

# General Terms and Conditions of Schreiner Group GmbH & Co. KG

## I. Scope of Application and Definition of Terms

1. These General Terms and Conditions shall apply to all current and future business relations.
2. General Terms and Conditions of the customer that differ from, contravene or complement these Terms and Conditions shall not become part of the contract, even if they are known, unless we have expressly agreed to them in writing. The delivery of goods or any other services provided by us without express objection shall not under any circumstances be considered as recognition of the customer's business terms and conditions.
3. Any deviations from the contract and/or these Terms and Conditions shall require prior written agreement. Such agreement shall only be valid if signed by a duly authorized officer of the company.

## II. Placement of Orders/Conclusion of Contracts

1. Our offers are non-binding and subject to change. This shall also apply where we have sent the customer technical documents, documentation, catalogs, product descriptions, specifications, and any other information or data, including, but not limited to, in electronic form.
2. Customer forecasts are for our information only and shall not be construed as a commitment to produce and deliver certain goods.
3. The placement of an order represents the customer's binding commitment to purchase the goods in question. We reserve the right to accept the contractual offer contained in the purchase order within four weeks of receipt.
4. This acceptance may either be declared in writing or by delivering the goods to the customer. We reject deemed acceptance as a matter of principle.
5. In the case of orders with delivery to a third party, the ordering party shall be deemed to be the customer unless otherwise expressly agreed. The customer and the third party shall be jointly and severally liable.
6. Within reasonable limits, modifications shall be permitted, particularly with regard to shape, color, and adhesive properties.

## III. Preliminary Work

Unless otherwise agreed in writing, preliminary work, such as preparing specifications, artwork, project documents, drafts, drawings, and models, as well as the sending of samples, shall be subject to remuneration.

## IV. Approval/Modifications Requested by the Customer

1. In all cases, the customer must verify without delay that the documents sent for its approval are correct and meet the terms of the contract and notify us of any deviations thereby ascertained. Once approved, the risk of errors, if any, shall be transferred to the customer. This does not apply in the case of errors that only occurred or could only be detected during the production process following approval.
2. We shall calculate and charge to the customer's account any additional time and material arising from the changes requested by the customer. This also applies to repeated printing of proofs requested by the customer due to minor deviations from the copy.
3. Tool modifications for embossing, die-cutting, and printing work are not possible. The costs of producing new tools shall be charged separately.

## V. Drawings and Specifications

1. Provided that and insofar as a particular feature was specified by us, we affirm that the goods comply with all laws applicable to the goods, other relevant legislation and official directives in place for such goods at our respective production facilities. Further demands on the part of the customer are deemed to be customer-specific requirements and shall only become binding upon agreement between the parties.
2. If the customer provides drawings or specifications, the customer must verify the contents and ensure they are correct. We do not accept any liability in this regard.

## **VI. Delivery Period/Delivery**

1. Specific delivery dates are provided as reference and only become legally binding upon prior written confirmation.
2. If delivery terms were agreed, the period shall commence once the customer has fulfilled its final obligation to cooperate as per the agreement.
3. We shall not be liable for delays in delivery or non-delivery as a result of pandemics, epidemics, unrest, unforeseeable circumstances and/or events beyond our control (e.g. operational disruptions of any kind, difficulties in procuring materials or power, transport delays, strikes, lawful lockouts, shortages of labor, energy, or raw materials, difficulties in procuring the necessary official approval, official measures or directives, changes to national, European and/or international legislation such as but not limited to amendments to laws, (EU) regulations and/or international conventions, or the non-delivery, incorrect, or late delivery by suppliers for which we are not responsible) or which are caused by delays in obtaining customer approval or the failure to perform other cooperation obligations on the part of the customer.
4. In the event of impediments that are of temporary duration, the deadlines for delivery or performance shall be extended, by the period of the impediment plus a reasonable start-up period.
5. If the events listed under subsection 3 significantly impede the delivery of our products or the performance of our services, or the impediment is not merely of temporary duration, we shall be entitled to terminate without notice the contract concluded between us and the customer, and also shall be no longer obliged to provide the deliveries or services agreed to prior to the termination. We assume no liability whatsoever for any expenses or losses arising from such a termination.
6. Goods shall be delivered Ex Works from the corresponding production site (INCOTERMS 2020). Any deviating agreement shall require our written consent.
7. We reserve the right to make partial deliveries or render partial services. An excess or short delivery of up to 10% of the confirmed quantity shall be permissible.
8. Call-off orders require a separate agreement. If the customer fails to call off the goods, whether in whole or in part, on the agreed dates, we shall have the right to
  - a. Ship any remaining stock,
  - b. Charge storage costs until such time as the delivery is accepted, or
  - c. Destroy the goods in question and invoice the customer the costs incurred.

## **VII. Prices and Terms of Payment**

1. The prices quoted serve as a guide and only become legally binding after they have been confirmed by us in writing.
2. The agreed prices are net, subject to value added tax as applicable.
3. Except as otherwise agreed, prices are stated Ex Works from the corresponding production site (INCOTERMS 2020). They do not include costs for packaging, freight, postage fees, insurance, and any other shipping charges.
4. We reserve the right to make reasonable price adjustments, particularly for blanket and/or call-off orders, to reflect any changes in costs after the conclusion of the contract, for example, on account of statutory provisions, changes in labor costs, or the prices of materials.
5. Where bulk prices are set for large quantities, the quantity assigned to the respective price must be purchased. If the order is not placed within the specified timeframe, we shall be entitled to adjust the price and invoice it accordingly.
6. Should doubts arise after conclusion of the contract that the customer may not be able to meet its payment obligations due to economic deterioration, we shall have the option of
  - a. Reduce payment terms, demanding advance payment, withholding goods not yet delivered, and ceasing further work. We shall also be entitled to exercise these rights if the customer is in arrears with payments for deliveries.
  - b. Moreover, we shall be entitled to set a reasonable deadline within which the customer must either pay any amount due or provide security at its discretion in return for our reciprocal and simultaneous performance. Following the fruitless expiry of this deadline, we may terminate the contract with immediate effect.

7. Unless otherwise agreed, the customer undertakes to pay the invoice amount net and without deduction within 14 days of receipt of the invoice and delivery of the goods. Should the customer culpably allow this period to elapse, it shall be in default, even without a reminder.
8. In the event of default in payment, default interest in the amount of 9% above the applicable base rate of the German Bundesbank shall be payable. This does not exclude the assertion of claims for further damage caused by the default.

### **VIII. Processing Fees**

We do not accept processing fees of any kind from the customer.

### **IX. Offsetting Claims, Right of Retention, Assignment**

1. The customer shall only be entitled to offsetting rights insofar as its claim is legally established or accepted by us.
2. A right of retention may only be exercised if the counterclaim is based on the same contractual relationship.
3. The assignment of any claims by the customer shall require our prior written consent.

### **X. Retention of Title**

1. We reserve the title to the goods and any other documentation or samples provided by us until full payment of all claims arising from the delivery of goods has been received.
2. The customer undertakes to handle the goods with due care, maintain them in proper condition, and insure them appropriately.
3. The customer undertakes to notify us without delay if third parties obtain access to the goods, for example, in the event of seizure, or if the goods are damaged or destroyed. The customer must notify us immediately of any change in ownership of the goods or a relocation of its registered office to evaluate legal remedies.
4. The processing and finishing of the goods by the customer shall be carried out in our name and on our behalf at all times. Should any converting work be carried out with items that are not our property, we shall acquire co-ownership of the finished object at a ratio proportionate to the value of the goods delivered by us to the other items converted.
5. The customer shall be entitled to resell the goods in the ordinary course of business. The customer hereby assigns to us at this time all claims in the amount of the invoice that accrue to the customer through the resale of such goods to a third party. In the event of co-ownership, the assignment shall correspond to the amount of our co-owner's share. We accept the assignment. Following assignment, the customer shall be authorized to collect the sum due. We reserve the right to collect the claim ourselves as soon as the customer fails to duly fulfil its payment obligations and is in default of payment.

### **XI. Ownership of Tools**

1. All prices quoted for operating tools required for the manufacture of the products covered by the contract are pro-rata costs. Final designs/drawings, clichés, films, lithographs, printing plates, dies, embossing, and other tools shall remain our property, even if they are charged separately, and shall not be handed over to the customer.
2. Unless expressly agreed otherwise, all proprietary rights shall remain with us. If a corresponding agreement is reached, these items may be handed over against payment.

### **XII. Provision/Supply of Materials**

We shall not be obligated to inspect or test any materials (including storage media or transmitted data) supplied by the customer or any of its third-party agents. This shall not apply to data that is obviously incapable of being processed or is unreadable. We reserve the right to make a copy thereof.

### **XIII. Incoming Goods Inspection/In-Process Control**

1. The customer undertakes to carry out a proficient inspection of the goods delivered by us immediately on receipt. A reduced incoming goods inspection, during which the customer merely checks for obvious defects and deviations with respect to the quality or quantity of goods, shall not be sufficient.

2. Furthermore, the customer undertakes to perform in-process controls.
3. We shall only carry out controls required by the customer if they have been agreed with us in writing.
4. Material defects must be reported without delay as soon as these are detected. Notice of defects must always be filed within the warranty period. Any notice of defects received outside the warranty period shall not be taken into account.
5. Warranty claims may not be asserted if the customer fails to fulfil its obligations as specified herein.

#### **XIV. Warranty**

1. We only offer warranty. No guarantees of any kind will be granted.
2. The warranty period shall be 12 months from the passage of risk.
3. Condition of the Goods
  - a. Notwithstanding the provisions of subsection 3 b, a defect shall only be deemed to exist if the actual condition of the goods at the time of the passage of the risk deviates from the condition agreed individually between us and the customer. We do not recognize any other defects.
  - b. The following are not deemed to be part of the contractually agreed condition:
    - aa. Public statements, promotions or advertisements
    - bb. Any specifications not agreed upon or product descriptions of any kind provided by the customer
    - cc. Our product descriptions. They are of a general nature only, based on the material specifications provided by our suppliers and on the experience that we have gained to date.
    - dd. The suitability of our products for a particular purpose or the customer's intended applications. Before using the product, it is the responsibility of the customer to check whether it is suitable for the specific use or intended purpose, while taking application-specific factors into account. This applies in particular to self-adhesive products as it is impossible to predict the reaction of the adhesive to certain materials (e.g. plastics, fine leather, textiles, etc.). It is therefore essential that the customer perform its own adhesion tests on the original substrate. We accept no liability for any damage or disadvantages whatsoever.
    - ee. That the product supplied by us does not infringe any third-party property rights if and insofar as the design and/or construction is specified and required by the customer. The customer shall bear full responsibility in this regard.
    - ff. That the way in which the product is used by the customer does not infringe any third-party property rights. The customer shall bear full responsibility in this regard.
  - c. The customer shall recognize technical tolerances pertaining, for example, to size, color, adhesive, and other aspects of materials or workmanship as the contractual condition, provided they affect neither the quality nor the function of the goods.
4. Provided that and insofar as a particular feature was specified by us, we ensure that the goods comply with all laws applicable to the goods, other relevant legislation and official directives in place for such goods at our respective production facilities. Further demands on the part of the customer are deemed to be customer-specific requirements and shall only become legally binding upon agreement between the parties.
5. Claims for Defects
  - a. At our discretion, we shall rectify any defects by subsequent performance or replacement.
  - b. The customer shall grant us the necessary time and opportunity for due subsequent performance and shall, in particular, place suitable quantities of the defective goods at our disposal for inspection. At the customer's request, we shall provide a 3D and an 8D report. The terms for the submission of the 3D and 8D reports shall be agreed separately between the customer and us in writing. In the event of replacement, we reserve the right to demand the return of the defective goods.
  - c. We shall bear or reimburse any expenses incurred for the purpose of inspection or subsequent performance, especially transportation, shipping, labor, and material costs, along with any disassembly and reassembly costs, in line with statutory provisions, provided a defect actually exists, and if and insofar as we are responsible for the defect according to statutory provisions.
  - d. We shall not accept lump-sum compensation. The customer must provide evidence of all amounts claimed.
  - e. If no defect existed or we cannot be held responsible for the defect, we shall be entitled to demand that the customer reimburse the expenses of the unjustified request for subsequent performance (in particular, but not limited to, the costs of testing and transportation).

- f. Should subsequent performance prove unsuccessful, the customer shall not have the right to withdraw from the contract in the case of minor defects.
- g. Defects in part of the delivered goods shall not entitle the customer to reject the entire delivery, unless the partial shipment is of no value to the customer.
- h. Should the customer withdraw from the contract due to a defect after an unsuccessful attempt at rectification, it shall not be entitled to claim any additional damages on account of the same defect. We reserve the right to demand that goods be returned.
- i. Should the customer elect to claim damages after unsuccessful subsequent performance, the goods shall remain in the customer's custody. Compensation shall be limited to the difference between the purchase price and the value of the defective goods. This shall not apply in the event we have fraudulently concealed the breach of contract.

#### **XV. Exclusion of Warranty/Limitation of Liability**

1. All warranty claims shall expire if the customer fails to transport, store, and process the goods according to our transportation, storage, and processing instructions (available for download at [www.schreiner-group.com](http://www.schreiner-group.com)) or other documents.
2. Any defects or damage caused by the customer's breakage, improper operation, or incorrect installation of the goods shall be excluded from liability. The same shall apply to any defects or damage attributable to subsequent modifications, replacements, or repairs of the purchased item, unless we have expressly approved such modifications.
3. Our liability shall be excluded for defects that are due to a material specified or supplied by the customer.
4. Our liability shall be limited as follows:
  - a. If damage for which we are legally responsible is covered by our insurance policy, our liability shall be limited up to the liability sum explicitly confirmed by the insurance company by means of a certificate of insurance.
  - b. If damage we are legally responsible for is not covered by our insurance policy, our liability shall be capped to the value of the delivery that caused the damage.
  - c. The above limitations of liability shall not apply if the customer has limited its liability vis-à-vis its own customers to a greater extent than stated in subsections a) and b). In this case, the further limitation of liability shall apply, mutatis mutandis, to us.
  - d. Furthermore, the aforementioned limitations of liability shall not apply if a limitation of liability is not possible according to applicable law (in cases of intent or gross negligent acts or omissions, mandatory liability according to the Product Liability Act and regarding the liability for body, life and health).
5. All damages resulting from the same cause, from similar causes where there is a specific, in particular but not limited to factual and temporal, connection, or from the delivery of goods with similar defects shall be deemed to be one instance of damages and to have occurred at the time at which the goods in respect of which the first damage or complaint was reported to us were delivered to the customer, irrespective of the actual occurrence of the damage.

#### **XVI. Exclusion of Liability for Software/Open Source Software**

1. According to the state of the art and even despite meticulous working methods, it is not possible to develop complex software so as to ensure that it functions without error under all application conditions. Therefore we do not accept liability in this regard.
2. Open source software is developed with the collaboration of numerous developers to varying degrees and under varying conditions. Our liability for damage resulting from the use of open source software shall be excluded or, to be more precise, limited to those modifications, enhancements, and additions that have undisputedly been made by us, provided any changes carried out by us are clearly separable from the original open source software.

#### **XVII. Indemnification for Third-Party Claims**

We accept no indemnification for third-party claims.

## **XVIII. Recall**

Prior to any recall action that is partially or wholly due to a defect for which we are legally responsible, the customer undertakes to notify us in advance, offer us the opportunity to provide assistance, and to discuss with us how to efficiently accomplish the product recall.

## **XIX. Last Buy Option/Obligation to Supply Spare Parts**

1. Should we cease production of the goods for any reason whatsoever, we shall offer the customer a last buy option if and insofar as it is possible and reasonable for us to do so and provided that there are no statutory and/or regulatory provisions to the contrary. The last buy option offers the customer an opportunity to order up to a twelve-month supply of goods. The twelve-month supply is calculated on the basis of the customer's average annual requirement of goods in the three years immediately preceding our offer of the last buy option. The prices agreed upon directly prior to exercising the last buy option shall apply.
2. The obligation to supply spare parts outside the warranty period shall be subject to a separate written agreement.

## **XX. Confidentiality**

1. The customer undertakes not to disclose to third parties any information to which it has been granted access by us insofar as it is not in the public domain, even after the contractual relationship has been terminated, and to protect such information by taking appropriate measures to keep it secret.
2. Moreover, the customer undertakes to use any information placed at its disposal solely for the purpose of the contractual relationship ("purpose") and to make such information available only to those employees requiring it for the aforementioned purpose, who are likewise bound to secrecy.
3. The customer shall refrain from commercially exploiting or copying the information in any manner or for any other purpose (particularly by means of reverse engineering) and from allowing the information to be exploited or copied by third parties.
4. At the end of the contractual relationship, all information provided must be returned to us without delay or destroyed, in accordance with our wishes.
5. All confidential information disclosed by us shall remain our exclusive property and we reserve all rights to such.

## **XXI. Withdrawal from the EU**

Should we incur any additional costs or expenses due to requirements regarding delivery of the goods to the customer following withdrawal from the EU, these costs shall be borne and/or reimbursed by the customer.

## **XXII. Customer Requirements/Advanced Product Quality Planning**

Special demands on the part of the customer, such as specific marking, quality management requirements, or required deviations from our advanced product quality planning or any other processes, shall only be met provided that and insofar as we have explicitly agreed thereto in writing.

## **XXIII. Process Deviations**

Exceptional circumstances that are beyond our control or not due to any fault on our part, such as, but not limited to, strikes, pandemics, epidemics, official measures or directives, changes to national, European and/or international legislation (e.g. amendments to laws, (EU) regulations and/or international conventions) shall entitle us to make such deviations or adjustments to our processes as are necessary.

## **XXIV. cGMP/GMP**

As a manufacturer of secondary packaging materials, we are not required to comply with cGMP/GMP. We only meet these obligations in part for specific products by separate agreement.

## **XXV. Traceability**

1. The customer undertakes to integrate our traceability system in its internal traceability system in such a way that the level of detail achieved by us is similarly maintained.

2. Should the customer fail to comply with the above requirement, it shall reimburse us in full for the resulting costs and damages.

#### **XXV. Archiving**

Records shall be retained in accordance with our internal procedures.

#### **XXVI. Intellectual Property Rights**

1. We retain full ownership rights and copyrights for all catalogs, technical documentation, product descriptions, and any other information or data provided by us to the customer, including in electronic form. In particular, no copies may be made of any kind.
2. No ownership rights shall be transferred to the customer for any of our own sketches, designs, final artwork, films, layouts, software, printing files, storage media, printing, die cutting, or embossing tools etc. for which we hold or have been granted intellectual or industrial property rights. Rights of use apply only within the scope of the contractual agreements and the license terms.
3. The customer consents to our using the customer's name and the products manufactured by us on its behalf for advertising purposes.
4. The customer shall be solely liable if the rights of any third parties, in particular, but not limited to, copyrights and/or intellectual property rights, are violated by the fulfilment of its purchase order. The customer shall indemnify us from any third-party claims due to such a violation of rights.
5. Should one or more work products result from joint development work, particularly intellectual property in the field of printed products (such as labels, self-adhesive functional parts, or printed electronics) as well as any machine or software developments in the field of printed products, we shall be entitled to such work product(s), regardless of which party developed the work product(s).

#### **XXVII. Final Provisions**

1. The law of the Federal Republic of Germany shall apply without regard to the rules of the conflict of laws.
2. The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply.
3. The place of jurisdiction is Munich.