

General Conditions of Sale of Flint ("Seller")

1. Definition of Seller and Scope of Application

1.1 Seller means Flint's subsidiaries or affiliated legal entities incorporated and registered in China that is/ are signing or performing the contract or purchase order for sale of goods under these General Conditions of Sale in its/ their own name(s). [Note: As of August 31, 2017, Flint has the following legal entities in China: Flint Group Chemicals (China) Co., Ltd., with registered address at 301 Jiangxinsha Road, Pudong 200137, Shanghai, China; Flint Group (Shanghai) Management Co., Ltd., with registered address at 301 Jiangxinsha Road, Pudong 200137, Shanghai, China; Flint Group Printing Ink (Shanghai) Co., Ltd., with registered address at K-1F, No.1835 Duhui road 201108 Minhang District, Shanghai, China; Flint Ink (Guangzhou) Printing Ink Co. Ltd., with registered address at No.93, Tianyuan Road, Yonghe District, Luogang district, 511356, Guangzhou, China; Varn Asiatic Pressroom Products (Zhongshan) Ltd., with registered address at No.17 Hemin Road, Cuiheng New District, 528449, Zhongshan, Guangdong Province, P.R.China.]

1.2 All sales and deliveries by Seller shall be made exclusively on the basis of these General Conditions of Sale, which shall be accepted by Buyer by the placing of an order or the receipt of delivery. The application of Buyer's conflicting or supplementary terms and conditions shall be excluded, unless otherwise agreed by Seller in writing. Seller's General Conditions of Sale shall also apply to all future transactions with Buyer. Deviation from these General Conditions of Sale require the explicit written approval of the Seller.

2. Conclusion of Contract

2.1 Seller's quotations are not binding offers but must be seen as invitations to Buyer to submit a binding offer. The contract is concluded by Buyer's order (offer) and Seller's written acceptance thereof or in case there is no such written acceptance, at the latest with the delivery of the goods. The contract shall be governed exclusively by the contents of these Conditions of Sale and the Seller's acceptance of order, if available. In case the acceptance differs from the offer, such acceptance constitutes a new non-binding offer of Seller. Verbal agreements or promises shall only be valid if an authorized employee of Seller has confirmed them in writing.

2.2 Seller retains all rights in the sales documentation (in particular pictures, drawings, data on weight and size) and samples. These items must not be made available to third parties and must be returned to Seller without undue delay on demand.

2.3 The field staff of Seller is not authorized to represent Seller. In particular, the field staff cannot conclude contracts and make binding promises concerning the goods to be delivered ("Goods") or other conditions.

3. Product Quality, Specimens and Samples; Guarantees

3.1 Unless otherwise agreed, the quality of the Goods is exclusively determined by Seller's product specifications.

3.2 The properties of specimens and samples are binding only insofar as they have been explicitly agreed to define the quality of the Goods.

3.3 Information provided in sales catalogues, price lists and any other informative literature provided by Seller or any other descriptions of the Goods (such as shelf-life data) shall under no circumstances constitute a guarantee for any specific quality of the Goods; such specific quality or durability guarantees must expressly be made in writing.

4. Advice

Any advice rendered by Seller is given to the best of his knowledge. Any advice and information with respect to suitability and application of the Goods shall not relieve Buyer from undertaking his own investigations and tests.

5. Prices

5.1 Unless the parties have agreed upon a certain price, the price shall be determined by the price list of Seller as applicable at the date of the conclusion of the contract.

5.2 If, after the conclusion of the contract, Seller has incurred unforeseeable cost increases with regard to the Goods for which it does not bear responsibility, Seller shall be entitled to pass on such higher costs by increasing the agreed price on a pro rata basis.

6. Delivery

6.1 Delivery shall be effected as agreed in the contract. Delivery dates and delivery periods agreed in the contract are only binding if they have been agreed as binding and Buyer has provided Seller in a timely manner with all of the information or documentation required for the performance of such delivery and Buyer has made any advance payments in the manner and amount as agreed

upon by the parties. Delivery periods agreed upon by the parties shall begin on the date of the confirmation of order. In the event of additional or supplementary contracts entered into at a later date, the delivery periods and delivery dates shall be extended or rescheduled accordingly, as applicable.

With regard to Goods that Seller does not produce itself, the obligation to deliver shall be subject to Seller's correct and timely receipt of such Goods from its suppliers.

If deliveries by Seller are delayed, Buyer shall only be entitled to rescind the contract if (i) Seller is responsible for the delay and (ii) a reasonable grace period set by Buyer has expired.

6.2 Should Buyer be in default of the acceptance of delivery or should he be in breach of any other obligations to cooperate with Seller, Seller shall be entitled, without prejudice to its other rights, (i) to reasonably store the Goods at Buyer's risk and expense or (ii) to rescind the contract in accordance with the statutory provisions.

6.3 Seller may make partial deliveries for good reason if and to the extent this is reasonable for Buyer.

7. Shipment, Packaging, Passage of Risk

7.1 In the absence of any other instruction by Buyer, shipment shall be made using a reasonable method of shipment in standardized packing material.

7.2 If the Goods are delivered in returnable containers, these containers must be emptied and returned carriage-free within 30 days of receipt of the products. Buyer shall be liable for any loss and damage to the returnable containers for which he is responsible. Returnable containers must not be used for other purposes or other products. They are to be used exclusively for the transit of the products delivered. Labeling must not be removed.

7.3 Seller shall not take back disposable packaging.

7.4 Unless otherwise agreed by the parties in writing, the risk shall pass to Buyer (i) upon delivery of the Goods to the carrier commissioned by Seller in case of a contract of sale involving the shipment of goods, (ii) upon handover to Buyer if Buyer collects the Goods himself, or (iii) upon handover to a third party if a third party authorized by Buyer collects the Goods. Should Buyer be in default of acceptance, risk shall pass to Buyer upon default. If, in case the Goods shall be collected by Buyer or a third party authorized by Buyer, and delivery is delayed on grounds for which Buyer is responsible, risk shall pass to Buyer on the date Buyer is notified of the readiness of the Goods for shipment.

8. Compliance Obligations

8.1 The Buyer is responsible for compliance with all applicable laws, rules, regulations and administrative requirements with respect to its activities pursuant to the contract, including those governing trans-border sales, importation, storage, shipment, transfers of products, economic sanctions, and export controls. The foregoing expressly includes all applicable anti-bribery and corrupt practices laws, including without limitation the Bribery Act 2010 (U.K.), the U.S. Foreign Corrupt Practices Act 1977, Criminal Law of the People's Republic of China, the Anti-Unfair Competition Law of the People's Republic of China and any additional anti-bribery, corruption, commercial bribery, money laundering, or terrorist financing laws applicable to the Buyer. The foregoing also includes all applicable export control and economic sanctions laws.

8.2 Without limiting the foregoing, the Buyer agrees that it will not ship or divert any Goods to Cuba, Syria, Iran, North Korea or Crimea or the respective governments of those countries. The Buyer also agrees that it will not sell any Goods to a customer for use in connection with the proliferation of weapons of mass destruction, including missiles, nuclear, chemical or biological weapons. Finally, the Buyer will not ship any Goods for resale, directly or indirectly, to or through, any customer that is a person or entity: (a) on the Consolidated List of Persons, Groups and Entities Subject to EU Financial Sanctions (https://eeas.europa.eu/headquarters/headquarters-homepage/8442/consolidated-list-sanctions_en); (b) on the U.S. Treasury Department's Office of Foreign Asset Control's List of Specially Designated Nationals and Blocked Persons (<https://sanctionssearch.ofac.treas.gov/>); (c) on the U.S. Commerce Department's Bureau of Industry and Security's Denied Parties List or Entity List (<http://apps.export.gov/csl-search#/csl-search>; https://www.bis.doc.gov/index.php/forms-documents/doc_view/691-supplement-no-4-to-part-744-entity-list); or (d) that is otherwise prohibited by law from receiving the Goods. The Buyer shall take no action which would subject the Seller to penalties under the aforementioned laws, rules, regulations, or administrative requirements, including laws, rules, regulations, or administrative requirements of the United States, the United Kingdom, and the European Union.

9. Terms of Payment

- 9.1 Each invoice of Seller shall be due for payment without any deductions within 30 days from the date of invoice; if this period for payment lapses unsuccessfully, Buyer shall be in default. Payments by Buyer shall not be deemed to have been made until Seller has received such payment.
- 9.2 Failure to pay the purchase price by the due date constitutes a fundamental breach of contractual obligations.
- 9.3 In the event of a default in payment by Buyer, Seller is entitled to charge default interest on the amount outstanding at the rate of 9 percentage points above the base interest rate announced by the German Federal Bank at the time payment is due if the amount is invoiced in Euros, or, if invoiced in any other currency, at the rate of 9 percentage points above the discount rate of the main banking institution of the country of the invoiced currency (referring to People's Bank of China in case of invoice and payment in RMB) at the time the payment is due. Any claims for further damages due to the default shall remain unaffected.
- 9.4 Bills of exchange and checks shall only be taken on account of performance upon special arrangement and without any bank charges or other costs for Seller.
- 9.5 Seller is entitled to issue partial invoices for partial deliveries as defined in section 6.5 hereof.
- 10. Buyer's Rights regarding Defective Goods**
- 10.1 Upon passing of the risk the Goods shall be of the agreed quality (see section 3.1 above).
- 10.2 Buyer's rights in case of defects of the Goods shall require that he inspects the Goods upon delivery without undue delay and notifies Seller of any defects without undue delay but no later than two weeks following receipt of the Goods; hidden defects must be notified to Seller without undue delay but no later than two weeks after they are discovered. Notification must be in writing and must precisely describe the nature and extent of the defects.
- 10.3 In the event of a notification of a defect, Seller shall have the right to inspect and test the Goods to which objection was made. Buyer will grant Seller the required period of time and opportunity to exercise such right. Seller may also demand from Buyer that he returns to Seller at Seller's expense the Goods to which objection was made. Should Buyer's notification of the defect prove to be unjustified and provided Buyer has realized this prior to the notification of the defect or has not realized it in a negligent manner, Buyer shall be obliged to reimburse Seller for all costs incurred in this respect, e.g. travel expenses or shipping costs.
- 10.4 If the Goods are defective and Buyer has duly notified Seller in accordance with section 10.2, Buyer has its statutory rights, with the following modifications:
- Seller has the right to choose whether to remedy the defect or supply Buyer with non-defective replacement goods.
 - Seller may make two attempts according to section 10.4 a) above. Should these fail or be unacceptable to Buyer, Buyer may either rescind the contract in accordance with the statutory provisions or demand a reduction in the purchase price and/or claim either damages pursuant to section 11 or the reimbursement of its expenses.
- 10.5 Buyer's rights in case of defects shall be excluded in the following events: (i) natural wear and tear, (ii) defects of the Goods due to reasons for which Buyer bears responsibility, such as inappropriate or improper use, the non-observance of the operational instructions or faulty treatment, (iii) incorrect assembly and/or installation by Buyer or a third party commissioned by Buyer, and (iv) the use of unsuitable accessories or unsuitable spare parts or the performance of inappropriate repair works by Buyer or a third party commissioned by Buyer.
- 10.6 Buyer's claims for defective Goods are subject to a period of limitation of one year from receipt of the Goods. In the following cases the statutory periods of limitation apply instead of the one-year period:
- Buyer's damage claims for damages caused by Seller intentionally or by gross negligence;
 - Buyer's rights with respect to defects of Goods. Defects refer to (i) there are unreasonable dangers in the Goods threatening personal or property safety; or (ii) the Goods fail to comply with the national or industrial standards securing human health, personal or property safety. ;
 - if and to the extent Seller has assumed a guarantee ;
 - Buyer's damage claims due to other reasons than defects of the Goods;
 - other claims under the Product Quality Law of the People's Republic of China or any other mandatory statutory liability.
- 11. Limitation of Liability and Damage Compensation**
- 11.1 In the event of breach of material contractual obligations, Seller shall only be liable up to the amount of the typically foreseeable damage at the time of entering into the contract.
- 11.2 Seller shall not be liable for damages caused by a breach of non-material contractual obligations.
- 11.3 Subject to section 11.1 and 11.3, Seller will be under no liability to Buyer whatsoever (whether in contract, tort (including negligence), breach of statutory duty, restitution or otherwise) for any injury, death, damage or direct, indirect or consequential loss (all three of which terms include, without limitation, pure economic loss, loss of profits, loss of business depletion of goodwill and like loss) howsoever caused arising out of or in connection with the Contract.
- 11.4 The total liability of Seller for any claims arising out of or in connection with any sale of the Goods whether in contract, tort (including negligence), breach of statutory duty, or otherwise, shall not in any circumstances exceed the price of the Goods that are directly involved in or leading to the liability.
- 11.5 Buyer acknowledges that this section 11 is reasonable and reflected in the price which would be higher without those provisions, and Buyer will accept such risk and (or insure accordingly).The above stated liability restrictions shall not apply to damages caused intentionally or by gross negligence, culpably caused personal injuries nor to any liability under the Product Quality Law of the People's Republic of China and in case of any further mandatory liability. Furthermore, it shall not apply if and to the extent Seller has assumed a guarantee.
- 11.6 Buyer shall take all reasonable measures necessary to avert and reduce damages.
- 12. Product Liability**
- If Buyer sells the Goods, whether unchanged or changed, whether after processing, connecting or mixing with other goods, Buyer shall indemnify Seller in their internal relationship against any product liability claims of third parties if and to the extent Buyer is responsible for the defect leading to the liability also within their internal relationship.
- 13. Set-off and Right of Retention**
- 13.1 Buyer may only set off claims from Seller if his counterclaim is undisputed, ready for decision or has been finally adjudicated.
- 13.2 Buyer is only entitled to assert a right of retention to the extent that his counterclaim is based on the same contract and is uncontested, ready for decision or has been finally adjudicated.
- 14. Security**
- If there are reasonable doubts as to Buyer's ability to pay, especially if payments are in arrears, Seller may revoke credit periods and make further deliveries dependent on advance payments or other security. If such advance payments or security have not been rendered even after the expiry of a reasonable grace period, Seller may partially or totally rescind individual or all of the affected contracts. Seller shall remain entitled to assert further rights.
- 15. Retention of Title**
- 15.1 The Goods shall remain the property of Seller until any and all claims from the business relationship with Seller have been paid in full.
- 15.2 In the case of current accounts, this retention of title shall serve as security for the claim for the balance to which Seller is entitled. Handling and processing of the retention-of-title Goods shall be done for Seller as manufacturer without any obligations hereto. In case of processing, connecting, or mixing the retention-of-title goods with other goods by Buyer, Seller shall receive co-ownership in the new goods in the ratio of the invoice value of the retention-of-title Goods to the other processed goods at the time of processing. The new goods created by way of processing shall be subject to the same provisions as applicable to the retention-of-title Goods. In the event that the connecting or mixing of the Goods occurs in such manner that Buyer's goods are to be viewed as the main goods, it shall be deemed to be agreed that Buyer assigns proportionate joint ownership to Seller. Buyer shall hold the joint ownership created in such manner in custody for Seller.
- 15.4 Buyer shall only be entitled to resell the retention-of-title Goods in the framework of a normal and proper business operation. Buyer is not entitled to pledge the retention-of-title Goods, grant chattel mortgages on them or make other dispositions endangering Seller's title to such products.
- 15.5 As a precautionary measure, Buyer herewith assigns all purchase price claims from the resale of the retention-of-title Goods to Seller, including all side claims, and Seller hereby accepts such assignment. Buyer shall be entitled to collect the claims assigned to Seller until revocation by Seller. Should Buyer sell the retention-of-title Goods after processing or transformation or joining or mixing of such products with other goods or together with other goods, this assignment of receivables shall only be agreed to for an amount equivalent to the price agreed to between Seller and Buyer plus a safety margin of 10 % of this price. Buyer is granted the revocable authorization to collect in trust the claims assigned to Seller in his own name. Seller may revoke such authorization and the right to resell the products if Buyer is in default of the performance of material obligations such as making payment to Seller.
- 15.6 Buyer shall provide Seller at all times with all desired information concerning the retention-of-title Goods or receivables assigned to Seller under the contract. Buyer shall immediately notify Seller of

- any attachments of or claims to the retention-of-title Goods by third parties and shall provide the necessary documents in this regard. Buyer shall at the same time advise the third party of Seller's retention of title. The costs of a defense against attachments and claims shall be borne by Buyer.
- 15.7 Buyer is obliged to treat the retention-of-title Goods with care for the duration of the retention of title.
- 15.8 In the event that the feasible value of securities existing for Seller shall exceed the assigned claims by collectively more than 10 percent then Seller shall be obligated insofar to release securities as requested by Buyer, either through transfer or assignment as elected by Seller.
- 15.9 Should Buyer be in default of material obligations such as payment to Seller, and should Seller rescind the contract, Seller may, notwithstanding any other rights, request surrender of the retention-of-title Goods and may make use of them otherwise for the purpose of satisfying its matured claims against Buyer. In such case, Buyer shall grant Seller or Seller's agents immediate access to the retention-of-title Goods and surrender the same.
- 15.10 In the event that the retention of title is not effective in the existing form, pursuant to the laws of the country of destination, Buyer shall do everything to create equivalent security rights for Seller without undue delay. Buyer shall co-operate in all measures such as registration, publication, etc. that are necessary and beneficial to the validity and enforceability of such security rights.
- 15.11 On Seller's demand, Buyer is obliged to appropriately insure the retention-of-title Goods, provide Seller with the respective proof of such insurance and assign the claims arising under such insurance to Seller.
- 16. Trademarks and Advertising**
- 16.1 Buyer shall not perform and may not authorize a third party to perform any act that may endanger the trademarks or other intellectual property rights used by Seller in relation to the Goods. In particular, Buyer may not obscure, alter or remove in any manner the trademarks and/or other distinctive features, whether imprinted or attached, that are part of Seller's Goods and may not include or attach any other features.
- 16.2 The entire sales promotional, advertising and sales material ("Advertising Material") provided by Seller shall remain the property of Seller. Buyer may use this Advertising Material only in accordance with the instructions of Seller and in relation to the sale of the Goods, and Buyer may not authorize any third party to use the Advertising Material.
- 16.3 Buyer may only advertise the Goods and use the Advertising Material and the trademarks of Seller for this purpose if Seller has granted its prior express consent in writing. Seller may withdraw its consent at any time; in such case the entire advertising of Buyer must be ceased at Buyer's expense according to the instructions of Seller. Irrespective of Seller's consent, Buyer shall in any event remain responsible for ensuring that all advertising measures or advertisements fulfill the statutory requirements, if any, and do not breach any industrial property rights of third parties.
- 17. Force Majeure**
- Any incident or circumstances that are unforeseeable, unavoidable and beyond the Seller's control and sphere of influence and for which Seller does not bear responsibility, such as natural occurrences, war, strikes, lock-outs, shortages of raw materials and energy, obstruction of transportation, breakdown of manufacturing equipment, fire, explosion, or acts of government, shall relieve Seller for the duration of such incident from his obligations under the contract to the extent Seller is prevented from performing such obligations. Delivery and performance periods and dates, as the case may be, shall be extended or rescheduled, as applicable, by the length of such disturbance, and Buyer shall be informed of the occurrence of such disturbance in a reasonable manner. If the end of the aforementioned occurrences is not foreseeable, or should it last for a period of more than 2(two) months, each party is entitled to rescind from the contract.
- 18. Place of Payment**
- Regardless of the place of delivery of Goods or documents, the place of payment shall be Seller's place of business.
- 19. Communication**
- Any notice or other communication required to be received by a party is only effective at the moment it reaches this party. If a time limit has to be observed, the notice or other communication has to reach the recipient party within such time limit.
- 20. General Provisions**
- 20.1 Any dispute arising out of or in connection with the contract shall be heard at the court having jurisdiction over Seller's principal place of business or, at Seller's option, at Buyer's principal place of business.

- 20.2 These General Conditions of Sale and the contractual relationship of Buyer and Seller shall be governed by the laws of the People's Republic of China to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG).
- 20.3 If these General Conditions of Sale are made known to Buyer in another language, in addition to the language in which the sales contract has been concluded (Contract Language), this is merely done for Buyer's convenience. In case of differences of interpretation, the version in the Contract Language shall be binding.
- 20.4 If a provision of the contract and/or these General Terms of Sale is invalid, in whole or in part, the validity of the remaining provisions shall remain unaffected hereby.

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