T&Cs

Terms of service and delivery

A. General provisions

A.1. Validity and application of the T&Cs

- A.1.1. These General Terms and Conditions of Service and Delivery shall apply to all business transactions between
 - Schönberg Label GmbH, Handelsgericht Wien Firmenbuchnummer FN 177298 h, Lamezanstraße 3, A-1230 Wien, Österreich, Managing Director: Christopher Hettlage, UID-Nr. ATU 58067148 and the recipient (buyer, client, purchaser), hereinafter referred to as the Client
- A.1.2. These Terms and Conditions shall apply, in addition to the express contractual agreements, always and only to the contractual relationship between Schönberg Label GmbH and the Client.
- A.1.3. They shall also apply to all subsequent transactions, even if no separate reference is made to them in any individual case.
- A.1.4. Any terms and conditions stipulated by the Client shall not apply, regardless of whether an objection is expressed by Schönberg Label GmbH in any individual case.
- A.1.5. Any terms and conditions deviating from, supplementing or contradicting these Terms and Conditions as stipulated by the Schönberg Label GmbH group shall only apply if they have been expressly agreed in writing and signed by both parties. Terms and conditions in this sense particularly include quality assurance agreements, quality management agreements, service interface agreements, logistics guides etc.
- A.1.6. Even if the formal requirement as set out in the above item is met for individual clauses of the business partner, references between different clauses by the business partner in question shall be of a declaratory/informational nature only and the provisions contained therein shall not be binding. In order for the individual clauses to be binding, each of them must be set out as described in the above item.

A.2. Interpretation of the T&Cs

- A.2.1. Different legal systems may attribute different meanings to the same words. In versions of these Schönberg Label GmbH Terms and Conditions in languages other than German, the German legal meaning of the corresponding words shall be the authoritative one.
- A.2.2. All headings in the Schönberg Label GmbH Terms and Conditions are solely for the purpose of clarity and shall have no effect on the meaning and interpretation of the individual provisions.

A.3. Place of jurisdiction

The sole place of jurisdiction for any dispute arising from business transactions with the Client is the registered office of Schönberg Label GmbH.

A.4. Choice of law

Austrian law shall be exclusively applicable, to the exclusion of international uniform law and in particular of the UN Convention on Contracts for the International Sale of Goods.

A.5. Definitions

- A.5.1. Any declarations transmitted in text form (such as by fax or email) must also be regarded as written declarations of knowledge and intent within the meaning of the Schönberg Label GmbH Terms and Conditions.
- A.5.2. A delivery deadline refers to a moment in time, a particular day, a calendar week or similar on which the delivery must take place.
- A.5.3. A delivery period refers to a time period during which a delivery must take place.
- A.5.4. Delivery time is the umbrella term for delivery deadlines and delivery periods.
- A.5.5. Call-off orders are agreements in which legally binding agreements on product specifications, a particular price *and* a particular delivery volume have already been reached. In general, these also include agreements on the storage of goods until call-off.
- A.5.6. Framework supply agreements are contracts in which binding agreements have been reached with regard to contractual objects, and generally also with regard to the price and product specifications, but a binding delivery agreement shall only take effect when a separate agreement is signed by the Client and Schönberg Label GmbH.
- A.5.7. A delivery agreement refers to an agreement on the delivery of goods, but also to service or work agreements.
- A.5.8. Terms of service and delivery are the terms contained in this document. They are also referred to as "T&Cs" or "these Terms and Conditions".
- A.5.9. An item refers to a section or a particular clause of these terms of service and delivery that are marked with a reference number. References to a clause or an entire section will arise from the context of the reference in question.

B. General terms of service

B.1. Range of services/advice

- B.1.1. Schönberg Label GmbH range of services does not end with the simple delivery of goods, but also includes services and the fulfilment of service contracts.
- B.1.2. Unless otherwise agreed in these T&Cs or in the relevant delivery agreement, the individual contractual obligations of the type of agreement shaping them shall be set out accordingly and shall, unless otherwise set out in these terms of delivery and service, comply with the resulting legal frameworks for liability and, if applicable, warranty. In this respect, the legislation on the sale of goods shall apply.
- B.1.3. Schönberg Label GmbH shall advise the Client at the Client's request only. The absence of a statement shall not constitute advice.

- B.1.4. Advice from Schönberg Label GmbH on products shall extend only to the nature of Schönberg Label GmbH own products, but not to their use by the Client or the Client's customers; if advice is given nonetheless on their application by the Client or the Client's customers, such advice shall not be binding.
- B.1.5. Advice from Schönberg Label GmbH shall, as advice relating to products and services, extend only to the contractual services agreed upon by Schönberg Label GmbH. Schönberg Label GmbH advisory services are based solely on empirical values from its own business and incorporate state-of-the-art knowledge and technology with non-binding effect only.
- B.1.6. If services such as advisory services, initial sampling, inspection planning, FMEA, special documentation, complaints processing according to particular standards, declarations of original preferences etc. are not agreed upon separately *and remunerated separately*, any obligations to carry them out *shall under no circumstances constitute essential contractual obligations*.

B.2. Business organisation

- B.2.1. If the Client has particular requirements for Schönberg Label GmbH business organisation for approval as a supplier or the conclusion of delivery agreements, these may not give rise to any requirements for Schönberg Label GmbH to exercise particular care in fulfilling its agreed contractual obligations. It is the Client's sole responsibility to assess whether there are any particular requirements corresponding to Schönberg Label GmbH on the part of the Client. Schönberg Label GmbH shall provide the Client with appropriate information on its business organisation and mode of operation on request before the contract is signed. Schönberg Label GmbH shall also grant the Client the opportunity to conduct a supplier audit. However, the Client itself shall remain responsible for verifying the information provided and the resulting decisions.
- B.2.2. Furthermore, Schönberg Label GmbH makes it clear that Schönberg Label GmbH only undertakes to deliver goods and never undertakes to carry out the production of those goods. Schönberg Label GmbH therefore expressly reserves the right to procure fulfilment actions from subcontractors or to arrange for subcontractors to carry out fulfilment actions that are to be performed, including as part of warranty claims.
- B.2.3. A business organisation, mode of operation or certification status that differs from the Client's requirements shall have no effect on existing binding agreements and contracts. In particular, such a difference shall not provide an entitlement to terminate delivery agreements or to enforce rights of retention.

B.3. Order preparation, conclusion of contract

- B.3.1. Quotations given by Schönberg Label GmbH shall be non-binding.
- B.3.2. The initial processing of a quotation shall generally be free of charge. Additional quotation and drafting work shall only be free of charge to the extent that the delivery agreement is concluded.
- B.3.3. If the Client requests the preparation of quotations requiring an increased workload because, for example, they require investigations and potentially material or production tests to be carried out or production, quality or logistics plans to be drawn up, the Client must bear all reasonable costs of preparing the quotation even if the contract is not awarded.

- B.3.4. The parties should describe the product and performance specifications in a separate document. In particular, colour and light fastness, moisture, heat and weather resistance and drawings, illustrations, dimensions, weights and other performance data must be agreed in writing for reasons of substantiation.
- B.3.5. The Client shall point out any deviations in the order from Schönberg Label GmbH (non-binding) quotation or shall indicate them separately.
- B.3.6. The delivery agreement shall be concluded by the Client's placement of an order and Schönberg Label GmbH acceptance of the order in the form of an order confirmation. *The order confirmation shall be authoritative with respect to content.*
- B.3.7. Any performance listings, product specifications, general specifications, descriptions and photographs of our goods and products in technical documents, catalogues, prospectuses, circulars, displays and price lists etc. shall only be legally binding if they are expressly referred to in the order confirmation.
- B.3.8. Any missing, erroneous, divergent or incomplete specifications shall be deemed expressly not to have been agreed and shall not form the basis for any obligation on the part of Schönberg Label GmbH, whether for the purposes of fulfilment and warranty claims or for the purposes of claims for damages.
- B.3.9. Deviations from the order confirmation shall be deemed to have been approved unless the Client raises an immediate objection.
- B.3.10. We point out that, for contractual changes after the fact and agreements on the acceptance of a guarantee, only the senior management is authorised to represent the company in matters of assurances of quality and acknowledgements of legal obligations, particularly warranty obligations, above and beyond the quality agreement. Any such agreements shall only have effect if they are drawn up in writing and signed by Schönberg Label GmbH senior management.

B.4. Amendments

- B.4.1. If the Client wishes to amend an agreement that has already been concluded with binding effect, Schönberg Label GmbH shall submit a corresponding amendment offer including a binding period.
- B.4.2. Any subsequent amendments instigated by the Client, including machine stoppages resulting therefrom, shall be billed to the Client. Subsequent amendments also include repeat sample proofs requested by the Client due to slight deviations from the presented information.
- B.4.3. Schönberg Label GmbH reserves the right to make technical amendments to the terms of delivery or service that do not place the contractual objective at risk.

B.5. Industrial property rights

B.5.1. A transfer or concession to the Client of intellectual property rights and copyright, and in particular of existing industrial property rights, held by Schönberg Label GmbH shall not form part of the delivery or service to be performed by Schönberg Label GmbH. The nature and scope of the usage and intellectual property rights to be conceded remain subject to a separate contractual agreement.

- B.5.2. 6. The operating items used by Schönberg Label GmbH in order to carry out the order, such as data, films, lithographs, tools and printing media, shall remain the property of Schönberg Label GmbH even in the event of separate billing and shall not be handed over; any copyright shall be held by Schönberg Label GmbH.
- B.5.3. All ideas and documents drawn up by Schönberg Label GmbH, particularly templates, dummies, sketches, drafts, technical information, lithographs, test prints etc., shall be protected as Schönberg Label GmbH intellectual property and must not be used or exploited in any form without Schönberg Label GmbH consent unless such products are created exclusively in accordance with the Client's specifications and requirements.
- B.5.4. If Schönberg Label GmbH creates products according to drawings, models, templates or other technical documents supplied by the Client or processes requested by the Client, the Client shall be responsible for ensuring that this is done without violating any third-party intellectual property rights.
- B.5.5. If any third party prohibits Schönberg Label GmbH from, in particular, manufacturing and delivering any products created in this way by citing existing intellectual property rights, Schönberg Label GmbH shall be entitled to discontinue any further activity to the relevant extent without being obliged to review the legal situation, and to refuse to perform the service until the factual and legal situation has been clarified.
- B.5.6. The Client must release and defend Schönberg Label GmbH from, and indemnify Schönberg Label GmbH against, all obligations, costs, damages, claims and expenses that Schönberg Label GmbH may incur with respect to any claim or complaint by a third party relating to documents supplied by the Client or associated with such documents.
- B.5.7. The parties will inform each other immediately of any violations or suspected violations of third-party rights of which they become aware.

B.6. Delivery time

- B.6.1. The agreed delivery deadline is the time specified in the order confirmation. Schönberg Label GmbH may also deliver before this deadline if the order confirmation does not expressly specify just-in-time delivery.
- B.6.2. If the order confirmation does not specify a delivery deadline but rather a delivery period, this period shall commence when the order confirmation is received by the Client, but in any case no earlier than when the documents, approvals, call-offs and delivery addresses to be provided by the Client have been submitted, all the details of the order have been clarified and the Client has provided the agreed down payments or securities and granted the agreed print approval.
- B.6.3. The delivery deadline shall be delayed by an appropriate period if the Client is late in providing the above. Schönberg Label GmbH shall set the new delivery period at its own discretion taking into account the Client's interests, and shall inform the Client of it immediately.
- B.6.4. The delivery period shall be extended as appropriate in the event of unforeseen impediments to performance that could not have been avoided by Schönberg Label GmbH even by exercising a degree of care appropriate to the circumstances, e.g. total or partial failures on the part of subcontractors or commodity suppliers or unforeseen production

stoppages. This shall only apply if Schönberg Label GmbH informs the Client immediately upon becoming aware of the situation. The legal provisions on inability to perform shall remain unaffected

- B.6.5. If the Client requests any changes to the order after it has been confirmed, the delivery period shall only commence when Schönberg Label GmbH has confirmed or rejected the change; the original agreed delivery time shall be cancelled. In such an event, a delivery time shall be agreed upon by the parties even if no change is made to the agreement.
- B.6.6. The delivery time shall be deemed to have been observed if the delivered product or the performance object has left Schönberg Label GmbH facility or Schönberg Label GmbH has indicated that it is ready for collection by the delivery time.

B.7. Shipping/assumption of risk

- B.7.1. Schönberg Label GmbH reserves the right to choose the shipping method unless a particular shipping method has been expressly agreed. The assumption of risk and costs shall be subject to EXW under INCOTERMS® 2010.
- B.7.2. The place of fulfilment shall be Schönberg Label GmbH facility. If the goods are delivered to the Client directly from a production site that is different from this location, the place of fulfilment shall be the location of that production site. If the parties have not reached any express agreement on the delivery of the goods from a different production site, Schönberg Label GmbH reserves the right to stipulate this, taking into account the Client's interests.
- B.7.3. The delivery shall only be insured at the Client's request and expense.
- B.7.4. The above provisions shall apply even if the parties have expressly agreed on shipping and if Schönberg Label GmbH transports the goods itself.
- B.7.5. If the goods are damaged or lost during transport, a stock-take shall be arranged immediately and Schönberg Label GmbH shall be informed. Any claims arising from damage during transport must immediately be enforced against the carrier by the Client.

B.8. Late acceptance/storage

- B.8.1. The Client shall be late in accepting the goods if the goods have been made available for collection at the place of fulfilment and Schönberg Label GmbH has notified the Client that they are ready for shipping or collection. If shipping has been expressly agreed or if Schönberg Label GmbH is transporting the goods itself, the Client shall be deemed to be late in accepting the goods if it refuses to accept them at the destination.
- B.8.2. If acceptance is more than two weeks later, Schönberg Label GmbH shall be entitled to determine a suitable storage location for the goods and to take them there at the Client's risk and expense. If, in the event of late acceptance, Schönberg Label GmbH stores the goods in a warehouse, any liability for damage or loss of the goods shall be excluded.
- B.8.3. Schönberg Label GmbH is also not obliged to insure goods in storage.
- B.8.4. In the event of storage on Schönberg Label GmbH premises, Schönberg Label GmbH may demand compensation for expenses amounting to 0.5% of the invoice amount for each month or part of a month, but in any case no less than €30 and no more than 5% of the invoice

amount. The possibility of demonstrating higher or lower costs remains open to the parties.

- B.8.5. The provisions of the above paragraphs shall also apply in the event that the dispatch is delayed by mutual agreement at the Client's request.
- B.8.6. If the storage of finished goods on Schönberg Label GmbH premises for a limited time has been expressly agreed on an exceptional basis, Schönberg Label GmbH shall not be liable for any damage that may occur despite reasonable care having been taken. Any agreements to the contrary in call-off orders and the provisions in this item remain unaffected.

B.9. Call-off orders/framework supply agreements

- B.9.1. In a call-off order, the delivery deadline specified in the respective call-off for the partial delivery is the authoritative deadline, provided that the specified deadline is consistent with the provisions of the call-off agreement and Schönberg Label GmbH does not raise an objection within five working days.
- B.9.2. If call-off deliveries are not called off within four weeks following an agreed call-off deadline, Schönberg Label GmbH shall be entitled to demand payment.
- B.9.3. If no call-off deadlines are expressly agreed upon in a call-off agreement, monthly call-off deadlines shall be considered to have been agreed upon. The respective call-off volumes shall be obtained by dividing the total order volume by 12. Items B.8.2 to B.8.5 apply analogously.
- B.9.4. By derogation from items B.3.6 to B.3.8, B.3.10 and B.6, orders placed on the basis of framework supply agreements shall be governed by the special arrangements of the framework supply agreement.
- B.9.5. If a call-off agreement or a framework supply agreement contains incomplete, ambiguous or incomprehensible provisions on the method of concluding the contract for the individual delivery agreements or on the specification of the delivery deadline, or if such provisions have no effect, items B.3 and B.6 shall apply.

B.10. Partial deliveries/overdelivery or underdelivery

- B.10.1. Schönberg Label GmbH shall be entitled to deliver 10% more or less than specified for any delivery without this being deemed to constitute a breach of its obligations. Partial deliveries are also permissible to the extent acceptable to the Client.
- B.10.2. If Schönberg Label GmbH makes use of its right to make partial deliveries, underdeliveries or overdeliveries, the Client may not withhold payment on this basis.

B.11. Impediments to performance

- B.11.1. Schönberg Label GmbH shall not be obliged to deliver if the goods cannot be delivered due to reasons and circumstances outside the scope of Schönberg Label GmbH responsibilities. Such reasons and circumstances include, in particular:
 - Performance and delivery failures on the part of Schönberg Label GmbH commodity suppliers and service providers
 - The absence of approvals, certifications, authorisations, information etc., particularly including product certificates and declarations of product origin or quality, that are prerequisites for delivery

- Force majeure, such as war, fire damage, strikes, lockouts, traffic incidents, official orders or significant breakdowns in operation due to a loss of power.
- B.11.2. The above shall not apply if the performance and delivery failures could have been foreseen by Schönberg Label GmbH and prevented through reasonable efforts.
- B.11.3. The regulations regarding the impossibility of performance and the loss of the basis of the transaction remain unaffected and shall apply alongside the provisions of this item.

B.12. Retention of ownership/right of lien

- B.12.1. Schönberg Label GmbH shall retain ownership of all contractual objects until all claims to which Schönberg Label GmbH is entitled on the basis of the business relationship with the Client have been settled in full.
- B.12.2. Schönberg Label GmbH shall retain all property rights and copyright pertaining to the illustrations, drawings, calculations and other (technical) documentation that have been handed over.
- B.12.3. If Schönberg Label GmbH property is processed, linked or mixed with the property of another party, Schönberg Label GmbH shall acquire ownership of the new object.
- B.12.4. If processing, linking or mixing takes place in such a way that the other party's input is deemed to be the primary object, Schönberg Label GmbH shall acquire ownership to the extent of Schönberg Label GmbH input in proportion to the third party's input at the time of processing, linking or mixing.
- B.12.5. If Schönberg Label GmbH acquires ownership of an object as a result of its input, Schönberg Label GmbH shall retain ownership of that object until all existing claims arising from the business relationship with the Client have been settled.
- B.12.6. The Client is obliged to store reserved goods with care and, if necessary, to carry out maintenance and repair work in a timely manner at its own expense. The Client must insure the reserved goods at its own expense against loss and damage. Insurance entitlements arising from cases of damage must be transferred to Schönberg Label GmbH.
- B.12.7. The Client shall be entitled to sell on the object (jointly) owned by Schönberg Label GmbH in the ordinary course of business, provided that it meets its obligations arising from the business relationship with Schönberg Label GmbH. The claim arising from the sale to the extent, as transferred to Schönberg Label GmbH, of the value of Schönberg Label GmbH input secured by the retention of ownership in proportion to the total value of the goods sold. The Client shall remain entitled to collect this claim even after the transfer. Schönberg Label GmbH authority to collect this claim itself remains unaffected.
- B.12.8. The Client's right of disposal of the goods subject to retention of ownership by Schönberg Label GmbH and its right to collect the claims transferred to Schönberg Label GmbH shall lapse if and when the Client ceases to meet its payment obligations and/or an application to initiate insolvency proceedings is filed. In the above-mentioned cases relating to the Client, Schönberg Label GmbH shall be entitled to recover the goods delivered subject to retention of ownership without warning.

In addition, no warning shall be required even if Schönberg Label GmbH could withdraw and demands the return of the reserved goods from the Client on these grounds and/or provides

notification of having cancelled the debit authorisation. In such an event, the return demand or the cancellation of the debit authorisation shall not constitute a declaration of withdrawal.

- B.12.9. The Client shall inform Schönberg Label GmbH immediately in the event of any risks to Schönberg Label GmbH reserved property, particularly in the event of insolvency, inability to pay or of any enforcement measures. At Schönberg Label GmbH request, the Client must supply all necessary information on the stock of goods (jointly) owned by Schönberg Label GmbH and on the claims transferred to Schönberg Label GmbH, and inform its customers of the transfer. The Client shall support Schönberg Label GmbH in taking any measures necessary in order to protect Schönberg Label GmbH (joint) property and shall bear the resulting costs.
- B.12.10. By reason of all claims arising from the agreement, Schönberg Label GmbH shall have a right of lien to those objects of the Client's of which Schönberg Label GmbH has acquired ownership as a result of the agreement. The right of lien may also be enforced by reason of claims from previous deliveries or services if these are connected to the delivery or service object.

The right of lien shall apply to any other claims arising from the business relationship provided that they are recognised or determined to be legally binding.

B.12.11. If the realisable value of the collateral exceeds Schönberg Label GmbH claims by more than 10%, Schönberg Label GmbH shall, at the Client's request, release collateral to this extent at its own discretion.

B.13. Prices

- B.13.1. Unless otherwise agreed, the agreed prices shall be *net prices*, excluding, in particular, packaging costs, shipping costs and all taxes and duties, especially the incurred value-added tax. The assumption of costs shall be subject to EXW under INCOTERMS® 2010. The place of fulfilment for payments is the registered office of Schönberg Label GmbH.
- B.13.2. Discounts and rebates shall only be granted by separate agreement.
- B.13.3. Schönberg Label GmbH may bill for packaging costs separately.
- B.13.4. Schönberg Label GmbH shall be entitled to change the agreed price as appropriate if changes occur before or in the course of the execution of the order because the statements made and documents provided by the Client were inaccurate or changes are otherwise requested by the Client.
- B.13.5. The Client shall be obliged to reimburse Schönberg Label GmbH for any costs arising from requirements for Schönberg Label GmbH to pay value-added tax, import turnover tax or any similar taxes either in Austria or abroad after the order is placed.

B.14. Terms of payment

- B.14.1. Schönberg Label GmbH shall be entitled to demand a suitable advance payment upon conclusion of the agreement. Payments shall be due immediately unless otherwise agreed. Interest shall not be paid for this.
- B.14.2. Unless otherwise agreed, invoices shall fall due within 30 days net from the invoice date. Partial payments are not permitted. In the event of non-payment or incomplete payment, the Client shall be deemed to be in default of payment without further warning.

- B.14.3. Payment by bill of exchange or cheque is not permitted. Payment by credit against the Client's settlement costs is also excluded unless a separate written agreement has been concluded and *signed by the senior management* of Schönberg Label GmbH.
- B.14.4. If Schönberg Label GmbH has any additional open claims against the Client and the Client does not make payment for a particular claim, Schönberg Label GmbH shall be entitled to specify the open claim for which the payment was made.
- B.14.5. In the event of default of payment including partial payments on the part of the Client, Schönberg Label GmbH may demand interest on arrears of 10 percentage points above the base rate. The substantiation of and claims for damages above and beyond this remain unaffected.
- B.14.6. The Client shall only be entitled to rights of offset against any of Schönberg Label GmbH claims if the counterclaim is recognised or determined to be legally binding.
- B.14.7. The transfer of claims made against Schönberg Label GmbH requires Schönberg Label GmbH approval.
- B.14.8. The Client shall only be entitled to a right of retention if the counterclaim is based on the same contractual relationship and is recognised or determined to be legally binding, or if Schönberg Label GmbH has committed a material breach of its obligations arising from the same contractual relationship despite having received a written warning and has not offered adequate security.
- B.14.9. If, after the last declaration of intent on the part of Schönberg Label GmbH aimed at the conclusion of the agreement, the financial situation of the Client worsens significantly, Schönberg Label GmbH may request an advance payment or security at Schönberg Label GmbH discretion for all services and deliveries still to be carried out on the basis of agreements arising from the same legal relationship.

If the Client does not comply with this request, Schönberg Label GmbH may immediately issue a bill and request payment for all goods that have already been produced or withdraw from any contract without further notice.

If the contractually agreed goods have not yet been produced, Schönberg Label GmbH may withdraw from all agreements arising from the business relationship and claim compensation.

B.15. Obligations to inspect and notify of defects

- B.15.1. Services provided by Schönberg Label GmbH, particularly deliveries of goods, drawings, templates, proposals for execution and similar, must be inspected by the Client immediately upon handover to ensure that they are usable and correct. The Client must also give notification of any hidden defects immediately upon discovering them.
- B.15.2. Claims for obvious defects must be made in writing or by email to Schönberg Label GmbH immediately, and in any case no later than four working days after their occurrence at the destination, precisely indicating the specific complaints. In the event of a direct delivery of the goods, the defect notification period shall be extended to five working days.

- B.15.3. The use of defective deliveries or services is not permitted. If a defect could not be identified upon receipt of the goods or provision of the service, any further use of the delivery or service object after the defect has been discovered must be discontinued immediately. The Client shall bear the burden of proof of the existence of a hidden defect.
- B.15.4. The Client is obliged to provide Schönberg Label GmbH with a reference sample from the affected delivery.
- B.15.5. The defect notification shall not free the Client from its payment obligations.
- B.15.6. Deviations in the dimensions of the delivery or service to be provided by Schönberg Label GmbH cannot be the subject of a complaint if such deviations may be characterised as common in the industry or on the market.
- B.15.7. For colour reproductions in all production processes, slight deviations from the original cannot be the subject of complaints. The same applies to comparisons between other presented information (e.g. proofs) and the end product.
- B.15.8. Defects in part of the delivered goods shall not entitle the Client to make a complaint relating to the entire delivery unless the partial delivery is of no interest to the Client.
- B.15.9. The Client shall bear the costs caused by unjustified defect notifications and defect rectification requests.

B.16. Warranty/rectification

- B.16.1. If the service or delivery performed by Schönberg Label GmbH is defective, Schönberg Label GmbH shall be obliged to rectify the defect. This rectification shall be carried out either by eliminating the defect, by delivering non-defective goods or by means of a credit, at Schönberg Label GmbH discretion.
- B.16.2. The costs of rectification shall be borne by Schönberg Label GmbH.
- B.16.3. For the purposes of carrying out rectifications and replacement deliveries owed under warranty, the Client must grant Schönberg Label GmbH the necessary time and opportunity. In urgent cases, the Client shall be entitled to rectify the defect itself or arrange for it to be rectified by a third party. In such cases, Schönberg Label GmbH shall bear the costs of rectifying the defect to the extent that they would have been incurred if Schönberg Label GmbH had carried out the rectification.
- B.16.4. If Schönberg Label GmbH is late in rectifying a defect, the Client shall be entitled to rectify the defect itself or arrange for it to be rectified by a third party and to demand compensation for the necessary costs from Schönberg Label GmbH. This shall not apply if the costs are disproportionate.
- B.16.5. If the Client does not meet the obligations mentioned in item B.15, the Client's warranty rights shall be excluded.
- B.16.6. If the defects for which a claim is being made are negligible or insignificant, the Client's warranty rights shall also be excluded.
- B.16.7. The same applies if the Client cannot demonstrate that it has observed Schönberg

Label GmbH processing instructions and storage instructions and if it cannot be ruled out that the deviation from the intended quality of the goods is a result of this.

- B.16.8. The Client shall be entitled to the statutory rights of withdrawal provided that none of the above-mentioned warranty exclusions apply.
- B.16.9. The Client shall only be entitled a reduction in the price if Schönberg Label GmbH consents to this.
- B.16.10. In the event that products delivered by Schönberg Label GmbH are used outside the site of the Client's headquarters or the contractually agreed delivery location or destination, the Client must bear the additional costs arising from any warranty actions, transport costs, travel costs or other outlays incurred by Schönberg Label GmbH.
- B.16.11. Any work by Schönberg Label GmbH on the delivered objects or other deliveries or services performed by Schönberg Label GmbH and any replacement deliveries shall only be deemed to constitute rectification if:
 - the defect has been expressly acknowledged in writing by Schönberg Label GmbH, or
 - defects have been clearly demonstrated and notification of the defects was given in a timely manner.

If Schönberg Label GmbH makes any such written acknowledgement, this shall always relate only to the part of the claim to which these conditions apply. It shall therefore always relate only to the parts of the goods that expressly form the subject of the defect notification. No acknowledgement of any other warranty obligations may be inferred from them under any circumstances.

- B.16.12. In the absence of the above conditions, such work must be regarded as a special service.
- B.16.13. Schönberg Label GmbH shall not provide any warranty for deviations on the part of the goods or other deliveries from the agreed target quality where such deviations result from components provided by the Client. The Client shall be solely responsible for the fitness and quality of such components unless otherwise expressly agreed.

The goods provided by the Client for processing shall be examined by Schönberg Label GmbH for externally identifiable damage and deviations. Schönberg Label GmbH shall not be obliged to carry out any further checks. Schönberg Label GmbH shall notify the Client of any defects that it identifies.

The Client shall be obliged to pay any damages, including loss of earnings, arising from provided goods and other deliveries.

- B.16.14. In the event of defects of title, Schönberg Label GmbH shall be entitled, at its own discretion, to procure the necessary licences relating to the intellectual property rights that have been violated or to rectify the defects in the delivery or service object by supplying a delivery or service object that has been altered to an extent that is acceptable to the Client.
- B.16.15. Schönberg Label GmbH liability for the violation of third-party intellectual property rights otherwise extends only to such intellectual property rights as are registered and published in Germany.

B.17. Liability for damages

- B.17.1. Schönberg Label GmbH shall be liable for the company's commitments only with the company's assets.
- B.17.2. In the event of ordinary negligence, Schönberg Label GmbH shall be liable only if a material contractual obligation has been breached. For fault due to gross negligence, Schönberg Label GmbH shall also be liable if immaterial contractual obligations have been breached. Material contractual obligations are contractual obligations that must be fulfilled in order to allow the contract to be properly executed at all, and with which a contracting party can confidently expect the other party to comply.
- B.17.3. Claims for damages due to intentional breach of contractual obligations on the part of Schönberg Label GmbH, claims arising from personal injury and claims made on the basis of the Product Liability Act are governed by statutory provisions.
- B.17.4. Schönberg Label GmbH undertakes, in the event of a late delivery caused by culpable action, to compensate the Client for the damage resulting from the late delivery to the extent required by law. This shall not apply to loss of earnings and damage arising from interruptions of operations.
- B.17.5. In the event of warranted characteristics, Schönberg Label GmbH liability shall be limited to the extent and amount of the Schönberg Label GmbH product liability insurance. The extent of the coverage shall correspond to the non-binding business liability insurance recommendations of the German Insurance Association. The amount of the coverage for the insurance cases covered in the insurance policy shall be €2 million per insurance case and insurance year.
- B.17.6. For actions in tort, Schönberg Label GmbH shall be liable in accordance with the contractual liability.
- B.17.7. Furthermore, claims for damages due to the delivery of defective goods are excluded if the Client has not met its obligations under item B.15 or if the defect giving rise to the claim is negligible or insignificant.
- B.17.8. The Client shall only be entitled to make recourse claims against Schönberg Label GmbH to the extent that Schönberg Label GmbH has not reached any agreement with its customers above and beyond the statutory claims for defects and damages.
- B.17.9. In particular, liability for damages arising from recourse claims are also excluded if they exceed the damages that could reasonably have been foreseen and that are typical for this type of contract. These include, but are not limited to, damages caused by the Client
 - due to liability towards third parties running counter to the principles of liability under Austrian law (e.g. claims for compensation of a punitive nature, in particular punitive or exemplary damages).
 - arising on grounds of contractual or legal liability on the part of the Client towards a third party, unless the Client has expressly informed Schönberg Label GmbH of these liability grounds and has referred to the resulting special requirements of Schönberg Label GmbH performance and Schönberg Label GmbH has agreed in writing, with a signature from the senior management, to bear the risk.

- B.17.10. Liability on the part of Schönberg Label GmbH is excluded if the Client, for its part, has effectively limited its liability towards its customers.
- B.17.11. The Client may only demand to be freed from third-party claims in the context of a claim for damages if the Client's claim has been established in a decision that is enforceable under German law.
- B.17.12. The Client shall be obliged to notify Schönberg Label GmbH immediately in writing of any third-party claims that are enforced and to reserve any defensive actions and settlement negotiations for Schönberg Label GmbH.
- B.17.13. If Schönberg Label GmbH liability is excluded or limited, this shall also apply to the personal liability of Schönberg Label GmbH staff, workers, employees, representatives, assistants and vicarious agents.
- B.17.14. If liability is excluded or limited according to the above, the Client shall also be obliged to release Schönberg Label GmbH from claims by third parties upon first request.

B.18. Limitations

- B.18.1. The period of limitations for claims and entitlements due to defects in products, services and work carried out by Schönberg Label GmbH and the resulting damage is one year. The commencement of the period of limitations shall be based on the statutory provisions.
- B.18.2. The period of limitations according to the above item shall not apply in cases of intent, if Schönberg Label GmbH has maliciously kept the defect secret, in cases of claims for damages due to personal injury or freedom, in cases of claims arising from the Product Liability Act or in cases of grossly negligent breach of duty.
- B.18.3. Rectification measures shall neither stop the period of limitations applicable to the provision of the original service nor cause the period of limitations to begin again.
- B.18.4. This shall not apply in the cases set particularly in cases of acknowledgements that may potentially have been made. The provisions of items B.16.11 and B.3.10 remain unaffected.
- B.18.5. If the warranty period is restarted, stopped or interrupted, the restart, stoppage or interruption shall extend only to the partial claim corresponding to the part of the relevant delivered goods that is the subject of the defect notification.

B.19. Confidentiality

B.19.1. The Client undertakes to treat all sensitive aspects of the business relationship as confidential. In particular, it shall treat all non-evident commercial and technical details of which it becomes aware through the business relationship as trade secrets. The duty of confidentiality shall not apply to information or aspects of the business relationship that were already publicly known at the time of disclosure, nor to information or aspects of the business relationship of which the contracting party was demonstrably already aware before they were disclosed by Schönberg Label GmbH.

The Client shall take care to ensure that its employees also safeguard Schönberg Label GmbH legitimate confidentiality interests.

- B.19.2. The publication of the documents provided to the Client is only permitted within the framework of operational requirements and the provisions of copyright law.
- B.19.3. None of the documents may, either in whole or in part, be made accessible to third parties or used for any purpose other than the purpose for which they were provided to the Client without Schönberg Label GmbH written consent.
- B.19.4. Any procedures that Schönberg Label GmbH has provided or made known to the Client in any form may only be used for the purpose intended or specified in the agreement; disclosing them to third parties is not permitted without Schönberg Label GmbH express consent.
- B.19.5. The business relationship with Schönberg Label GmbH may only be disclosed to third parties, including partial disclosure, with Schönberg Label GmbH prior written consent; the Client shall also impose a duty of confidentiality on any such third parties by means of a similar agreement. The Client may refer to its business relationship with Schönberg Label GmbH in its advertising only with Schönberg Label GmbH prior written consent.

B.19.6. The Client shall also be obliged to maintain confidentiality after the business relationship has ended.

Version dated: August 2018