

1 Scope of Applicability

- 1.1 Our goods, services and offers will be made exclusively on the basis of the present delivery terms. They will also apply to all future transactions even where they are not expressly agreed on again. Any business or purchase terms by the Client will not become part of the contract even where the Client indicated this upon acceptance of the contract and/or assumed that they would be recognized.
- 1.2 All changes and deviations from our delivery terms will only be binding where stipulated in writing.

2 Offer and Conclusion of the Contract

- 2.1 Elaboration of the offers will be on the basis of the documents and information provided by the Client. The Client will be liable for the accuracy of his information and the order and also for the timely receipt by us of the information regarding the goods ordered in such a way that the order can be carried out in good time. All drawings, illustrations, and data on capacity, weight and measurements are only approximate and are unofficial unless expressly specified as official. Unless the offer states otherwise, the compulsory term will be 4 weeks as from the date of the offer.
Conclusion of the contract will take effect only after our written confirmation of the order or by the acceptance declarations by the Client. Our order confirmation will be authoritative for the scope of the mutual rights and duties.
- 2.2 We will exclusively be entitled to the ownership right and copyright to all plans, drawings, illustrations, specifications, calculations and other documents. Said documents may not be passed or otherwise made accessible to third parties and must be returned to us unsolicited where the offer is not accepted.
Our employees and vicarious agents do not have the right to conclude ancillary agreements or make verbal guarantees going beyond the subject matter of the written contract.

3 Prices

- 3.1 The prices stipulated in our order confirmation are ex works including loading in the factory, but excluding packaging and unloading. Turnover tax at the respective statutory rate must be paid additionally on the prices. Additional goods and services will be charged separately.
Unless otherwise agreed, the contractually agreed amount must be paid in full to our account as follows:
 - 1/3 installment after receipt of the order confirmation
 - 1/3 as soon as the Client has been informed that the main parts are ready for dispatch
 - the remainder within 4 weeks after the passing of risk.
- 3.2 Should the completion of an order exceed a period of 4 months, are we entitled to adjust the prices stated in our confirmation of order if the costs (material, wages and salaries) on which our calculation is based have increased between the conclusion of the contract and acceptance.
- 3.3 In the case of production with net order values under EUR 75.00 per recipient, we will charge a flat rate administration fee of EUR 30.00.

4 Delivery Period, Delayed Delivery

- 4.1 The delivery period is specified in our written order confirmation. The prerequisite for its observance is the settlement of all business and technical issues between the contracting parties and fulfillment by the Client of all duties incumbent on him such as obtaining the requisite official certificates or permits and payment of the agreed installment or any letters of credit or guarantees.
- 4.2 Observance of the delivery deadline will depend on correct and timely supply to the supplier. The delivery deadline will be deemed to have been observed where the good has left the factory up to the lapse of the deadline or readiness for dispatch has been declared. Where an inspection is to be carried out, the date of the inspection or declaration of readiness for inspection will be authoritative.
- 4.3 Where the shipping or inspection of the good is delayed on grounds for which the Client is liable, the costs and expenses incurred will be charged to him as from the date of declaration of shipment or readiness for inspection.
- 4.4 We will not be responsible for delay of goods and services on the basis of force majeure and incidents which hinder or prevent delivery, even where they occur with our suppliers or their subcontractors, even in the case of binding deadlines

- and dates. Such incidents will entitle us to postpone delivery of the good or service for the duration of the impediment plus an adequate run-up period or to wholly or partially rescind the contract due to the non-performed part.
- 4.5 Force majeure is an exceptional, unforeseeable and inevitable incident (e.g. natural catastrophes, war, acts of terrorism, revolution, high jacking and fire) the consequences of which cannot be averted by reasonable economic precautions. This includes official measures and government acts provided that they were not foreseeable or were not caused by an act or omission attributable to us. Natural incidents recurring periodically and illegal lockouts are not considered incidents of force majeure.
- 4.6 Where delivery is prevented for more than three month as stated in Item 4.5 above, the Client will have the right to rescind the contract on the basis of the non-performed part after stipulation of a period of grace. Where the delivery period is delayed or we are released from our duty, the Client cannot make any damage compensation claims on this basis.
- 4.7 We have the right to make partial deliveries of goods and services at any time.

5 Passing of Risk

- 5.1 The risk will pass to the Client as soon as the consignment is handed over to the shipper or has left our warehouse for shipment even where partial deliveries are being made or where we have taken on additional services e.g. shipping costs and delivery and assembly. Where an inspection is to be made it will be authoritative for the passing of the risk. It must be performed immediately on the inspection date or after declaration of readiness for inspection. The Client may not refuse inspection in the case of a minor defect only.
- 5.2 Where shipping/the inspection is delayed or cancelled due to circumstances for which we are not liable, the risk will pass to the Client on the date of declaration of readiness for shipment/inspection. Transport insurance shall only be taken out by us at the express instructions and expense of the Client.

6 Retention of title

- 6.1 Up until fulfillment of all obligations (including all balance amounts from the current account) we are entitled to against the Client at present or in future on any legal ground, we will reserve the right of ownership or all items delivered to the Client (reserved goods).
- 6.2 The Client has the right to process and sell the reserved goods provided that he is not delayed. Processing or modification will always be performed for us as manufacturers but will not entail any duty for us. We will have a share in the ownership of the new item on the basis of the ratio of the value of the reserved goods (invoice value) to the value of the new item. Where the Client resells the item, Item 6.3, will apply accordingly. As long as the goods have not been fully paid for the Client must store the goods for us, properly and separately from his own property and the property of third parties, secure and insure them and label them as our property.
- 6.3 The Client must insure the reserved goods against the usual risks, provided that the Client proves that he has concluded the respective insurance policies we will have the right to conclude them at the expense of the Client. Any claims arising from resale or another legal ground (insurance, illegal act, etc.) with regard to the reserved goods (including all balance amounts from the current account) are already being fully assigned to us by the purchase as a matter of precaution. We give revocable authorization to the Client to collect claims assigned to us for our account in his own name. Said collection authorization can only be revoked where the Client fails to comply properly with his payment obligations toward us.
- 6.4 The Client may not pledge or assign the reserved goods as security. In the case of access by third parties to the reserved goods, in particular assignments and seizures, the Client must specify our ownership of the goods and immediately inform us in order to assert our ownership rights. Provided that the third party is not able to reimburse any court/out-of court fees, the Client will be liable.
- 6.5 In the case of a breach of contract by the Client in particular in the case of delayed payment we will have the right to take back the reserved goods after a warning and the Client will be obligated to return them. In the case where insolvency proceedings have been filed for we will have the right to rescind the contract and demand the immediate return of the

reserved goods. Any rights of retention are excluded in this case.

7 Guarantee

The guarantee period for all goods and services is 12 months as from the date of the passing of the risk of the respective product or acceptance of the respective service. We provide a guarantee in the case of material and legal defects within the agreed guarantee period, excluding further claims, as follows:

- **Material Defects**

- 7.1 Notices of defects and other claims on account of obvious flaws are to be lodged immediately, at the latest within a preclusive period of one week following receipt of the goods, at the same time returning the objects which are the subject of complaint. Claims for hidden defects which cannot be found during the immediate inspection may be only being asserted against us if the complaint arrives at us within 6 months following the date of acceptance.
- 7.2 The obligation of the Client to inspect the goods delivered exists even if samples have been sent.
- 7.3 Defects in a part of the goods delivered do not justify a complaint in respect of the entire delivery, unless part delivery is of no interest to the Client.
- 7.4 Complaints may not be lodged in respect of excess or short-fall deliveries of up to 10 % of the edition ordered. The quantity delivered shall be the quantity invoiced.
- 7.5 In the case of special material deliveries the percentage increases to 15 %. This shall likewise apply for difficult prints as well as in the case of small editions.
- 7.6 Insignificant deviations in the print colour compared with the colour sample or the artwork ready for printing which occur through differences in the material used, or the processing or manufacturing process or the use of colours which are not standard colours do not justify a complaint in respect of the delivery.
- 7.7 We shall only be liable for deviations in the quality of the material used up to the amount of our own claims against the respective sub-supplier. In such a case, we shall be released from our liability if we assign our claims against the sub-suppliers to the Client.
- 7.8 No complaint may be lodged in respect of insignificant deviations in the quality of the paper, cardboard or other material procured by us.
- 7.9 Likewise, in all manufacturing processes, no complaints will be accepted in the case of insignificant deviations from the original in the case of colour reproductions. The same shall apply for comparisons between the print proof and the edition print.
- 7.10 Deliveries (including data carriers) from the Client or a third party instructed by him shall not be subject to any obligation of examination on the part of us.
- 7.11 All the parts which we choose to rectify free of charge or for which we provide replacement which prove to be defective on the basis of a circumstance prior to the passing of the risk. Detection of such defects is to be reported in writing to us immediately. Replaced parts will become our property.
- 7.12 The Client must grant us the necessary time for all rectifications and replacement deliveries we deem necessary, otherwise we will be released from any liability for ensuing consequences. The Client will only have the right to rectify the defect himself or have it rectified by third parties in urgent cases in which company safety is jeopardized or for prevention of disproportionately grave damage and to demand reimbursement of the expenses thereby incurred. However, the prerequisite for this is that we are informed of this immediately.
- 7.13 Provided that the complaint is justified, we will bear the costs of the spare part, including shipping of the costs incurred by rectification or replacement. The Client has a right to rescission of the contract within the framework of the statutory regulations where we fail to comply with a deadline stipulated for us for rectification of a material defect or provision of a replacement, excluding the statutory exceptions. Where there is only a minor defect the Client will only have the right to reduction of the contractually stipulated price. The right to reduction of the contractually stipulated price is otherwise excluded.
- 7.14 Guarantee claims by the Client are excluded in the following cases: Unsuitable or improper use, defective assembly/operation by the Client or third party, natural wear and tear, defective or negligent treatment, improper maintenance, unsuitable means of operation, chemical, electro-chemical, electrical or environmental influences, provided that we are not responsible.

- 7.15 Where the Client or a third party rectifies the delivery item or alterations are made to it without our consent, we will not be liable for the consequences.
 - **Legal Defects**
- 7.16 The Client alone shall be responsible for examining the right of reproduction in relation to all artwork. The Client alone shall be liable if rights, in particular copyrights, of third parties are infringed through the execution of his order. The Client shall indemnify us from all claims of third parties on account of any such infringement of rights.
- 7.17 Where use of the delivery item entails infringement of industrial property rights or national copyright we will obtain the right for further use for the Client at our own expense or modify the delivery item in such a way that there is no longer an infringement of an industrial property right. Where this is not possible under economically adequate conditions or within an adequate period the Client will have the right to rescind the contract. We will also have the right to rescind the contract under the specified conditions. The duties specified above will only apply where the Client immediately informed us of infringements of industrial property rights or copyright and assisted us adequately with defence against the claims or facilitated the implementation of the modification measures and all defence measures including out-of-court settlements are reserved to us and the legal defect is not based on an instruction by the Client, design papers instructed by him or other instructions by the Client and the legal violation was not caused by an unauthorized modification of the delivery item by the Client or use of the item by him in a manner which does not comply with the contract. Only the direct Client will be entitled to guarantee claims against us and such claims are not assignable.
- 7.18 The above terms conclusively include all claims for our goods and services. Further guarantee claims are excluded.

8 Liability

- 8.1 Where the delivery item cannot be used in accordance with the contract due to our fault as a consequence of non-performance or defective performance or proposals and consultations prior to or after conclusion of the contract or by violation of other ancillary duties - in particular instructions for operation and maintenance of the delivery item, the terms set out in Item 7 of the present terms will apply against us and our vicarious agents, excluding further - reaching claims.
- 8.2 Regarding damage not incurred to the delivery item itself we will be liable, irregardless of the legal grounds, only in the case of - intent - gross negligence by our board members or executives - defects which we wilfully concealed or which we guaranteed did not exist - defects of the delivery item where liability is assumed for personal or material damage to privately used items is assumed on the basis of the Product Liability Act. In the case of culpable breach of cardinal contractual duties we will only be liable for damage typical of the contract and which was reasonably foreseeable. Further claims are excluded.

9. Material procured by the Client

- 9.1 Regardless of the kind, material is to be provided to us free to our premises. The Client undertakes to deliver 5 % more than agreed in order to cover normal wastage.
- 9.2 Receipt of the material will be confirmed without giving any guarantee as to the correctness of the quantities stated to have been delivered. In the case of larger items, the costs associated with the payment or the check-weighing, and also the warehousing costs are to be reimbursed.
- 9.3 In the case of the provision of paper, cardboard and/or plastic material by the Client, the packaging material and the waste through unavoidable loss in the printing set-ups and production runs, through cutting, punching and such like shall remain with us.
- 9.4 Where the Client provides us with matrixes, films, final drawings or printing plates, the costs for the production of the appropriate printing blocks shall be invoiced separately.
- 9.5 We may reject paper or other materials provided by the Client where the same appear to us to be unsuitable for the performance of the order. Additional costs which arise from the materials only being established as unsuitable during the production may be invoiced separately. Should the result of the work be negatively influenced through the non-suitability of the material for which the Client is responsible, we assume no liability in this respect.

10. Safekeeping and insurance

- 10.1 The taking into store and safekeeping of raw materials, half-finished and finished products, such as e.g. printing work, standing text mono and TTS rollers, matrixes, printing plates of all kinds, papers from third parties etc. shall only be undertaken following prior agreement between us and the Client, and is to be remunerated separately. This shall apply in particular for so-called call-up orders. We assume no liability for damage to materials in our safekeeping unless the damage was caused deliberately or through gross negligence.
- 10.2 If the manuscripts, originals, printing blocks, papers, standing text supplied for safekeeping, printed matter stored or any other items delivered to us are intended to be insured against theft, fire, water damage or any other risk, the Client shall take out the insurance himself.

11. Copyright; Ownership

- 11.1 All copyrights in all processes and for all intended purposes in our own sketches, drafts, originals, films and such like shall remain, subject to any express arrangement to the contrary, the property of us.
- 11.2 The reprinting or reproduction - regardless in which process - of such deliveries as are not the object of copyright or any other industrial property right is also not permitted without the approval of us.
- 11.3 Printed matter, cylinders, printing blocks (original and duplicate printing plates), embossing plates, lithographs, master copies (negatives and transparencies on film or glass), matrixes, punch machines and such like shall remain the property of the us. This shall only apply to the extent that the Client did not assume the costs for these aids separately.
- 11.4 We shall not be obliged to deliver transfers from lithographs or copies from masters to the Client.
- 11.5 We assume no liability for printing blocks, manuscripts or other objects of third parties which have not been recalled by the Client within four weeks following execution of the order.

12. Corrected proofs and print proofs; Additional work

- 12.1 Corrected proofs and print proofs are to be checked by the Client for typographical and other errors, and are to be returned with the declaration "ready for print", including the original drafts. Typographical errors will be corrected free of charge. Subsequent changes deviating from the original artwork will be charged extra according to the working time expended thereon.
- 12.2 Print proofs, repeated corrected proofs, sketches, drafts, sample print proofs and specimens will be invoiced to the Client.
- 12.3 Should additional works prove necessary after the placing of the order which were not recognisable at the conclusion of the contract; the Supplier may charge these works additionally. This shall apply in particular where the manuscript is not clearly and easily legible.

13. Printing errors

We shall not be liable for printing errors which the Client overlooked in the corrected proofs provided to him designated as "ready for print". Changes communicated by telephone must be confirmed in writing. For spelling, the "Duden", latest edition, is authoritative.

14. Payment

- 14.1 Unless otherwise agreed, our invoices are payable to the full amount 14 days after invoicing.
We have the right to first set-off the Client's older debts, contrary to the instructions of the Client and we will inform the Client of the type of set off made. Where costs and interest are already incurred, we will have the right to first set-off payment against the costs, then against the interest and finally the main debt.
- 14.2 Payment will be deemed to have been effected only after we are able to dispose of the amount. In the case of checks and/or acceptance of bills of exchange payment will be deemed effected where the check and/or bill of exchange was cashed.
- 14.3 Where the Client is arrears with payment we will have the right to charge interest of 8% above the basic interest rate of the European Central Bank as default damage as from the respective date. Assertion of further-reaching damage compensation claims will remain unaffected by this.
- 14.4 Where we become aware of circumstances detrimental to the creditworthiness of the Client, in particular where a check or bill of exchange is not cashed or payments are stopped, we will have the right to make the entire remaining debt due

- for payment even where we accepted checks. In this case we will also have the right to demand advance payments or deposits.
- 14.5 The Client will only have the right to set-off, retention or price reduction where the counterclaims are res judicata or have been recognized in writing, even where complaints are being made on the basis of defects or counterclaims are being asserted. The assignment of claims against us to third parties is only permissible with our express written consent.

15. Applicable Law, Place of Jurisdiction

- 15.1 The laws of Austria, excluding the International Sales Convention will apply to the entire legal relations between us and the Client.
- 15.2 Should a term of the present Delivery Terms be or become invalid, this will not affect the validity of the remaining terms. The invalid term is to be replaced by a term which comes as close as possible to the economic purpose of the invalid term.
- 15.3 Where the Client is a registered businessman as defined by the Commercial Code or is a legal public law entity or estate, the domicile of our company will be the exclusive place of jurisdiction for all disputes directly or indirectly arising from the contract unless another place of jurisdiction is prescribed. However, we also have the right to sue at the main domicile of the plaintiff.