As at: October 2020

Terms and Conditions (General Terms and Conditions)

Terms and Conditions of Sale, Delivery and Payment

(Schmider Papierhülsen GmbH, hereinafter also referred to as the ‘Contractor’ / you = customer of Schmider Papierhülsen GmbH, hereinafter also referred to as the ‘Client’)

Address: Schmider Papierhülsen GmbH – Robert-Bosch-Straße 9 – 71397 Leutenbach – Germany

Note on terminology: we define the paper drinking straw in the broadest sense as packaging and/or so-called ‘flexible packaging’ or as a food contact material

I. Scope:

1. These terms and conditions apply only if the purchaser is a business operator (Section 14 of the German Civil Code (BGB)), a legal person governed by public law or a special fund governed by public law. The conclusion of contracts with consumers is expressly excluded.
2. All quotations, sales, deliveries and services provided by the Contractor shall be governed exclusively by these General Terms and Conditions of Business, Delivery and Payment. These form the basis of all contracts which the Contractor concludes with its contractual partners (hereinafter also referred to as the ‘Client’) in respect of the deliveries or services it offers. They shall also apply to all future offers, deliveries and services provided to the Client, even if they are not agreed separately again.
3. The Client’s terms and conditions of purchase or any other unilaterally deviating agreements shall only be deemed accepted if they are confirmed in writing by the Contractor as a supplement to these General Terms and Conditions of Business, Delivery and Payment. Consequently, the Client’s or any third party’s general terms and conditions shall not apply in any case, even if the Contractor does not specifically object to their validity. Even if the Contractor refers to a letter containing or referring to the Client’s or a third party’s general terms and conditions, this shall not constitute consent to the validity of those general terms and conditions.
4. Any reference to or counter-confirmation by the client referring to its terms and conditions of purchase is hereby expressly rejected

II. Quotations / Conclusion of Contract:

1. All quotations provided by the Contractor are non-binding and subject to change until accepted by the Client; they may therefore be withdrawn by the Contractor at any time until the Contractor has received the Client’s written declaration of acceptance.

2. The Client is bound by its offer or order for 14 days. This period begins on the date the offer or order is received by the Contractor. During this 14-day period, the Contractor is entitled to refuse to enter into this contract. If no refusal is made within this period, or if the goods are delivered during this period, the contract shall come into effect even without a written order confirmation from the contractor.
3. The written sales contract, including these General Terms and Conditions, shall be the sole basis for the legal relationship between the client and the contractor. It fully sets out all agreements between the contracting parties regarding the subject matter of the contract. Any verbal side agreements made by the Contractor prior to the conclusion of this contract are not legally binding and are superseded by the written contract, unless expressly confirmed otherwise in writing in each individual case. Should the Client subsequently request changes to the order, such changes shall only be effective if agreement is reached between the contracting parties. This must also be set out in writing.
4. Information provided by the Contractor regarding the subject-matter of the delivery or service (e.g. formats, material properties, weights, other specifications of the item being purchased, as well as visual representations thereof in the form of sketches, corrections, illustrations, etc.) is only approximate. Under no circumstances do they constitute ‘guaranteed characteristics’, but rather descriptions or identifications of the goods or services. Deviations customary in the industry and those resulting from legal provisions are permissible, provided they do not impair the suitability for the purpose described in the contract.
5. Schmider Papierhülsen GmbH, Robert-Bosch-Straße 9, 71397 Leutenbach (Germany), as the contractor, reserves ownership or copyright in all quotations and cost estimates submitted by it, as well as in any illustrations, calculations, prospectuses, drawings, print materials, tools and other documents and aids made available to the client. The client must never, without the contractor’s express consent, make the content of these items accessible to third parties, publish them, or use or reproduce them, either itself or through third parties. Upon the contractor’s request, the client must return these items in full to the contractor and destroy any copies that may have been made.

III. Prices / Set-off / Assignment:

1. The prices stated in the Contractor’s quotation are based on the cost calculations in force at the time the quotation was submitted. Should there be a significant change in the prices of raw materials (e.g. paper, plastic, other key cost components) of at least 5 per cent after the quotation has been submitted or the contract concluded, the Contractor shall be entitled to increase the agreed prices by the proportionate amount of the additional costs incurred. The Client shall be notified of this. This price fluctuation clause applies to all price lists published by the Contractor.
2. Prices apply to the scope of services and deliveries specified in writing in the order confirmations. Any additional or special services (e.g. preparatory work, consultancy, printing and plate costs) will be invoiced separately. The prices quoted by the contractor do not include statutory value added tax. This will be

shown separately on our invoice. Our prices do not include disposal costs. We assume that you will comply with the statutory provisions of the amended, current version of the Packaging Ordinance at your own responsibility. Unless expressly agreed otherwise in writing, prices are generally quoted in euros ex works, plus packaging, statutory value added tax (Germany), any insurance cover requested (which must be commissioned in writing by the client in advance!) and, for deliveries abroad, any applicable customs duties and other charges.

3. A deduction for cash discounts or rebates is only permitted if there is a separate written agreement between the contractor and the client. The purchase price is payable net (without deduction) immediately upon receipt of the invoice by the customer, unless other terms of payment are specified in the relevant invoice. A payment shall only be deemed to have been made once we are able to dispose of the amount; this also applies to payments by cheque or other means of payment. The relevant invoice for the respective delivery and service shall be decisive.
4. In the event of deviations in weight or quantity that fall within the tolerances set out in Section VII, the price shall be calculated on the basis of the actual quantity or unit supplied.
5. The client shall only be entitled to set off claims – even where complaints regarding defects or counter-claims have been raised – if the counter-claims have been legally established, are undisputed and have been acknowledged by us. The client shall only be authorised to exercise a right of retention if their counter-claim arises from the same contractual relationship.
6. The client is not entitled to assign its claims arising from contractual relationships with us (in particular warranty claims) to third parties.
7. Any subsequent changes requested by the client, in particular to sketches, drafts and, in particular, proofs, will be charged to the client as an additional fee.
8. If the goods are invoiced by weight, the price shall be calculated on the basis of the gross weight where packaging and wrapping paper is used.

IV. Industrial Property Rights:

1. The print materials provided by the Contractor, such as draughts, sketches and printing plates, shall remain the property of the Contractor even if the Client reimburses a proportion of the costs incurred in this regard. In such cases, however, the Client is entitled to bear the portion of the expenses attributable to the Contractor in order to become the owner.
2. The print materials provided by the Contractor, such as draughts, sketches and printing plates, shall remain the property of the Contractor even if the Client reimburses a proportion of the costs incurred in this regard. In such cases, however, the Client is entitled to bear the portion of the expenses attributable to the Contractor in order to become the owner.
3. Unless otherwise agreed, the Contractor shall be entitled to affix an identification number or date visibly to the products it supplies.
4. For preparatory work such as sampling, sketches and designs, amongst other things, which is expressly ordered or commissioned by the client, a fee is payable even if the main contract for which the preparatory work was carried out

is not awarded. A simple right of use shall pass to the client once payment for this service has been settled.

5. Should any print materials have become the property of the client, the contractor may demand that the client arrange for their collection; if the client fails to comply with this request – in particular with regard to films, printing plates, documents, etc. – such materials may be destroyed following the setting of a grace period of no more than 30 days and a warning of destruction. The client shall bear the costs of collection.
6. It is the sole responsibility of the Client to check whether the documents provided by the Client infringe the rights of third parties, copyright or industrial property rights. Both the Client and its vicarious agents (e.g. agencies) are obliged to examine the documents and data provided by them thoroughly in this regard. Should the Contractor be held liable by third parties for infringement of copyright and/or industrial property rights, or for breach of the Unfair Competition Act, the Client shall support the Contractor in defending against such claims and shall compensate the Contractor for all damages incurred, including legal and litigation costs, resulting therefrom. Note: The Contractor is not obliged to retain printing plates and print templates that have become unusable due to normal wear and tear arising from use in accordance with the contract. Used print materials must be replaced or 'purchased' again on a pro rata basis should the product be to be printed again.

V. Force majeure / Delay in delivery:

1. Upon handover of the goods to the forwarding agent, carrier or agent responsible for dispatch, the risk of accidental loss and accidental deterioration of the goods shall pass to the client. This shall also apply if the goods are not dispatched from the place of performance and/or if the contractor bears the freight costs.
2. An agreed delivery period shall commence on the date on which the Client provides final approval for printing and production. If a specific delivery date has been agreed and the Client fails to provide the documents etc. for which they are responsible in good time, or fails to give the necessary approvals or authorisations for printing and production in good time, the delivery period shall be extended accordingly by the duration of such delays.
3. If, following the conclusion of the contract, the Contractor is prevented from fulfilling its obligation due to the occurrence of unforeseen, exceptional circumstances (operational disruptions, delays in the delivery of essential raw materials) which could not be averted despite exercising the care that could reasonably be expected under the circumstances of the case, the delivery period shall be extended accordingly. If these circumstances render delivery impossible, the Contractor shall be released from its obligation to deliver. This provision shall also apply in cases of lockouts and strikes. In the event that delivery by the supplier becomes impossible, the Contractor shall be entitled to withdraw from the contract. The Contractor undertakes to assign to the Client any claims to which it is entitled against its supplier on account of non-delivery or late delivery. Should the resulting delay extend beyond 4 weeks, the Client shall be entitled to cancel the order free of charge. Should the Client do so earlier, they may be invoiced for any processing costs already incurred.

4. Orders on call are not part of our service. The goods ordered by the client must be accepted in their entirety as they have been produced. Stockpiling is not provided for and does not form part of the contract.

VI. Outer packaging / Logistics:

The contractor is liable for ensuring that goods are packed in accordance with industry standards. However, this liability is limited to cases of gross negligence and wilful misconduct.

VII. Tolerances:

1. Deviations in weight or basis weight shall be tolerated by the Client to the same extent as they are to be tolerated by the Contractor in accordance with the terms of delivery of the manufacturers of the materials used. Unless otherwise specified in the aforementioned terms of delivery, the following tolerances shall apply:

   Paper in relation to the agreed basis weight:
   up to 39 g/m^2 ± 10 %
   40–59 g/m^2 ± 8 per cent
   60 g/m^2 and above ± 6 per cent

   All other materials in relation to the agreed thickness or
   grammage: ± 20 per cent
   Size deviations: ± 10 per cent

   Quantity deviations:
   For all production runs, the contractor is entitled to under- or over-deliveries of up to 20 per cent; in the case of sales by quantity (for quantities under 40,000 items) and sales by weight (for weights under 400 kg), this entitlement extends to up to 25 per cent of the quantity ordered by the client. Delivery and performance shall be invoiced in full based on the actual quantities.

   Counting discrepancies:
   Due to production-related factors (technology, machinery), counting discrepancies may occur. These shortfalls cannot be rectified due to the nature of the production process. Counting discrepancies of up to 10 per cent of the agreed quantity in individual outer packaging, and up to 20 per cent for outer packaging containing fewer than 400 units, are therefore to be regarded as standard practice. With regard to the total quantity of the order, even if the individual outer packaging exceeds this limit by a wide margin, a counting discrepancy of 3 per cent is to be accepted for large print runs of 500,000 units or more, and 6 per cent for small print runs of fewer than 500,000 units.

VIII. Printing:

1. The Contractor shall use standard printing inks for the print run. If there are specific requirements regarding the inks, such as lightfastness, abrasion resistance, suitability for contact with foodstuffs, etc., the Client must specifically draw attention to these when placing the order. The Contractor gives no guarantee as to the lightfastness of the printing inks. The Contractor reserves the right to make colour variations, provided these are customary within the industry. Such variations do not entitle the Client to refuse acceptance of the goods or to claim a price reduction. Proofs will only be provided prior to printing if the client expressly requests them and is prepared to pay for them. This is subject to a separate enquiry and quotation. Press proofs will be invoiced separately and shall only form part of the contract if they have been specifically agreed, and are expressly requested and paid for by the client. Due to the ongoing development of colour technology, particularly with regard to compliance with food safety legislation, there may in some cases be significant colour deviations which cannot be avoided even when adhering to the prescribed colour specifications.
2. When printing on any type of plastic packaging, the Contractor cannot guarantee the durability of the ink, even if the ink is described as ‘durable’. The Contractor shall not be liable for any damages arising from ink staining and/or other migration phenomena, nor for any consequential damages resulting therefrom, unless there is wilful misconduct or gross negligence on the part of the Contractor.
3. ‘Certified proofs’ provided by the client, containing, for example, defined values such as delta-e values, apply exclusively to products printed using the offset printing process. As our main products (such as paper drinking straws and other ‘flexible packaging’) are predominantly printed using the flexographic printing process, these documents serve merely as guidelines or points of reference for us as the contractor. Such proofs shall only be deemed binding following a clear and separate written agreement between the contractor and the client. Otherwise, we, as the contractor, categorically exclude the binding nature of such documents provided by the client or their agents (e.g. agencies).

IX. Warranties:

1. In the absence of specific instructions from the client, orders shall be carried out using materials customary in the industry and in accordance with established manufacturing processes. Where paper drinking straws or packaging for foodstuffs are used, the suitability of the material for contact with foodstuffs must be expressly clarified with the contractor. Consequently, no claims for defects may be made regarding the behaviour of the packaging materials in relation to the contents, or vice versa, unless the client has expressly drawn attention to specific properties of the contents and/or their intended use with foodstuffs and has given the contractor the opportunity to comment on this. Such notifications and comments must be made separately in writing and do not automatically form part of the contract.

X. Retention of title:

1. The goods delivered shall remain the property of the Contractor until the purchase price and the invoice have been settled in full. This applies to the full settlement of the invoice for the main order (products), including – that is to say, in addition to – any work carried out by the Contractor beyond the scope of the main order which is listed on the invoice as separate items or as sub-items. These ancillary services are to be regarded in conjunction with the main service. Ownership shall not pass as a result of advance or partial payments, or the payment of the main order (product) alone, even if ancillary services are listed on the invoice.
2. The Client is entitled to resell the goods subject to retention of title in the ordinary course of business; however, the Client may only pledge such goods or transfer them by way of security with the Contractor's consent. The Client is obliged to safeguard the Contractor's rights when reselling goods subject to retention of title on credit.
3. The Client hereby assigns to the Contractor any claims arising from the resale of the goods subject to retention of title; the Contractor accepts this assignment. Notwithstanding the assignment and the Contractor's rights to collect such claims, the Client shall remain entitled to collect them for as long as it fulfils its obligations towards the Contractor and does not fall into financial distress. At the Contractor's request, the Client shall provide the information necessary for collection in respect of the assigned claims, in particular a list of debtors with their names and addresses, the amount of the claims and the date of invoicing, and shall notify the debtors of the assignment.
4. The Client must inform the Contractor immediately of any enforcement measures taken by third parties against the goods subject to retention of title or the assigned claims, and must provide the documents necessary for the Contractor to intervene.
5. The Client's authorisation to dispose of the goods subject to retention of title and to collect the assigned claim shall lapse in the event of the Client's default on payment, in the event of proceedings relating to bills of exchange or cheques, and in the event of a deterioration in the Client's financial circumstances – in particular, if an application for a composition with creditors and/or for bankruptcy is filed. In such cases, the contractor shall, in particular, be entitled to take possession of the goods subject to retention of title, and the client shall be obliged to surrender the goods subject to retention of title to the contractor. Such repossession shall only constitute a withdrawal from the contract if this is expressly stated.
6. It is hereby clarified that, in cases of cheque-and-bill financing, ownership of the goods supplied shall not pass to the client until the bills have been honoured in full and the amounts due under the bills have been paid to the contractor.
7. The Contractor undertakes, at the Client's request, to release, at its discretion, the security to which it is entitled under the above provisions to the extent that its value exceeds the claim by 5 per cent or more.

XI. Complaints / Notification of defects:

1. The Client is obliged to inspect the goods delivered by the Contractor for defects immediately upon receipt. As part of this inspection, appropriate spot checks must be carried out and, should the Client be unable to carry out its own inspections, appropriate external inspections must be arranged.
2. A relatively small number of defective goods – amounting to up to 3 per cent of the total quantity of paper drinking straws or flexible packaging in the case of large print runs, and up to 6 per cent in the case of small print runs (up to 100,000 units) – cannot be regarded as a defect, regardless of whether the defect lies in the product's manufacture or in the printing.
3. If the goods supplied are defective, lack the characteristics warranted, or become defective within the warranty period, the Contractor may, at its discretion and/or to the exclusion of any further warranty claims by the Client, either supply a replacement or carry out repairs.
4. If the Contractor allows a reasonable period of grace granted to them by the Client to elapse without having supplied a replacement or rectified the defect, or if the rectification fails, the Client shall be entitled to claim rescission or a reduction in price and, in the case of warranted characteristics, to claim damages to the extent set out in Section XII(2).
5. The Client shall have no warranty claims insofar as the Contractor is not liable for this under Sections VII, VIII and IX and/or has complied with the tolerances set out in Section VII.

XII. Other claims for damages:

1. Claims for damages arising from a breach of contractual obligations or from a tort are excluded in respect of both the Contractor and its agents or vicarious agents, unless such claims result from wilful misconduct or gross negligence on the part of the Contractor or its agents or vicarious agents. This exclusion of liability applies in particular to damage resulting from the fact that the abrasion resistance, lightfastness, alkali resistance, rub resistance and water resistance of the inks used are insufficient, the layout of the printed elements is incorrect; where the use of flexible material renders any elements of the print illegible; the delivered products, such as paper drinking straws or packaging, do not comply with the statutory requirements applicable to the contents; the products do not possess the necessary food-grade suitability; or higher disposal costs are incurred due to the material's greater weight. This limitation of liability applies mutatis mutandis to claims arising from fault at the time of conclusion of the contract. In such cases, the client waives any claims arising from fault at the time of conclusion of the contract after the contract has been concluded, unless there is gross negligence or wilful misconduct. This limitation of liability does not apply in cases involving a culpable breach of essential contractual obligations (cardinal obligations). If, in such cases, the Contractor is liable even for a breach of essential contractual obligations arising from ordinary negligence, the compensation shall be limited to the typically foreseeable loss. In particular, the Contractor shall not be liable in such cases for loss of profit, consequential damages arising from defects, or loss of production.

2. The Contractor categorically excludes liability for consequential damages of any kind arising from the Client's discretion or business operations. Specific and targeted application requirements must be communicated separately in writing by the Client in advance and, in particular, must become part of the contract following written confirmation by the Contractor.
3. Insofar as the Contractor may be held liable for damages on the basis of expressly warranted characteristics, the extent of such damages shall be limited to the scope of the warranty and to the damages foreseeable at the time the contract was concluded. Claims for loss of profit and/or loss of production are excluded, unless the Contractor has included such damages in the warranty when warranting the characteristics. This must be done in writing and expressly and therefore requires a specific agreement.

XIII. Terms of payment:

1. Provided that the Client is not in default of payment for previous deliveries by the Contractor, and/or provided there is no material deterioration in the client's financial circumstances that would jeopardise the contractor's claim for payment, the contractor's claims for payment shall – unless otherwise agreed – be due for payment within 14 days (net), calculated from the respective invoice date. If the client pays within 8 days of the invoice date, they shall be entitled to a cash discount of 2 per cent of the net invoice amount.
2. Where the contractor has outstanding invoices, payments shall be applied to settle the oldest claim that is due.
3. If the payment deadline is exceeded, the client shall be in default following a reminder, provided that no specific payment date has been agreed. Subject to any further claims, the client shall in such cases pay the contractor default interest at the rate charged by commercial banks for outstanding overdrafts, but in any event at a rate of at least 5 per cent above the relevant discount rate of the Deutsche Bundesbank. The interest rate shall be set lower if the client can demonstrate to the contractor that the burden on the contractor is lower. This provision shall not affect the contractor's right to claim statutory interest on overdue payments prior to the client falling into arrears.
4. If the Client is in arrears with payment for previous deliveries by the Contractor and/or if there is a significant deterioration in the Client's financial circumstances following the conclusion of the contract, which jeopardises the Contractor's claim to consideration, payment shall be made concurrently with the delivery of the goods. The Client may avoid this condition of simultaneous delivery by providing security equal to the purchase price relating to the relevant delivery.
5. The Client shall not be entitled to set off any claims against the Contractor's claims, unless such claims are undisputed or have been established by a final and binding judgement.

XIV. Jurisdiction / Applicable law:

1. Unless otherwise agreed, the place of performance for delivery, services and payment shall be the contractor’s registered office. (71397 Leutenbach (Germany))
2. The exclusive place of jurisdiction for all disputes arising from the contractual relationship between the parties, on which these deliveries and services are based, shall be the Contractor’s registered office. (71397 Leutenbach (Germany)) The Contractor is, however, entitled – though not obliged – to bring legal proceedings against the Client at the Client’s registered office.
3. The legal relationships between the parties with regard to the agreed deliveries and services shall be governed by German law, to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG).
4. Any ancillary agreements, reservations, amendments and additions must be set out in a separate written document.
5. ‘German’ is agreed as the language of the contract. Translated content from other languages is to be understood in accordance with the original meaning. Should the client have any questions arising from the wording, these must be put to the contractor in writing.

XV. Severability clause:

Should any provision in these General Terms and Conditions of Business, Delivery and Payment, or any provision under other agreements relating to the supply contract, be or become invalid, this shall not affect the validity of all other provisions or agreements.
Addendum to the GTC (General Terms and Conditions)
(paperi, hereinafter also referred to as the “Client” / you = paperi’s supplier, hereinafter also referred to as ‘Contractor, Supplier, etc.’)
Address: Schmider Papierhülsen GmbH – Robert-Bosch-Straße 9 – 71397 Leutenbach – Germany
General Terms and Conditions of Order and Purchase: these form an integral part of the General Terms and Conditions (GTC)

1. Scope of Application

1.1 All deliveries, services and other legal transactions between our suppliers and paperi shall be governed exclusively by these General Terms and Conditions of Supply. These form an integral part of all contracts that we conclude with our suppliers in relation to the deliveries or services they offer and perform. They shall also apply to all future legal transactions with the supplier, even if they are not agreed separately again.

1.2 The terms and conditions of our suppliers or third parties shall not apply, even if we do not specifically object to their validity in individual cases; furthermore, even if we refer to a letter that contains or refers to the terms and conditions of a supplier or a third party, this shall not constitute acceptance of the validity of such terms and conditions.

2. Orders and Contracts

2.1 Our order shall only be deemed binding at the earliest upon its submission or confirmation in writing. The contractor must draw our attention to any obvious errors (e.g. clerical or calculation errors) and omissions in the order, including the order documents, for the purpose of correction or completion prior to acceptance of the order; otherwise, the contract shall be deemed not to have been concluded.
The contractor is required to confirm our order in writing within one week or, in particular, to fulfil it unconditionally by dispatching the goods (acceptance). A delayed acceptance shall be deemed a new offer and requires our acceptance.

2.2 Deliveries shall be made on a ‘Delivery Duty Paid’ (DDP) basis in accordance with the provisions of the latest version of the Incoterms. The supplier shall generally bear all transport costs, including all ancillary costs. Only alternative arrangements set out in writing shall apply.

2.3 We are entitled to terminate the contract at any time by written notice stating the reason if, due to circumstances arising after the conclusion of the contract, we are no longer able to use the ordered products in our business operations. In this case, we shall remunerate the supplier for the partial performance already rendered.

2.4 Force majeure, civil unrest, official measures and other unavoidable events entitle us – without prejudice to any other rights – to withdraw from the contract in whole or in part, insofar as they affect the contract.

2.5 If, after the conclusion of the contract, it becomes apparent that our right to delivery is at risk due to the supplier’s inability to perform, we shall be entitled to withdraw from the contract. The supplier is obliged to notify us immediately in writing, by registered letter, of any risks to our right to delivery. The supplier shall be liable for all damages resulting from any delay in or failure to provide such notification.

3. Price Agreements, Terms of Payment

3.1 The price stated in our order is binding.

3.2 Unless expressly agreed otherwise in writing, the price includes free delivery and transport to the delivery address specified in the contract, including packaging and all necessary ancillary costs.

3.3 Where, under the terms of the agreement, the price does not include, for example, transport and/or packaging and any other incidental costs, these shall be invoiced at the verifiable cost price.

3.4 Unless otherwise agreed, we shall pay the purchase price within 8 days with a 2 per cent discount, or within 30 days net, upon delivery of the goods and following inspection of the goods on receipt (acceptance of the goods).

3.6 The performance under an order shall only be deemed to have been fulfilled once the goods have arrived at their destination. Early invoicing is not permitted, and the payment period shall only commence upon acceptance of the goods by us or at the previously specified delivery location.

3.5 In the event of late payment, we shall be liable for interest on arrears in accordance with the statutory provisions.

4. Delivery Time and Delivery

4.1 The delivery time (delivery date or period) specified in the order is binding. Early deliveries are not permitted. The supplier is not authorised to make partial deliveries without prior consultation with us.

4.2 The supplier is obliged to inform us immediately in writing if circumstances arise or become apparent which mean that the delivery time cannot be met.

4.3 If the latest date by which delivery must take place can be determined on the basis of the contract, the supplier shall be in default upon the expiry of that date, without the need for a reminder from us.

4.4 In the event of a delay in delivery, we shall be entitled without restriction to the statutory remedies, including the right to rescind the contract and the right to claim damages in lieu of performance following the fruitless expiry of a reasonable grace period.

4.5 Even if dispatch has been agreed, the risk shall not pass to us until the goods have been handed over to us at the agreed destination.

5. Copyright etc.

5.1 We reserve title to, or copyright in, any orders or contracts placed by us, as well as any drawings, illustrations, calculations, descriptions and other documents made available to the supplier. The Supplier may not, without our express consent, make them available to third parties, disclose them, use them or reproduce them, either itself or through third parties. Upon our request, the Supplier must return these documents and any copies to us in full if they are no longer required by the Supplier in the ordinary course of business or if negotiations do not result in the conclusion of a contract.

5.2 Tools, jigs and models which we make available to the Supplier, or which are manufactured for the purposes of the contract and invoiced to us separately by the Supplier, shall remain our property or shall become our property. The Supplier must mark them as our property, store them carefully, insure them against damage of any kind and use them solely for the purposes of the contract. However, insofar as these costs are attributable to defects in such items manufactured by the Supplier or to improper use on the part of the Supplier, its employees or other vicarious agents, they shall be borne solely by the Supplier. The Supplier shall notify us immediately of any damage to these items that is not merely minor. Upon request, the Supplier is obliged to return these items to us in good condition if they are no longer required by the Supplier to fulfil the contracts concluded with us.

5.3 The Supplier's retention of title shall apply only insofar as it relates to our payment obligation for the respective products in respect of which the Supplier reserves title. In particular, extended or prolonged retention of title is not permitted.

6. Warranties, etc.

6.1 The Supplier warrants that the goods comply with the applicable national and international legal provisions, the relevant standards and technical specifications and regulations, the current state of the art, and our specifications. Any intended technical or other changes must be agreed with us prior to implementation. Furthermore, the Supplier shall be fully liable for any damage incurred by us or third parties resulting from faulty or inaccurate documentation, descriptions of materials or properties, or other inaccurate or faulty information submitted by the Supplier.

6.2 In the event of defects, we are entitled to the full range of statutory claims. Notwithstanding the above, the warranty period shall be 36 months.

6.3 For paper and paper products, maximum thickness and weight tolerances of 4 per cent apply; there are no other tolerances. For aluminium foil, composite film, cellophane and other comparable materials, deviations of +/- 3 per cent from the agreed thickness or basis weight (depending on which dimension forms the basis of the order, whether used individually or as part of another product) are deemed to have been agreed

6.4 We expressly point out that products used for the packaging of foodstuffs, as well as all papers, films and auxiliary materials (such as inks, glues, adhesives, etc.) used in the manufacture and finishing of packaging materials, must comply with applicable German and European legislation and the latest scientific findings. Upon our request, the supplier shall provide, at its own expense, relevant declarations of safety from independent institutes. The supplier shall indemnify us and our customers against all claims arising from non-compliance with or breach of the applicable regulations and provisions.

6.7 Upon receipt of the goods, we shall carry out only a minimum inspection against the delivery note to check for transport damage. Consequently, complaints regarding deviations in quality and quantity shall in any event be deemed to have been made in good time if we notify the supplier of them within two weeks of the goods' arrival at our premises. Complaints regarding hidden material defects shall in any event be deemed to have been made in good time if the supplier is notified within one week of their discovery

6.8 Acceptance of a delivery or approval of samples or specimens submitted does not constitute a waiver of warranty claims. Similarly, payment of the invoice relating to a delivery shall not be deemed to constitute an acknowledgement that the goods are free from defects.

6.9 The limitation period for warranty claims shall be suspended upon receipt by the supplier of our written notice of defects. In the event of a replacement delivery or rectification of defects, the warranty period for replaced and rectified parts shall recommence, unless, based on the supplier’s conduct, we had reason to believe that the supplier did not consider itself obliged to take such action, but carried out the replacement delivery or rectification of defects solely as a gesture of goodwill or for similar reasons.

6.10 Where print templates contain technical codes (in particular EAN barcodes, QR codes or other similar codes), the supplier shall guarantee the functionality and accuracy of the information stored in the code by carrying out functional tests before and during production. However, the Supplier shall not be responsible for the content provided to it, such as addresses, telephone numbers, websites, etc. In the event of technical problems arising in this context (e.g. poor legibility or changes to the content of the code), the Supplier must inform the Client of this immediately and suspend production until the problem has been resolved.

7. Product liability

7.1 The supplier shall be liable for all claims asserted by third parties in respect of personal injury or damage to property attributable to a defective product supplied by the supplier, and shall be obliged to indemnify us against any liability arising therefrom. If we are obliged to carry out a product recall in respect of third parties due to a defect in a product supplied by the Supplier, the Supplier shall bear all costs associated with the recall.

7.2 The Supplier is obliged, for the duration of the business relationship, to take out and maintain, at its own expense, adequate product liability insurance with a sum insured of at least €5,000,000.00 for damage to property and/or personal injury and/or financial loss per claim. The insurance must also cover the risk of product recalls, unless otherwise agreed in individual cases. Upon request, the Supplier shall provide us at any time with a copy of the liability insurance policy or a corresponding confirmation of cover.

8. Intellectual Property Rights

8.1 The Supplier warrants that its delivery does not infringe any third-party intellectual property rights in countries such as those within the European Union, where it manufactures the products or has them manufactured. This shall not apply if the Supplier draws our attention to any concerns and we nevertheless insist on the order being carried out in its current form.

8.2 For all substances, preparations and articles supplied or provided to us, the Supplier must comply with the requirements and measures arising from the REACH Regulation.

8.3 The Supplier is obliged to indemnify us against all claims brought against us by third parties arising from the infringement of industrial property rights referred to in 8.1 and

8.2, and to reimburse us for all necessary expenses incurred in connection with such claims. This obligation applies irrespective of whether the Supplier is at fault.

9. Confidentiality

9.1 The Supplier is obliged to keep the terms of the order, as well as all information and documents provided for this purpose (with the exception of publicly available information), confidential for a period of two years following the conclusion of the contract and to use them solely for the fulfilment of the order. Upon completion of enquiries or the processing of orders, the Supplier shall return them to us immediately upon our request.

9.2 Without our prior written consent, the Supplier shall not refer to the business relationship in advertising material, brochures, etc., nor shall it exhibit goods manufactured for us.

9.3 The Supplier shall oblige its subcontractors to comply with this clause.

10. Assignments

The Supplier is not entitled to assign its claims arising from the contractual relationship to third parties. This does not apply in the case of monetary claims.

11. Customer Protection

Sustainable and long-term customer protection is deemed to have been agreed in respect of all customer contacts, data and information, as well as the customers themselves, which we disclose and/or pass on to the Supplier in the course of our cooperation for the fulfilment of our orders; this is limited to a maximum of two years following the last order or transaction in the business relationship. This customer protection shall also apply beyond the duration of the collaboration, and even if the data and orders disclosed to the supplier through our intervention are no longer, in whole or in part, processed by the supplier. Sustainable and long-term customer protection (limited to a maximum of two years) is generally deemed to have been agreed.
Should the supplier contact the customer directly during or after the orders have ended, or even attempt to ‘directly’ solicit the order(s) or orders for themselves, a contractual penalty amounting to one year’s turnover – calculated as the average turnover that paperi has realised with the customer over the last two years – shall be deemed to have been agreed.

12. Place of performance, place of jurisdiction, applicable law

12.1 The place of performance for both parties and the exclusive place of jurisdiction for all disputes arising from the contractual relationship is 71397 Leutenbach (Germany).

12.2 The contracts concluded between us and the supplier are governed by the law of the Federal Republic of Germany, to the exclusion of the Convention on Contracts for the International Sale of Goods (CISG) and to the exclusion of any conflict-of-law rules and renvoi provisions.

13. Severability clause

13.1 Should any provision of the above terms and conditions be wholly or partially invalid, this shall not affect the validity of the remaining provisions. The invalid provision shall be replaced by a provision which, in a legally valid manner, most closely approximates the intended economic purpose.

13.2 The same shall apply in the event that these terms and conditions contain an omission. The omission shall be replaced by an appropriate provision which, insofar as legally possible, most closely approximates what the contracting parties intended or would have intended in accordance with the spirit and purpose of the contract, had they taken this point into account at the time of concluding the contract or when subsequently incorporating a provision.

Terms and Conditions (General Terms and Conditions) – Terms of Sale, Delivery and Payment
The Terms and Conditions of Schmider Papierhülsen GmbH – Leutenbach are set out below, available as a full-screen view, for printing and/or for download (click the BUTTON below with the left mouse button). If your device or browser is unable to display this document, please send us an email (Contact / Contact Form) and we will be happy to send you the latest version of the GTC as a PDF document as soon as possible.