restriction in terms of time, content and territory. Accordingly, G&P shall have the right, to use the Contractor's work results (including software) including copies, translations and other modifications or adaptations thereof for all known and unknown types of use. The granting of rights shall in particular include, the right to, in whatever way, process, modify, edit, adapt, redesign, split, shorten, translate (into the German or any other language), synchronize, publish, exploit, copy/duplicate and disseminate Contractor's work results, or to stage, transfer, exhibit and send it and to make it perceivable to public and non-public audiences by means of technical image devices. Any rights on the part of the Contractor pursuant to sec. 40a of the German Copyright Act (Urheberrechtsgesetz – UrhG) remain unaffected.

12.2. The grant of rights subject to Section 12.1 above shall particularly comprise all print media (including large surface posters, wrapping, and advertising material); film; radio; and television (regardless of the technical nature of dissemination); POS; packaging; sales promotions; co-operations; the internet (also including social media); image, audio and data carriers; and databanks and data networks, including mobile devices and comparable systems.

12.3. The right to modify and process the work results granted pursuant to clause 12.1 also includes, in particular, any processing by means of AI (artificial intelligence)-based software tools, in that the work results created by the Contractor are used as input material and are processed and modified by the AI-based software independently or with the involvement of G&P or third parties acting on its behalf (e.g. by means of respective command inputs – "prompts") and in compliance with the moral rights of the Contractor and other affected authors. The rights granted to G&P pursuant to clause 12 shall also extend to the adaptations made in accordance with this clause 12.3.

12.4. Where the contractual services of the Contractor comprise, or are intended to be used for, backplate shootings or CGI-productions, the right to edit and use granted pursuant to Section 12.1 above shall also extend to the realization of new future motifs. G&P is free to commission any third parties with the realization of new motifs generated from the

shooting material, in which case the Contractor will hand over to G&P any data necessary therefor in a format/file type suitable for further processing.

12.5. G&P shall be entitled to transfer and/or sublicense the rights granted in whole or in part to any third parties.

12.6. In case the Contractor uses employees and/or sub-contractors and/or other third parties for the performance of the contract, Contractor shall, at its own expense, obtain from them and transfer to G&P the rights set forth in Sections 12.1, to 12.5 accordingly. At the request of G&P, Contractor shall provide proof to G&P that such rights have been duly obtained.

12.7. Without the prior written consent of G&P, the Contractor must not use the services rendered in any other way (e.g., for its own advertising purposes).

12.8. The right to be named as the author is hereby excluded. The Contractor guarantees this also with regard to all third parties commissioned by it. The Contractor may, however, be named by G&P.

12.9. Unless expressly agreed otherwise, the contractually agreed period of use for the granted shall rights shall commence with the first publication of the work results created by the Contractor in rendering the contractual services.

12.10. G&P shall be entitled to use any advertising materials containing deliveries and services of the Contractor without time limitation for self-promotion purposes (also on the Internet, including social media) or in connection with the participation in creative award competitions.

12.11. The granting of rights pursuant to this Section 12 shall be deemed fully compensated by the agreed upon fee. In the event that protected works are exploited in yet (i.e. at the time of conclusion of the contract) unknown types of use, the remuneration for such usage shall be determined separately in accordance with sec. 32c of the German Copyright Act.

12.12. Should any new types of use emerge subsequent to the conclusion of the contract which are not covered by the above granting of rights pursuant to this Section 12, G&P shall have the option to acquire the rights for said types of use subject to an adequate additional remuneration. The Contractor shall only be entitled to grant these rights to third parties once G&P has declined in writing an offer to acquire these rights.

13. Confidentiality

13.1. The Contractor shall be obliged (i) to hold in strict confidence all information and documents made accessible to it in connection with the contract even after the contract has terminated and even if the contract was never executed and (ii) not to make such information/documents accessible to any third parties.

13.2. The Contractor guarantees that it and all its employees, subcontractors, models, etc., that are involved with the execution of the contract shall fully comply with the aforementioned con-

Confidentiality obligations and shall likewise obligate the aforementioned group of persons in accordance with Section 13.1 above. The corresponding non-disclosure declarations are to be submitted to G&P upon first demand.

13.3. Any rights and obligations of the parties under a separate confidentiality agreement shall remain unaffected.

14. Statutory Minimum Wage

14.1. The Contractor represents and warrants that all personnel employed by it in Germany are remunerated in accordance with the provisions of sec. 1, 2 and 20 of the German Minimum Wages Act (Mindestlohngesetz – MiLoG) as well as further statutory provisions and collective agreements the compliance of which G&P is liable for according to sec. 14 of the Employee Assignment Act (Arbeitnehmerentsendegesetz) and/or further comparable provisions and that other obligations under the German Minimum Wages Act, in particular the record-keeping obligations, are being complied with as well.

14.2. Further, the Contractor shall procure that any of its subcontractors likewise comply with the provisions of the German Minimum Wages Act. If the subcontractor itself employs another subcontractor, the Contractor shall also procure that all other subcontractors are being accordingly obliged. The Contractor shall regularly monitor its subcontractors as to their compliance with the provisions of the German Minimum Wages Act.

14.3. For the duration of the contract and a subsequent period of six months after its termination, the Contractor, at G&P's request, is obliged to prove the proper payment of the statutory minimum wage by providing G&P with appropriate records (documents pursuant to sec. 17 para. 1 of the German Minimum Wages Act, e.g. anonymized account settlements for salaries and wages, payslips, payroll excerpts etc. or statements from its tax advisors or acknowledgements of the employees).

14.4. Upon G&P's first demand, the Contractor shall indemnify and hold G&P harmless from any and all claims asserted against G&P by third parties as a result of a violation of the German Minimum Wages Act (Mindestlohngesetz – MiLoG) or any further statutory provisions or collective agreements the compliance of which G&P is liable for according to sec. 14 of the Employee Assignment Act (Arbeitnehmerentsendegesetz) and/or further comparable provisions by the Contractor or its subcontractors. This indemnification shall also apply to any sanctions, penalties and fines or other actions under public law being imposed on or taken towards G&P due to any violation of the aforementioned provisions as well as for all reasonable legal pursuit and defense costs arising therefrom. To the extent G&P fulfils any claims for which the Contractor must indemnify and hold G&P harmless under this Section 14.4, the Contractor shall reimburse G&P on its first demand for all payments made in this respect.

14.5. If the Contractor is in breach of any of its obligations pursuant to this Section 14.5, G&P

may, after issuing a fruitless warning notice, which has to be at least in text form according to sec. 126b of the German Civil Code and must contain a reasonable grace period, terminate the contract by giving 10 days prior written notice to the Contractor. The right to terminate the contract for good cause remains unaffected.

15. Assignment, Assumption of Contract

15.1. The Contractor shall not have the right to assign its rights under the contract in whole or in part to any third parties. Section 354a of the German Commercial Code (Handelsgesetzbuch) remains unaffected.

15.2. G&P shall have the right to transfer any and all rights and obligations under the contract to its following affiliates by way of an assumption of contract:

Grabarz & Partner Werbeagentur GmbH,
Schaartor 1, 20459 Hamburg, Germany

Grabarz XCT GmbH,
Schaartor 1, 20459 Hamburg, Germany

Grabarz Finanz & Service Holding GmbH & Co. KG,
Schaartor 1, 20459 Hamburg, Germany

16. Orders on behalf of G&P's Clients

Should G&P place orders in the name of its clients, G&P shall neither be liable for the proper performance of the contract nor for the creditworthiness of its client.

17. Storage Obligation; Inspection Right

17.1. The Contractor shall be obliged to preserve all documents in connection with the contract for a period of ten (10) years.

17.2. G&P shall be entitled to visit the business premises of the Contractor at any time during normal business hours for purposes of conducting an audit (also in the company of the pertinent client of G&P) and to review the books and business processes related with the contract.

18. Final Provisions

18.1. The place of performance for all payments of G&P shall be Hamburg, Germany.

18.2. Insofar as the Contractor is a merchant (Kaufmann), the place of jurisdiction shall be Hamburg, Germany. G&P shall, however, be entitled to file suit also at the Contractor's general place of jurisdiction or at the place of jurisdiction which is competent for its place of business.

18.3. The laws of the Federal Republic of Germany shall apply exclusively, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).

18.4. If any provision of these Terms and Conditions for Purchase is or becomes invalid or unenforceable, the validity of the remaining provisions shall not be affected.