

General Terms and Conditions of Sale and Delivery (GTC)

CCL Design Stuttgart GmbH

§ 1 Scope

1. In addition to other contractual agreements, these GTC shall exclusively apply to all transactions between CCL Design Stuttgart GmbH, hereinafter known as CCL-STU, and the purchaser, customer or orderer, hereinafter known as the Customer. Other contractual agreements, in particular, are the technical and commercial closing provisions of CCL-STU that shall supersede these GTC in the event of substantive contradictions.

Even if the service is provided or payment accepted, CCL-STU shall not acknowledge other terms unless CCL-STU expressly agrees in writing to their validity.

2. These GTC shall apply only to business transactions with business people consistent with § 14 of the German Civil Code [BGB]; they shall also apply to all future business relationships without having to be included on each occasion until CCL-STU issues new GTC.

3. All agreements made between us and the Customer as part of contract negotiations must be set out in writing for verification purposes and must be confirmed by both parties.

4. Supplementary agreements, retrospective contract amendments and the acceptance of a guarantee, particularly assurances of properties or the acceptance of a purchasing risk must be made in writing if they are made by persons who have no rights of representation.

§ 2 Advice

1. CCL-STU shall advise the Customer only if such advice is expressly requested. Failure to make statements shall not constitute advice.

2. Advice provided by CCL-STU shall extend exclusively to the properties of its own products but not to their use by the Customer or its customers; any application advice provided to the Customer anyway is non-binding.

3. CCL-STU's product and service-related advice shall extend only to the products and services provided by CCL-STU. It shall not extend to advice outside of the contract, that is, to statements made without products being sold or services rendered by CCL-STU.

4. The advice services provided by CCL-STU shall be based exclusively on empirical values from its own business and shall include only the state of science and technology on a non-binding basis.

§ 3 Contract conclusion

1. CCL-STU's quotations shall be non-binding; they shall be deemed as a request to submit a quotation.

2. An initial quotation is generally prepared free of charge. Further quotations and draft work are/is free of charge only to the extent that the delivery contract becomes and remains valid.

3. Details, descriptions and illustrations of CCL-STU's goods and products especially in technical documents, catalogs, brochures, circulars, advertisements and price lists shall be non-binding unless their inclusion in the contract has been expressly agreed; they shall not release the Customer from conducting its own inspections.

Particularly in the event of gummy, self-adhesive and non-self-adhesive products, the Customer shall under its own responsibility verify and observe the compatibility with the substrate materials determined for mounting. It cannot always be anticipated how the adhesive layer will react to the wide range of substrates (coatings, sensitive materials, etc.). This applies also to printing the products. Tests according to the Customer's own requirements shall be conducted by the Customer itself unless expressly otherwise agreed.

4. Color and light fastness, moisture, heat and weather resistance, and drawings, illustrations, dimensions, weights, and other performance data should be agreed in writing for verification purposes.

5. In principle, the order issued by the Customer shall be regarded as an offer to conclude a contract.

6. All details for completing the order must be set out in the order. This applies to all goods, works and other services to be provided by CCL-STU. These shall particularly, but not exclusively, include details of item designation, quantity, dimensions, material, material composition, pretreatment, processing specifications, treatment guidelines, storage, standards and all other technical parameters and physical characteristics.

The Customer shall cede to CCL-STU free of charge the necessary documents to render the service, such as specifications, diagrams, diagram explanations, data records, drawings and the associated standards, specifications, and order regulations, as well as approvals.

For design drawings or other drawings as a basis for an order, as well as for subsequent alterations, the stipulations of EN ISO 7200:2004 regarding technical product documentation shall be observed strictly. In particular, alterations compared to a delivery we rendered most recently shall be indicated expressly and in a clearly visible manner in the output mode (drawing index).

Missing, incorrect or incomplete details shall be regarded as expressly not agreed and shall not give rise to any obligations on the part of CCL-STU, neither in terms of fulfillment and warranty entitlements nor compensation entitlements.

7. If the order issued by the Customer differs from CCL-STU's quotation, the Customer must specifically highlight the differences.

8. CCL-STU shall be entitled to obtain further information for the purpose of ensuring that the order can be completed properly.

9. Orders should be issued in writing or in (electronic) text form; orders placed verbally or by telephone shall be completed at the Customer's risk.

10. The order should be accepted within 3 weeks of the receipt of the order unless a longer acceptance period has been agreed.

11. CCL-STU's services shall be set out in the order confirmation.

12. CCL-STU reserves the right to process the goods or services or to have them processed at a different plant at no added cost to the Customer.

13. Each order shall be planned in the manufacturing department as soon as it is received. Preparatory work such as drafts, final artwork, films, as well as printing and punching tools and material provision are scheduled immediately. If an order is altered or canceled, an administration fee to the sum of € 155.00 shall be charged plus any incurred costs and lost profit. The Customer reserves the right to demonstrate that the loss was lower.

14. Samples of any type, for example, drafts, blind samples, test prints, test lithographs, etc. shall be specially produced for the Customer to its specifications only after an order has been placed to this effect. These samples shall be invoiced separately to the Customer.

15. If printing or stamping products have been ordered, the Customer shall issue a formal declaration of approval before manufacturing starts. This is deemed a partial acceptance of the service. After this partial acceptance, the acceptance can no longer be refused based on faults that were recognizable at the time of the partial acceptance.

§ 4 Blanket contracts

1. If CCL-STU has agreed a blanket contract with the Customer under which the complete annual requirement is manufactured and stored for call orders, the Customer undertakes to accept all the remaining volume still in storage or still to be manufactured after the expiry of one year from the date of the order. During the term of the blanket contract, an amendment of the ordered volume of goods or services shall be possible only by means of a separate contractual agreement between CCL-STU and the Customer.

2. Unless otherwise agreed, all call orders must be accepted within one year of the order being placed without this requiring any request to accept such orders. If this deadline passes, CCL-STU shall be entitled to invoice the goods and ship them at the expense and risk of the Customer or to withdraw from the contract with immediate effect.

§ 5 Contractual amendments

1. A separate contractual agreement shall be required if the Customer requires any modifications to the goods or services after the contract has been concluded.

2. Sketches, drafts, test setting, test prints, initial sample parts, correction proofs and similar preparatory work shall be supplied to the Customer only if it expressly requests them in writing.

3. Subsequent changes at the request of the Customer including machine downtimes which result from them shall be charged to the Customer. Repeat test prints requested by the Customer as a result of minor differences from the original shall also be regarded as subsequent changes.

4. CCL-STU reserves the right to modify the goods or services within reason in the event that CCL-STU has not received the required information or has received incorrect information. Negative effects caused by a lack of information or incorrect information, in particular additional costs, or losses, shall be paid for by the Customer.

5. CCL-STU reserves the right to make technical modifications to the goods or services which do not jeopardize the objective of the contract, particularly in terms of material and finish.

§ 6 Lead time

1. If a lead time has been agreed for the goods or services, this shall commence when the order confirmation is sent but not before all details of the order have been clarified and all the Customer's duties of cooperation have been fulfilled properly; the same shall apply to delivery dates for the goods or services.

2. In the event of mutually agreed modifications to the goods or services, new lead times and delivery dates for said goods or services must be agreed.

This shall apply even if the goods and services are renegotiated after the contract has been concluded without any modification being made to the goods or services.

3. Lead times and delivery dates for the goods and services are agreed subject to the raw materials being supplied to us in perfect condition and promptly, and that no unforeseeable production problems are encountered.

4. Delivery deadlines for goods and services shall be automatically extended by the period in which the Customer fails to meet its obligations to CCL-STU. In particular, the delivery deadlines for goods and services shall be suspended for the duration of the review of prints, correction proofs, samples, etc. by the Customer from the time at which these items are sent to it until final approval has been granted. This shall also apply as and where appropriate to lead times for goods and services.

5. The lead time for goods and services shall be deemed to have been met if the goods or services have left CCL-STU's plant before its expiry or CCL-STU has sent notification that they are ready for collection.

6. CCL-STU shall be entitled to deliver the goods or complete the service before the agreed date.

7. Part consignments or services shall be permitted and may be charged separately.

8. In the event of a delivery delay for which it is itself culpable, CCL-STU undertakes to reimburse the Customer for the losses incurred due to the delay to the statutory scope. This does not apply for lost profits and losses from operational interruptions.

§ 7 Acceptance delay

1. If the Customer fails to accept the goods by the agreed delivery date or lead time for reasons that are its responsibility, CCL-STU may demand compensation for any additional costs CCL-STU incurs as a result.

2. If the acceptance of the goods or services by the Customer is delayed, CCL-STU may charge storage costs for each month or part thereof in the amount of 0.5% of the price of the goods or services, subject to a maximum of 5%. Either of the parties to the contract shall be entitled to provide evidence that the actual storage costs were higher or lower than this figure.

CCL-STU shall be entitled to select a suitable storage site at the expense and risk of the Customer and to insure the goods or services.

3. The products for supply to the Customer, in particular data and data media, shall be archived by CCL-STU beyond the date of delivery of the goods only by express agreement and against separate payment.

4. If CCL-STU is entitled to demand compensation rather than payment, it may demand 15% of the price as compensation, notwithstanding the possibility of asserting higher actual losses, unless the Customer can provide evidence that CCL-STU has not suffered any losses or its losses were considerably lower than this lump sum.

§ 8 Delivery and performance impediments

1. In the event of force majeure, CCL-STU is released from the relevant obligation to fulfill the contractual obligations and from any obligation to pay damages or any other contractual remedy for breach of contract from the moment the impediment makes it impossible for CCL-STU to deliver or perform services in this context, provided that this is immediately communicated to the Customer. If the notification is not made immediately, the exemption takes effect from the time the notification is received by the Customer. Services already rendered by the Customer are to be reimbursed immediately by CCL-STU.

2. "Force Majeure" means the occurrence of an event or circumstance which prevents CCL-STU from fulfilling one or more of CCL-STU's obligations under the contract if and to the extent that CCL-STU can demonstrate that: (a) the impediment is beyond CCL-STU's reasonable control; and (b) it was not reasonably foreseeable at the time the contract was concluded; and (c) the effects of the impediment could not reasonably have been avoided or overcome by CCL-STU.

Until proven otherwise, force majeure is presumed to exist in the following events:

(i) war (declared or undeclared), hostilities, attack, acts of foreign enemies, large-scale military mobilization;

(ii) civil war, riot, rebellion and revolution, military or other seizure of power, insurrection, acts of terrorism, sabotage, or piracy;

(iii) currency and trade restrictions, embargo, sanctions;

(iv) lawful or unlawful official acts, compliance with laws or governmental orders, expropriation, confiscation of works, requisition, nationalization;

(v) plague, epidemic, natural disaster, or extreme natural event;

(vi) explosion, fire, destruction of equipment, prolonged failure of transportation, telecommunications, information systems, or power;

(vii) general industrial unrest such as boycotts, strikes, and lockouts, go-slows, occupation of factories and buildings.

3. If the effect of the impediment or event asserted is temporary, then the consequences set out in Section 1 shall only apply as long as the impediment asserted prevents CCL-STU from fulfilling the contract.

4. If the duration of the asserted impediment results in the contracting parties being deprived to a considerable extent of what they could have legitimately expected under the contract, both contracting parties shall have the right to terminate the contract by notifying the other contracting party within a reasonable period of time. Unless otherwise agreed, the contracting parties expressly agree that the contract may be terminated by either party if the duration of the impediment exceeds 60 days.

5. CCL-STU is also entitled to withdraw from the contract if CCL-STU, through no fault of its own, is not supplied by its own supplier despite its contractual obligation and therefore cannot meet its own delivery or service obligations to the Customer. In this case, CCL-STU will inform the Customer immediately about the unavailability of the delivery or service item and reimburse the Customer immediately for any services rendered.

6. CCL-STU is also entitled to the rights listed in § 8 if CCL-STU was already in default when these circumstances occurred.

§ 9 Payment

1. Unless otherwise agreed, the agreed prices shall be as per the EXW (ex-works) clause set out in INCOTERMS 2010 excluding value-added tax, duties, freight, packaging and transport insurance costs and other shipment costs. The minimum order value is € 200.00. If orders do not reach the minimum order value, CCL-STU will charge a low quantity supplement of € 75.00.

Insurance for the goods to be dispatched is taken out by CCL-STU only upon express written demand and at the cost of the Customer.

2. CCL-STU is authorized to alter the agreed price appropriately if cost changes arise after contract conclusion, particularly due to collective bargaining agreements, material, or energy price alterations. The cost alteration will be demonstrated to the Customer upon demand.

3. CCL-STU shall be entitled to change the price within reason if changes occur before or during the completion of the order because the information or documents provided by the Customer were incorrect or the Customer requests other modifications.

4. Sketches, drafts, test setting, test prints, initial sample parts, correction proofs, changes to supplied or transferred data and similar preparatory work requested by the Customer as well as data transfers shall be charged separately. This shall apply even if a series order is placed.

5. CCL-STU shall be entitled to demand a reasonable advance payment when the contract is concluded. Interest shall not be payable on this.

If advance payment has been agreed, CCL may cancel the order if no payment has been received 14 days after the document date.

6. Unless otherwise agreed, invoices shall be payable within 30 days of the invoice date on a strictly net basis. They shall be payable without deductions. In the event that they are not paid, the Customer shall be in default on the due date without further warning.

Cash discounts and rebates shall be granted only by special agreement. Cash discount agreements do not apply to freight or other transport costs.

Part payments shall require separate written agreement.

7. The Customer shall bear the ancillary costs of payment processing (bank fees/expenses)

8. Settlement by bills of exchange shall require CCL-STU's separate prior agreement. Discount changes and bills of exchange costs shall be paid by the Customer. Invoice settlement by check or bill of exchange shall be only for the purpose of fulfillment and shall not be regarded as payment until they have been redeemed without reservation.

9. If the Customer has several outstanding invoices from CCL-STU and if payments are made by the Customer not against a specific invoice, CCL-STU shall be entitled to decide to which of the outstanding invoices the payment shall be assigned.

10. In the event of payment default, the Customer is duty bound to pay a lump sum of € 40.00 to CCL-STU. The lump sum shall be credited against any default-related prosecution costs.

In the event of default, forbearance or part payment, CCL-STU shall be entitled to charge default interest at a rate of

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9 percentage points per annum above the relevant base rate and to withhold further goods and services until all outstanding invoices have been settled. CCL-STU reserves the right to demonstrate that CCL-STU suffered higher losses.

11. By placing the order, the Customer confirms that it is solvent and creditworthy.

If there are justified doubts about the Customer's solvency or creditworthiness, CCL-STU shall be entitled to demand payment in advance or suitable security for the service to be provided on behalf of the Customer.

If the Customer is not prepared to make payment in advance or provide security, CCL-STU shall be entitled, after setting a reasonable extended deadline, to cancel these contracts and demand compensation for non-fulfillment.

12. Terms of payment shall be canceled and outstanding accounts shall become payable immediately if an application is made to open insolvency proceedings against the Customer's assets or if the Customer has provided inaccurate information about its creditworthiness or if there are other justified doubts about the Customer's solvency or creditworthiness.

13. The Customer shall be entitled to set off claims against CCL-STU's claims only if the counter claim is undisputed or has been established by a court of law.

The assignment of debts payable to CCL-STU shall require CCL-STU's consent.

14. The Customer shall have a right of retention only if the counter claim is based on the same contractual relationship and is undisputed or has been established by a court of law or if CCL-STU commits a major breach of duties from the same contractual relationship despite receiving a written warning and has not offered reasonable safeguard.

If a service provided by CCL-STU is undisputedly defective, the Customer shall have a right of retention only for a reasonable amount relative to the defects and the likely costs for their rectification.

15. The payment deadlines shall remain in force even if delays occur to the delivery through no fault of CCL-STU.

16. In addition to the contractually agreed prices for the goods, CCL-STU shall be entitled to charge reasonable and normal one-off programming and setting costs for initial orders.

17. If value-added tax is not included in the invoice of CCL-STU, in particular because CCL-STU has assumed, on the basis of information provided by the Customer, that the goods have been supplied or the services provided on the basis of an "intra-Community supply" consistent with § 4 no. 1b together with § 6a of the Value-Added Tax Act [UStG], and CCL-STU is retrospectively charged with a value-added tax debt (§ 6 a UStG), the Customer undertakes to reimburse CCL-STU in the amount charged. This duty shall apply regardless of whether CCL-STU is retrospectively charged with value-added tax, import value-added tax or comparable taxes in Germany or elsewhere.

§ 10 Fulfillment services

1. The place of fulfillment for the services and payments specified in the order shall be CCL-STU's plant. Unless otherwise agreed in writing, the Customer should collect the goods from there after being notified that they are ready.

2. The place of fulfillment for payments to be made to CCL-STU from the business relationship shall be CCL-STU's registered office.

3. The Customer undertakes to complete an acceptance procedure as soon as CCL-STU has notified it that the services it ordered have been completed.

If the Customer does not complete this acceptance procedure within two weeks of such notification, the services shall be deemed to have been accepted.

4. The risk of any errors affecting the goods passes to the Customer with the declaration of print approval unless the errors occurred or could only be identified during production after this declaration of print approval.

5. The risk of destruction, loss or damage to the goods shall be transferred to the Customer when notification is given that the goods are ready.

If shipment has been agreed, the risk shall be transferred to the Customer when the goods are dispatched or when they have been handed over to the shipping company.

6. Unless agreement has been made to the contrary, CCL-STU shall determine the type and scope of packaging. Packaging is charged at cost and will not be taken back. Single use packaging must be disposed of by the Customer.

7. If the goods are shipped in loaned packaging, the packaging must be returned free of charge within 30 days of receiving the shipment. The Customer must pay compensation for any loss or damage to the loaned packaging.

Loaned packaging must not be used for any other purposes or for holding other goods. It may be used for transporting the supplied goods only. Labels on loaned packaging must not be removed.

8. In keeping with the Council Directive (76/211/EEC) 'EU Prepackaging Directive', the quantity tolerances for the individual packaging units are defined in the following table regarding the batch size indication on the CCL-STU identification stickers. The actual quantity equates to the average of the stated quantity (average principle).

For a quantity of up to 1,000 pieces per packaging unit, the max. deviation is +/- 5 pieces, up to 10,000 pieces per packaging unit, the max. deviation is +/- 0.5%, for more than 10,000 pieces per packaging unit, the max. deviation is +/- 50 pieces.

9. If the goods become damaged or lost during transport, an inventory shall be taken immediately, and CCL-STU shall be informed of the result. Claims resulting from any transport damage must be asserted by the Customer to the haulage company immediately.

§ 11 Delivery

1. CCL-STU shall not accept liability for damage caused by incorrect or inaccurate labeling and identification of goods or other deliveries supplied by the Customer. CCL-STU shall not be obliged to inspect goods or other deliveries supplied by the Customer or a third party engaged by it, in particular data media and transferred data.

2. The goods for processing will be inspected by CCL-STU for externally visible signs of damage. CCL-STU shall not be obliged to conduct any more extensive inspections. Any defects found will be reported to the Customer within 10 working days of the discovery of the defect.

3. The Customer undertakes to reimburse CCL-STU for all losses including loss of profit incurred by the latter if it has been supplied with material or data which is not suitable for processing.

4. CCL-STU shall be entitled to a right of retention under § 369 of the German Commercial Code [HGB] for any printing and stamping originals, manuscripts, raw materials and other items supplied by the Customer until all due accounts from the business relationship have been paid in full.

5. The items supplied to CCL-STU by the Customer shall be stored for a maximum of two years after their last use. After this period has elapsed, CCL-STU shall be entitled to destroy them unless the Customer has expressly requested their return in writing from CCL-STU before this period has elapsed.

§ 12 Duty to inspect and complain

1. The Customer undertakes to inspect the goods immediately after delivery in accordance with § 377 HGB for defects and damage, and in particular to inspect initial and intermediate items or documents supplied for proofing and to notify CCL-STU of any defects and damage identified during this inspection or at a later date without delay after their discovery and to send CCL-STU a reference sample of the affected consignment. The provision of § 377 HGB shall apply as and where appropriate for general and works services. Defect complaints must be made in writing.

2. Defective goods or services must not be used. If it was not possible to detect a defect upon receipt of the goods or after the provision of the service, all further use of the goods or services must be stopped immediately after the discovery of the defect. The burden of proof for concealed defects shall be borne by the Customer.

3. The Customer shall cede to CCL-STU the goods forming the subject of the complaint and provide the latter with sufficient time to inspect the defect. In the event of unjustified complaints, CCL-STU reserves the right to charge the Customer with the inspection costs it has incurred.

4. The defect complaint shall not exempt the Customer from its duty to comply with its payment obligations.

5. Defects affecting part of the supplied goods shall not entitle the Customer to complain about the entire shipment unless the part shipment is of no interest to the Customer.

6. No complaints about dimension discrepancies affecting the goods or services to be provided by CCL-STU shall be accepted if these discrepancies can be classed as normal for the industry or sector.

7. No complaints shall be accepted about minor discrepancies from the original on reproductions made using any production process. The same shall apply to a comparison between other originals (e.g. proofs, press proofs) and the end product.

§ 13 Warranty

1. If CCL-STU's goods or services are defective, CCL-STU shall be entitled at its discretion to rectify the defect, supply replacement goods, or provide the Customer with a credit note.

2. Refinishing work may also be completed by the Customer in coordination with CCL-STU.

3. Claims by the Customer relating to the costs required for the purposes of repeat fulfillment, in particular transport, traveling, labor and material costs, shall not be permitted if these costs are increased because the goods were subsequently transported to a place other than the Customer's site.

4. No complaints shall be accepted about excess or short deliveries of up to 10% of the ordered volume. The supplied volume shall be invoiced. This percentage shall be increased to 20% for consignments of less than 1,000 kg or 15% for consignments of less than 2,000 kg for goods made using special products.

5. Warranty claims for defects not affecting the value or suitability of the goods or only affect it to a small extent shall be excluded.

6. The Customer shall observe the processing conditions communicated by CCL when storing or processing the goods or services; the former shall also observe the other storage and processing conditions in this regard. CCL-STU is not liable for any alterations to goods and services due to improper storage or processing.

§ 14 Legal defects

1. CCL-STU observes general statutory regulations at national, regional, and local levels. Since CCL-STU is not aware of the countries to which the goods and services of the Customer will be delivered or the countries to which the end products containing said goods and services will be delivered, CCL-STU cannot be expected to be familiar with all applicable statutory provisions, regulations and standards applying in these countries. The Customer must report to CCL-STU any specific measures to be observed.

2. Orders based on drawings, sketches or other information supplied to CCL-STU shall be completed at the risk of the Customer. If CCL-STU breaches intellectual property rights owned by third parties as a result of such purchase orders, the Customer shall exempt CCL-STU from claims by the owners of such rights. The Customer shall be responsible for all further losses.

3. CCL-STU's liability for any breaches of intellectual property rights which relate to the connection or use of the goods or services with other products shall be excluded unless CCL-STU is responsible for the violation of property rights.

4. In the event of legal defects, CCL-STU shall be entitled at its discretion to obtain the required licenses for the breached intellectual property rights or to rectify the defect affecting the goods or services by supplying modified goods or services in a reasonable form for the Customer.

5. CCL-STU's liability for breaching third party intellectual property rights shall otherwise extend only to intellectual property rights registered and published in Germany.

6. The transfer or grant of intellectual property rights and copyrights, particularly of CCL-STU's existing commercial intellectual property rights to the Customer shall not be part of the goods or services to be provided by CCL-STU. The type and scope of utility or intellectual property rights to be granted shall be set out in a separate contractual agreement.

7. The equipment used by CCL-STU to complete the order, such as data, films, lithographs, tools and print substrates shall remain the property of CCL-STU even if they are invoiced separately and shall not be delivered; any copyrights shall be the property of CCL-STU.

The stated operational items will be stored by CCL-STU for further follow-up orders. The storage duration is at the discretion of CCL-STU.

8. All ideas and documents created by CCL-STU, in particular samples, dummies, sketches, designs, technical information, lithographs, test prints, etc. shall be subject to the protection of the intellectual property of CCL-STU and may not be used or exploited in any form without CCL-STU's consent unless these products were manufactured exclusively on the basis of the Customer's information and specifications.

CCL-STU shall be exclusively entitled to all rights, such as copyrights, patents, utility models, etc. for print products and mechanical goods developed by CCL-STU as well as machines or systems or their parts, also insofar as they have not yet been filed for yet. CCL-STU products may be replicated only with prior written consent of CCL-STU.

9. If CCL-STU manufactures products on behalf of the Customer on the basis of drawings, models, samples or other technical documents provided by the Customer, or on the basis of process requests made by the Customer, the Customer shall be responsible for ensuring that such items do not breach third party intellectual property rights. If third parties prohibit CCL-STU from manufacturing and delivering such products by referring to existing intellectual property rights, CCL-STU is authorized, without being duty bound to verify the legal situation, to terminate any further work and to demand compensation from the Customer.

10. By handing over such drawings, documents, and the like, as well as with the desired procedure successes and the stipulated formulas and the underlying material uses, etc., CCL-STU is exempted by the Customer from all third-party claims in this context.

§ 15 Liability

1. CCL-STU shall accept liability for the outstanding accounts of the company only up to the value of the company's assets.

2. In the event of simple negligence, CCL-STU shall accept liability only in the event of a breach of a major contract duty. For gross negligence, CCL-STU shall also accept liability for breaches of non-major contract duties.

Major contract duties are those duties whose fulfillment makes the implementation of the contract possible in the first place and on whose fulfillment the party to the contract is entitled to rely.

In the event of simple negligent breach of a major contract duty, liability shall be limited to the foreseeable losses typical for these contracts.

3. In the event of assured properties, CCL-STU's liability shall be limited to the scope and the amount of CCL-STU's product liability insurance policy. The scope of coverage corresponds to the non-binding recommendations for product liability insurance policies made by the German Insurance Industry Federation. The level of coverage for the claims set out in the insurance policy shall be EUR 2 million per claim and insurance year.

4. Compensation claims due to a malicious or grossly negligent breach of contract duties by CCL-STU, claims for personal injuries and claims under the Product Liability Act shall be subject to the statutory regulations.

5. CCL-STU shall accept liability for tortious claims based on contractual liability.

6. All liability for compensation other than that described in the provisions above shall be excluded.

7. Recourse claims on the part of the Customer against CCL-STU shall exist only provided that the Customer has not made any agreements with its clients extending beyond the statutory defect and compensation claims.

8. CCL-STU's liability shall be excluded if the Customer has effectively limited its liability to its own clients.

9. If CCL-STU's liability is excluded or limited, this shall also apply to the personal liability of CCL-STU's staff, workers, colleagues, representatives, agents, and vicarious agents.

10. If liability is excluded or limited under the provisions set out above, the Customer also undertakes to indemnify CCL-STU from claims by third parties at the first time of asking.

11. With regard to items supplied to CCL-STU by the Customer, in particular documents or data media, CCL-STU's liability shall be restricted to the level of care that CCL-STU normally uses in its own affairs („diligentia quam in suis“).

12. The statutory provisions shall apply in all other respects.

13. The Customer undertakes to notify CCL-STU in writing without delay of any claims lodged by third parties and to reserve CCL-STU's right to use all possible means of defense and settlement negotiations.

§ 16 Statute of limitations

1. The statute of limitations for claims and rights relating to defects affecting CCL-STU's products, services or works services and resultant losses shall be one year. The onset of this statute of limitations period is based on the statutory regulations.

This shall not apply if the law specifies longer periods in cases pursuant to §§ 438 Para. 1 No. 2, 479 and 634a Para. 1 No. 2 of the German Civil Code [BGB].

2. The statute of limitations period of one year set out in Number 1 above shall not apply in cases of malice if CCL-STU has maliciously concealed the defect or for compensation claims due to personal injuries or loss of freedom of a person, for claims under the Product Liability Act and for a grossly negligent breach of duty.

3. Supplementary performance measures shall neither impede the statute of limitations for the original provision of the service nor cause the statute of limitations to restart. § 212 BGB remains unaffected.

§ 17 Transfer of title

1. CCL-STU reserves title to all contract goods until all of CCL-STU's claims from the business relationship with the Customer have been settled in full.

CCL-STU reserves all title rights and copyrights to supplied illustrations, drawings, calculations and other (technical) documents.

2. If CCL-STU's property is processed, connected, or mixed with property owned by others, CCL-STU shall acquire title to the new item as set out in § 947 BGB.

3. If the processing, connection or mixing takes place in such a way that the third party property is regarded as the main item, CCL-STU shall acquire title in the proportion of the value of CCL-STU's goods or services to the other goods or services at the time of the processing, connection or mixing.

4. If CCL-STU acquires title to an item as a result of its services, CCL-STU shall reserve title to this item until all the outstanding claims from its business relationship with the Customer have been settled in full.

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- The Customer undertakes to keep the reserved goods securely and, if necessary, to complete any servicing and maintenance work at its expense promptly. The Customer must insure the reserved goods at its own expense against loss and damage. Any security claims accrued in the event of damage shall be assigned to CCL-STU.
- The Customer shall be entitled to resell the item forming CCL-STU's (joint) property as part of its normal business as long as it fulfills its duties arising from its business relationship with CCL-STU. In this case, the claim resulting from the sale shall be considered assigned to CCL-STU in the proportion of the value of CCL-STU's goods or services secured by the reservation of title to the total value of the sold goods. The Customer shall still be entitled to collect this claim even after this assignment. CCL-STU's authority to collect these claims itself shall remain unaffected.
- The right on the part of the Customer to dispose of the goods subject to CCL-STU's reservation of title and to collect the claims assigned to CCL-STU shall become null and void as soon as the Customer fails to meet its payment duties and/or an application is made to open insolvency proceedings against its assets. In the above cases and in the event of any other action by the Customer in breach of the contract, CCL-STU shall be entitled to take back any goods supplied with reservation of title without notice.
- The Customer shall notify CCL-STU without delay if there are any risks to its reserved goods, particularly in the event of insolvency and enforcement action. At CCL-STU's request, the Customer must provide all the required information about the whereabouts of the goods which are CCL-STU's (joint) property and about the claims assigned to CCL-STU and must notify its customers of said assignment. The Customer shall provide CCL-STU with support in all action required to protect CCL-STU's (joint) property and shall pay the costs of any such action.
- To cover all claims under the contract, CCL-STU shall have a right of lien to those goods of the Customer's that have come into CCL-STU's possession on the basis of the contract. This right of lien may also be used for claims from goods or services supplied earlier if they are linked to the goods or services in question.
The right of lien shall apply to other claims from our business relationship as long as they are undisputed or have been fixed by a court of law. §§ 1204 et seq. of the BGB and § 50 Para. 1 of the German Insolvency Regulation shall apply as and where appropriate.
- If the realizable value of the securities exceeds CCL-STU's claims by more than 10%, CCL-STU shall release securities covering the excess value at its discretion at the request of the Customer.

§ 18 Processing of materials

- If the Customer cedes to CCL-STU materials for processing, the following supplementary provisions shall apply:
- Material of any kind that is procured by the Customer shall be delivered to CCL-STU free domicile.
 - On delivery, the goods to be processed will be inspected by CCL-STU only for externally visible defects and damage. CCL-STU shall not be obliged to conduct any more extensive inspections. Any defects or damage found will be reported to the Customer within 10 working days of the discovery of the defect.
 - The goods ceded to CCL-STU must be made of an easily processable material of suitable quality. If these conditions are not met, CCL-STU will advise the Customer of the additional expense required and the resulting price increase.
If the Customer does not consent to the change in price, it shall have the right to withdraw from the contract. Withdrawal must take place immediately after notification by CCL-STU of the changed requirements. If the Customer declares withdrawal, it shall provide reasonable compensation for the expense already incurred.
 - If the goods provided to CCL-STU prove to be unusable due to material defects, the processing costs expended by CCL-STU shall be refunded.
 - If the Customer provides material, the packaging material, and the waste due to unavoidable loss in the context of printing form equipment and production run, processing by trimming, punching and the like shall remain with CCL-STU.
 - If the Customer provides printed films, this shall be only in conjunction with corrected press proofs.
 - In the case of digital originals/data provided by the Customer, these must be created and formatted in accordance with CCL-STU's specifications. If this is not done, the Customer shall not be entitled to make a defect complaint.
In the case of data transmission, the Customer shall install state-of-the-art anti-virus computer programs before transmission.
Data backups are the responsibility of the Customer alone.
CCL-STU shall be entitled to make a copy.
 - CCL-STU will not accept liability for damage caused by incorrect labeling and identification of the goods supplied by the Customer.
 - The Customer undertakes to reimburse CCL-STU for all losses including loss of profit incurred by the latter as a result of material not suitable for processing being ceded to CCL-STU.
 - CCL-STU shall not pay compensation for the amount of scrap produced that is normal in the industry.

§ 19 Tools

- In the case of tools belonging to the Customer or loaned by the Customer, CCL-STU's liability in respect of storage and care shall be limited to the diligence it exercises in its own affairs. The costs of maintenance and insurance shall be borne by the Customer. The obligations on CCL-STU established under this § 19 shall expire if, on completion of the order and following the corresponding request to the Customer to collect, it has not collected the tools within 14 days of being requested to do so.
- CCL-STU shall have a right of retention to the tools for as long as the Customer has not fulfilled its contractual obligations to the full extent.

§ 20 Correction proofs and press proofs

- The Customer shall inspect correction proofs and press proofs for typesetting and other errors and return them to CCL-STU with a declaration of print approval. Changes notified by telephone should be confirmed in writing.
- If the Customer overlooks errors in its inspection of the correction proofs and press proofs, it shall have no subsequent right of defect complaint unless the errors were impossible to identify.
- The Customer shall be responsible for errors in the copy originals provided.

§ 21 Confidentiality

- The Customer undertakes to treat all aspects of the business relationship which require protection in confidence. In particular it shall treat all commercial and technical details not part of the public domain and coming to its attention as a result of the business relationship as business secrets. Information or aspects of the business relationship already part of the public domain at the time of their disclosure shall not come under the confidentiality obligation; this also applies to information or aspects of the business relationship that the contractual party demonstrably knew before CCL-STU communicated such.
The Customer shall ensure that its personnel also protect CCL-STU's justified confidentiality interests.
- The documents ceded to the Customer may be copied only if required for operational requirements and in accordance with copyright regulations.
- All documents may not be disclosed to third parties in full or in part or used for purposes other than those for which they were ceded to the Customer without CCL-STU's written consent.
- Processes which CCL-STU has supplied or disclosed to the Customer in any form whatsoever may be used only for the purpose specified or intended in the contract; information about prices must not be disclosed to third parties without CCL-STU's express written consent.
- The disclosure even in part of the business relationship with CCL-STU to third parties shall be possible only with CCL-STU's prior written consent; the Customer shall subject the third parties to a confidentiality agreement of the same type and scope. The Customer may advertise this business relationship only with CCL-STU's prior written consent.
- The Customer undertakes to maintain this confidentiality even after the business relationship has ceased.
- The Customer undertakes not to conduct business identical to the goods and services with CCL-STU's customers directly or indirectly.
- For each violation of the duties named in § 21, the Customer undertakes to pay a contractual penalty to the sum of € 25,000.00. The contractual penalty shall be incurred for each individual violation and the Customer shall not be entitled to plead the defense of continuation of a violation.

§ 22 Mechanical engineering

Provided that a contract is concluded between CCL-STU and the Customer regarding manufacturing and selling labeling & automation systems, the following provisions apply additionally and partially deviating from the aforementioned regulations:

- Cooperation by the Customer
 - The Customer shall provide all technical prerequisites, particularly all supply connections, at its intended operational site for the goods in a timely manner.

- Immediately after the contract concluded, the order-placer shall appoint a project manager responsible for the necessary cooperation services with us, who is also responsible for further coordination, information and questions. Reference is made to the technical closing provisions.

2. Acceptance and transfer of risk

- Unless otherwise agreed in the contract, pre-acceptance is rendered at the CCL-STU plant following sound test operation.
- Unless otherwise agreed in the contract, the formal final acceptance shall take place on the Customer's premises.
To this end, a written log will be prepared for signature by both contractual parties.
- If performance of assembly work has been agreed, the Customer is duty bound to accept the assembly separately as soon as CCL-STU has reported the completion of same.
- The Customer must not refuse to perform acceptance due to insignificant faults. An acceptance is deemed to have been rendered if the Customer does not cooperate in the final acceptance within an appropriate period set by CCL-STU despite being duty bound to do so, or if it commissions the delivery without final acceptance. A period of at least two weeks is deemed appropriate, starting from when the declaration is received from CCL-STU that the conditions for final acceptance are in place.
- The risk is transferred to the Customer at the start of loading by suitable transport persons to adhere to the agreed delivery deadline, otherwise when the Customer culpably allows the delivery time ex-works as communicated by CCL to elapse.

3. Commissioning and instruction

- CCL-STU sets and tests every machine before it is delivered. Original material of the Customer required for this will be provided by the latter free of charge. CCL-STU is not duty bound to store or return parts that are not required.
- Unless otherwise agreed in the contract, delivery, erection and commissioning of the CCL-STU systems, as well as instructing the Customer's staff shall take place as soon as possible by CCL-STU employees against charging of agreed journey costs and hourly rates plus daily allowance rates.
- Employees of CCL-STU may be requested only when all preparations for erecting the machine for delivery have been implemented at the Customer's premises. The Customer shall remunerate the waiting times and other costs arising from insufficient preparation.

4. Contractual documents, intellectual property rights and software

- CCL-STU grants to the Customer preliminarily a simple right of use, non-exclusive and temporarily unlimited in nature, to the software belonging to the system and the supplied documentation. This applies irrespective of whether this involves software developed by CCL-STU or delivered by third parties. The software is ceded only for use on the goods intended for such.
- The Customer may reproduce, rework, or translate the software, or convert such from the object code into the source code, only to the scope permitted by statute (§§ 69 a et seq. German Copyright Act). The Customer undertakes not to remove manufacturers' information – particularly copyright notices – or to alter such without the prior express written consent of CCL-STU. This notice shall also be added to each copy.

§ 23 Trade goods

Provided that a contract is concluded between CCL-STU and the Customer regarding the sale of identification systems, the following provisions apply additionally and partially deviating from the aforementioned regulations:

1. Supplementary conditions

In addition to the aforementioned GTC and this § 23, the GTC of our supplier named in the technical closing provisions of our order confirmation shall apply regarding any claims for liability for material faults. These GTC will be sent by CCL to the Customer upon request.

2. Cooperation by the Customer

The Customer shall provide all technical pre-requisites, particularly all supply connections, at its intended operational site for the goods in a timely manner.

3. Acceptance and transfer of risk

- If performance of installation work has been agreed, the Customer is duty bound to accept the CCL-STU service and the installation work when it has been properly performed and as soon as CCL-STU has reported the completion of same. Upon acceptance, the risk is transferred to the Customer.
- The Customer must not refuse to perform acceptance due to insignificant faults. An acceptance is deemed to have been rendered if the Customer does not cooperate with the acceptance within an appropriate period set by CCL-STU despite being duty bound to do so, or if it commissions the service without acceptance. A period of at least two weeks is deemed appropriate, starting from when the declaration is received from CCL-STU that the conditions for final acceptance are in place.
- The risk is otherwise transferred to the Customer when it collects the goods as per the agreement or culpably allows the ex-works delivery time properly communicated by CCL-STU to elapse or, in the event of a sales shipment, when we deliver the goods to suitable transport persons to adhere to the delivery deadline.

4. Commissioning and instruction

- Unless otherwise agreed in the contract, installation work by CCL-STU, as well as instructing the Customer's staff shall take place as soon as possible by CCL-STU employees against charging of agreed journey costs and hourly rates plus daily allowance rates.
- Employees of CCL-STU may be requested only when all preparations for the installation work have been implemented at the Customer's premises. The Customer shall remunerate the waiting times and other costs arising from insufficient preparation.

5. Contractual documents, intellectual property rights and software

- CCL-STU grants to the Customer preliminarily a simple right of use, non-exclusive and temporarily unlimited in nature, to the software belonging to the system and the supplied documentation.
- The Customer may reproduce, rework, or translate the software, or convert such from the object code into the source code, only to the scope permitted by statute (§§ 69 a et seq. German Copyright Act). The Customer undertakes not to remove manufacturers' information – particularly copyright notices – or to alter such without the prior express written consent of CCL-STU. This notice shall also be added to each copy.

§ 24 Applicable law

- The place of jurisdiction is at the discretion of CCL-STU the court responsible for the Registered Office of CCL-STU or the jurisdiction of the Customer.
- The law of the Federal Republic of Germany shall be exclusively applicable to our business relationships with the Customer. The applicability of CISG – United Nations Convention on Contracts for the International Sale of Goods – is excluded.
- Should individual parts of these GTC be ineffective, the effectiveness of the remaining provisions is not affected by this. The contractual partners will endeavor to replace the ineffective clause with a different clause that approximates as closely as possible the economic purpose and legal intention of the original formulation.
- The contractual language is German.

§ 25 Contact details

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