

# General Terms and Conditions

## I. Scope

Orders are completed on the following conditions. Any provisions to the contrary shall be valid only if in writing.

## II. Consideration

1. The prices indicated in the Contractor's quotation apply on condition that the order data on which the quotation is based remains unchanged. The Contractor's prices do not include value-added tax. The Contractor's prices are quoted ex works. They do not include packing, freight, postage, insurance or other shipping costs.
2. Any subsequent changes attributable to the Customer, including resultant machine downtime, shall be charged to the Customer. Subsequent changes shall include repeated proofs required by the Customer because of minor variations from the artwork.
3. Sketches, drafts, proof sets, proof copies, and similar preliminary work attributable to the Customer shall be chargeable.

## III. Payment

1. All invoices are issued and payable in euros. Payment (net price plus value-added tax) shall be made within 30 calendar days of the date of invoice free of any deductions. In the event of payment within 14 calendar days of the date of invoice, the Contractor shall grant a 2% discount on the invoice amount, which shall not apply to any freight, postage, insurance or other shipping costs included in the invoice. The invoice shall be issued on the date of delivery, part delivery or availability for delivery (obligation to be performed at the place of business of the debtor, default in taking delivery). Bills of exchange shall be accepted only by special agreement and on account of payment without a cash discount being granted. Discounting and charges shall be borne and paid immediately by the Customer. The Contractor shall not be liable for timely presentation, protesting, notification or returning of the bill in the event of non-payment, unless it or its vicarious agents act wilfully or with gross negligence.
2. Advance payment may be required for exceptionally large quantities of paper and board, special materials or purchased materials and services.
3. The Customer may offset only against claims that are undisputed or recognised by declaratory judgment. If the Customer is an established trader as defined in the Commercial Code (HGB), it shall not be entitled to rights of setoff or lien. The rights under section 320 of the Civil Code (BGB) shall however still prevail as long and in so far as the Contractor has not fulfilled its obligations under Clause VI 3.
4. Payments made against remittance of a bill of exchange drawn by us and accepted by you shall be deemed paid only when the bill of exchange is honoured by you, releasing us from liability under that bill of exchange, so that the agreed retention of title (notwithstanding any further agreements) and the other rights of reservation shall remain in force at least until the bill of exchange in our favour has been honoured.

## IV. Default in payment

1. If fulfilment of the payment claim is jeopardised by a deterioration in the Customer's financial circumstances arising or becoming known after conclusion of contract, the Contractor may demand advance payment, demand immediate payment of all invoices for which the Customer is

already in default, retain goods not yet delivered, and suspend work on outstanding orders. The Contractor shall also be entitled to these rights if the Customer makes no payment despite an overdue-payment reminder.

2. Penalty interest at the rate of 2% above the current bank rate of the German Bundesbank shall be payable in the event of delay in payment. This should not exclude a claim for further damages for default.

## V. Delivery

1. The Contractor shall undertake dispatch for the Customer with due care, but shall be liable only for intention and gross negligence. The goods shall be insured according to the carrier's conditions of carriage.
2. Dates shall apply only if expressly confirmed by the Contractor. If the contract was made in writing, the delivery date shall also be confirmed in writing.
3. If the Contractor is behind schedule in its performance, it shall initially be granted a reasonable period of grace. If this period of grace expires without result, the Customer may withdraw from the contract. This shall not affect section 361 of the Civil Code (BGB). Any damages for default may not exceed the value of the order (in-house output excluding purchased materials and services), unless the Contractor caused the delay wilfully or by gross negligence.
4. Breakdowns – occurring either at the Contractor's own facility or at a facility of any of the Contractor's suppliers – especially strikes, lockouts, war, uprisings or any other cases of force majeure, shall not entitle either party to cancel the contract. The principles of frustration of contract shall still apply.
5. The goods supplied shall remain the property of the Contractor until all the Contractor's claims on the Customer on the invoice date have been paid in full. The Customer shall be entitled to resell only in the course of its lawful business. The Customer hereby assigns to the Contractor its claims arising from resale. The Contractor hereby accepts the assignment. If the value of the Contractor's collateral exceeds its total claim by more than 20%, the Contractor shall be obliged to release collateral at its own discretion when so requested by the Customer or by a third party suffering detriment from the Contractor's over-collateralisation.
6. Under section 369 of the Commercial Code (HGB) the Contractor shall have a lien on the blocks, manuscripts, raw materials and other objects supplied by the Customer, until all claims due from the business connection have been satisfied in full.

## VI. Complaints

1. The Customer shall in all cases check that the goods supplied and the primary and intermediate products provided for correction are contract-compliant. The risk of any errors shall transfer to the Customer on release for printing, except for errors that arise or are detected only in the production process following release for printing. The same shall apply to all other release declarations by the Customer for further production.
2. Complaints shall be admitted only if lodged within one week after receipt of the goods. Latent defects that cannot be found after the immediate inspection must be asserted within the legal warranty period.
3. In the case of justified complaints, the Contractor shall at its discretion rectify or re-supply, excluding any further demands whatsoever, up to the amount of the order value, unless a warranted characteristic is lacking, or the Contractor or its vicarious agents acted wilfully or with gross neg-

# General Terms and Conditions

ligence. The same shall apply for any justified claim regarding the rectification or re-supply. In the event of delay, omission or failure to rectify or re-supply, the Customer may demand reduced payment (reduction in purchase price,) or cancellation of the contract (rescission). Rescission shall not be admissible if the defect does not significantly impair the product's value or fitness for purpose. Liability for consequential loss caused by a defect shall be admitted only if the Contractor or its vicarious agents acted wilfully or with gross negligence. If the order relates to subcontract print conversion or finishing work, the Contractor shall not be liable for any resultant impairment of the product to be converted or finished, unless the damage was caused wilfully or by gross negligence.

4. Defects in part of the order shall not entitle the Customer to submit a complaint about the entire order unless part shipment means that the complete order is then of no use to the client.

5. In the case of colour reproductions in all printing processes, minor variations from the original cannot be complained of. The same shall apply for the comparison between proof prints and the print run.

6. The Contractor shall be liable for variances in the nature of the material used only to the extent of its own claims against the supplier concerned. In such a case the Contractor shall be released from its liability if it assigns to the Customer its claims against the supplier. The Contractor shall be liable as guarantor insofar as claims against the supplier do not pertain or cannot be enforced by fault of the Contractor.

7. Over- or under-delivery of up to 10% of the print run ordered cannot be complained of. The quantity supplied shall be invoiced. For deliveries made of customized paper of less than 1,000 kg the percentage shall increase to 20%, and for deliveries of less than 2,000 kg, to 15%. In the case of small runs or special materials this percentage may increase to 30%.

8. The Contractor shall not be obliged to inspect any deliveries (including data carriers, transmitted data) by the Customer or a third party engaged by it. This shall not apply to data that manifestly cannot be processed or read. Data backup shall be the responsibility of the Customer alone. The Contractor shall be entitled to make a copy.

## VII. Safekeeping, insurance

1. Artwork, raw materials, plates and other objects that can be re-used, and finished and semi-finished products, shall be retained beyond the delivery date only by prior agreement and for special payment. The Contractor shall be liable only for intention and gross negligence.

2. Any objects as indicated above provided by the Customer shall be treated with due care until the delivery date. The Contractor shall be liable for damage only in the case of intention or gross negligence.

3. If the above objects are to be insured, then the Customer shall procure the insurance itself.

## VIII. Periodic work

1. Contracts for regularly recurring work may be terminated only with at least 3 months' notice at the end of a month.

## IX. Copyright, reservation of title

The Customer alone shall be liable if rights, especially third-party copyrights, are infringed by carrying out its order. The Customer shall indemnify the Contractor against any third-party claims for any such infringement.

The production resources used by the Contractor to produce the product to which the contract relates, especially films, blocks, lithographs, printing plates and standing type shall remain the property of the Con-

tractor, even if they are charged separately, and shall not be delivered.

We reserve title to all goods we deliver until our claim from the business relationship has been paid in full. Goods supplied by us and still owned by us shall always be worked on and processed on our account, without giving rise to any liabilities for us. If goods in our ownership are mixed, combined or connected with other objects, then the client hereby assigns to us its title or joint title to the new object, and shall keep the object safe for us with the due care and diligence of a prudent businessman. The client may sell the goods we own in the ordinary course of business only insofar as it is not in arrears. With effect from conclusion of the contract for work between it and us, the client shall assign to us in full by way of security the claims due to it from its customers from sale or some other legal ground, with all subsidiary rights. The client shall be entitled to collect the claim as long as it is not in default with us. If the value of the object provided as security to us subject to retention of title exceeds our total claim by more than 20%, we shall to that extent be obliged to retransfer at the client's request.

## X. Imprint

The Contractor may with the Customer's consent refer to its company name in a suitable manner on the contract products. The Customer may refuse consent only if it has a predominant interest in doing so.

## XI. Place of performance, place of jurisdiction, effectiveness

1. The place of performance and place of jurisdiction for any claims and legal disputes arising from the contractual relationship, including bill of exchange and document procedures, shall be the Contractor's principal place of business, if it and the Customer are established traders as defined by the Commercial Code (HGB).

2. Should one or more of the provisions be ineffective, this shall not affect the effectiveness of the remaining provisions.

## XII. Taking back packaging

The Contractor shall take back packaging to the extent of its obligations under the Packaging Ordinance. The Customer may return packaging at the Contractor's works during normal working hours by timely prior notification, unless some other acceptance or collection point has been nominated. The packaging may be given back to the Contractor on delivery, unless the Customer has been advised of another acceptance / collection point. Packaging shall be taken back only immediately after delivery of the goods, and in the case of subsequent deliveries only after timely prior notification and provision. The returned packaging must be clean, free of contaminants, and sorted into different types of packaging. Otherwise the Contractor shall be entitled to claim from the Customer any additional costs incurred in disposal. The cost of transporting the used packaging shall be borne by the Customer. If a named acceptance / collection point is further away than the Contractor's works, the Customer shall bear only the transport costs that would arise for transport as far as the Contractor's works.

## Disclaimer for all label materials

The Contractor shall deliver the label qualities you require on condition that you have checked the samples provided to ensure they are suitable for their intended purpose. No liability can be accepted for defects or damage arising subsequently.

This shall apply both to new orders and to any subsequent order, since there can be changes in the adhesive composition for technical reasons.