

§ 1 Applicability

1. Our General Terms and Conditions apply to all present and future transactions (in particular sales contracts) to the exclusion of any other terms and conditions.
2. Any of the Customer's terms and conditions that differ from our Terms and Conditions shall have no legal force. Any of the Buyer's terms and conditions that differ or verbal agreements that differ shall have legal effect only insofar as express, written confirmation or consent has been provided by us.

§ 2 Contents of the Contract – Tolerances and Testing Methods

Insofar as no other provisions are stipulated, the standard tolerances and testing methods currently accepted in the European and German paper industry apply. These are established by the current terms of sale put forward by the European or German paper and pulp manufacturers [see Articles 12 through 20 of the European Confederation of Pulp, Paper and Board Industries' General Conditions of Sale ("CEPAC General Conditions") from 1991 and Articles 12 through 20 of the General Terms and Conditions of Sale for Graphic Paper and Graphic Boards for Printed Purposes from the German Pulp and Paper Association (Verband Deutscher Papierfabriken e.V.) from 1984 ("German Pulp and Paper Terms and Conditions")]. The current CEPAC General Conditions and the German Pulp and Paper Terms and Conditions can be requested from the Verband Deutscher Papierfabriken e.V., Adenauer Allee 55 in 53113 Bonn. On request, we will be happy to send the CEPAC General Conditions and the German Pulp and Paper Terms and Conditions to parties contracting with us or you can download it as a PDF-file on our webpage.

§ 3 Prices, Packaging Costs

1. Insofar as nothing to the contrary has been arranged, our prices are in euros and do not include the value-added tax (sales tax) due on the date of delivery, but do include delivery to the specified shipping address.
2. In the case of paper on rolls of any type, the gross weight (established by weighing) is calculated to include the packaging materials such as wrapping paper, core, plug, and steel band in the models that are standard in a commercial context.
3. Packaging materials of the usual type such as paper, wood, cardboard, and cardboard cores are included in our prices pursuant to Section 3. The buyer is responsible for the costs for special packaging such as wooden crates, reinforced packaging for rolls, full-board packaging, special cores, etc. Packaging materials are generally not retrieved.
4. When cost increases occur due to material price, transport price and wage increases after execution of the contract and where delivery is made in conformity with the contract more than six weeks after the date of order confirmation, we reserve the right to adjust the price, provided doing so is reasonable for the customer in consideration of our interests. In the event no order confirmation is issued, the date of the order will be the date used. Where the price is one that is identified on a list, we will charge no more than the price that is in effect for the date of delivery.

§ 4 Release Orders

1. In the case of release orders, the period during which the Customer is under an obligation to purchase the stipulated quantity is one year, except where a different period has been agreed. Insofar as we state in writing as an exception that we agree to the purchase of quantities lower than those stipulated, we are entitled to charge an extra fee for the shortfall in quantities purchased.

2. In the case of release orders, we are furthermore entitled to demand lump sum damages in the amount of 5% of the price for the products not ordered in the event the Customer does not purchase the stipulated quantity within the stipulated period. This price is derived from the average monthly price within the period for the release order, not including sales tax. The Customer is entitled to provide evidence that the loss was of a lesser degree.

§ 5 Assignment of Our Rights - Payment

1. We are entitled to assign the rights arising from our business relationship to third parties.

2. All payments in discharge of obligations are to be remitted exclusively to the account of PaperOutlet GmbH, the account-no. is mentioned on our invoices.

§ 6 Delivery Period, Partial Deliveries

1. The dates and deadlines specified by us for our deliveries are subject to our own suppliers delivering to us on time. Other delivery and performance delays due to force majeure including labor disputes – those at our company included – and due to events the cause of which is beyond our influence entitle us to postpone delivery or performance for the duration of the impediment plus a reasonable preparatory period. We shall provide information immediately regarding the existence and anticipated duration of the impediment. In the event the impediment lasts longer than three months, either party is entitled to withdraw from the contract. Insofar as partial performance of the contract has taken place, that part of performance shall not be affected except where something different has been agreed in writing, or where it is unreasonable to expect the Customer to accept partial performance.

2. In the event the Customer does not fulfill the obligations required for on-time delivery that it must satisfy prior to delivery, we will be exempt from satisfying the obligation to comply with any separately arranged delivery deadline.

3. Partial deliveries and corresponding partial charges are permitted except where something different has been agreed in writing with the Buyer, or where it is unreasonable to expect the Customer to accept partial performance.

§ 7 Payment Terms

1. Insofar as nothing to the contrary has been stipulated, payments are to be remitted within 14 days of the invoice date without deductions. We provide cash discounts only by arrangement in writing. Payments are not considered remitted until the date on which we are able to access the funds.

2. Should the Customer default with regard to any payment obligations to us, all existing accounts receivable immediately become due and payable. The same applies in all other situations in which it becomes clear following execution of the contract that our existing claims will be jeopardized by the Customer's insufficient solvency. Such situations include the dissolution or liquidation of the Customer's company as well as the transfer of essential business units. The Customer can avert the obligation to remit payment immediately by providing appropriate security interests.

3. Our staff members, salespeople, and representatives have no authority to collect payments except where we have provided express, written instructions to do so.

§ 8 Warranty

1. Reports of defects must be made in writing to be effective. The Buyer must inspect the goods immediately upon delivery by us and, in the event a defect is detected, must report this immediately to us as the supplier. In the event a defect was unable to be detected during the inspection, the report must be made immediately following its discovery. The goods are considered approved insofar as the Buyer fails to satisfy its reporting obligation.
2. In the event of a return, the goods must be properly packed (in the original packaging or packaging of the same type). Defective goods may only be processed with our consent. The determination that a portion of the goods is defective does not provide sufficient grounds for complete rejection of the goods except where something different has been agreed in writing, or where it is unreasonable to expect the Customer to accept partial performance.
3. We decide at our discretion, giving due consideration to the circumstances, whether we will remedy the defect or deliver an item free from defects to the Customer demanding the cure.
4. We have the right to attempt a cure two times provided nothing to the contrary is established in particular due to the type of item or the type of defect or due to other circumstances. The cure is to be rendered immediately, i.e. without any delay on our part. We will be responsible for the expenses required for purposes of the cure, in particular transportation, travel, labor, and materials costs, insofar as these do not increase because the item purchased has been brought to a location other than the place of performance.
5. Electronic error messages are not recognized as the sole proof of errors. Error patterns must be submitted.

§ 9 Damages

1. We assume liability for losses that are due to deliberate or grossly negligent breach of duty by one of our legal representatives or a party assisting us in performance. Liability based on the grossly negligent breach of duty by a party assisting in performance who is not a managerial employee is limited to damages for foreseeable losses.
2. Furthermore, we assume liability for losses arising from loss of life and limb, health, or well-being due to a deliberate or grossly negligent breach of duty by one of our legal representatives or a party assisting in performance. Liability based on a breach of duty by a legal representative or party assisting us in performance that is due to ordinary or slight negligence is limited to damages for foreseeable losses.
3. In other respects, liability is excluded for losses that are due to breach of duty based on ordinary or slight negligence or an action in tort based on ordinary or slight negligence committed by one of our legal representatives or a party assisting in performance, except where there has been a breach of material duties, compliance with which is necessary to achieve the purpose of the contract, or where such duties have accrued due to a justifiable claim to special trust between the parties. In the case of these exceptions, our liability is limited to damages for foreseeable losses.
4. Liability as set out by the German Product Liability Act (Produkthaftungsgesetz) and from the assumption by the Seller of a warranty for the features of an item or assumption of procurement risk by the Seller are not affected hereby.
5. The foregoing provisions also apply to the benefit of our employees with respect to claims made against them directly.

§ 10 Period of Limitation for any Defects Claims

Any claims for defects arising under the sales contract are barred one year following delivery of the item unless the claim is based on a deliberate or grossly negligent breach of duty, the assumption of a warranty for the features of an item, fraudulent concealment of a defect, justifiable claims made pursuant to Sec. 478 of the German Civil Code (BGB), or in the event the losses arise from loss of life and limb, health, or well-being.

§ 11 Security Interests – Retention of Title

1. Goods supplied by us but not yet paid for by the party contracting with us (hereinafter: good subject to retention of title) remain our property until the satisfaction of all obligations from our entire business relationship that are in existence on the date the contract is executed.

2. The contracting party shall treat the goods subject to retention of title with care and must insure them adequately. The contracting party must report any change of possession to us immediately. Where goods are the subject of liens, pledges, or other intervention, the contracting party shall notify us immediately in writing. The contracting party is responsible for any costs of a lawsuit pursuant to Sec. 771 of the German Civil Code.

3a.) The processing or reworking of goods subject to retention of title by the contracting party must always take place in our name and on our behalf. The contracting party's expectancy of ownership (Anwartschaftsrecht) of the item purchased continues in force with respect to the new item.

Where processing or reworking takes place together with objects not belonging to us, we acquire through this action co-ownership of the new item in the same proportion the value of the goods subject to retention of title bears to the other processed objects.

3b.) In the event the contracting party acquires sole ownership of the new, combined item as the result of the combination or incorporation of the goods subject to retention of title (Sec. 947 paragraph 2 of the German Civil Code), for purposes of securing our receivables the contracting party shall transfer to us a percentage of ownership, prorated, in the same proportion the value of the goods subject to retention of title bears to the other items.

4. The contracting party is permitted to resell the goods subject to retention of title only in the ordinary course of business and provided it is not in default. The same applies with respect to the resale of items to which we have acquired ownership rights pursuant to provisions of law (combination, etc.) or pursuant to paragraph 3.

5a.) Receivables from the resale of goods subject to retention are to be assigned to us (in the amount of the invoice). Where the receivable from the resale is placed into a transaction account, the assignment applies to the final balance (limited to the amount of the receivable secured pursuant to paragraph 1). We hereby accept the assignment.

5b.) In the event the goods subject to retention of title are resold by the contracting party together with other goods not supplied by us, a portion of the receivables from the resale are to be assigned to us in the same proportion the invoice value of the goods subject to retention bears to the invoice value of the other goods. In the event the receivable from the resale is placed into a transaction account, the assignment applies to the final balance (limited to the amount of the receivable secured pursuant to paragraph 1).

5c.) In the event we have acquired ownership rights pursuant to provisions of law (combination, etc.) or pursuant to paragraph 3, the following applies: Where we have acquired sole ownership, the full amount of the receivable from the resale is to be assigned to us; where we are a co-owner, the receivable from the resale is to be assigned to us in the same proportion the value of the goods subject to retention of title bears to the value of the other goods.

5d.) The contracting party remains authorized to collect the receivable following the assignment. Nevertheless, we reserve the right to collect the receivable ourselves as soon as the contracting party fails to properly satisfy its payment obligations and defaults on payment.

6. In the event the contracting party is entitled to remuneration from third parties (e.g. under a work for hire contract) resulting from the processing, reworking, or alteration of the goods subject to retention of title, the contracting party shall assign this right to us in the amount of the receivable secured pursuant to paragraph 1. We hereby accept the assignment.

7. In the event of conduct on the part of the contracting party in breach of contract, in particular default on payment, we are entitled to withdraw from the contract and demand the return of the goods.

§ 12 Governing Law

These General Terms and Conditions are governed exclusively by the law of the Federal Republic of Germany; application of the UN Convention on Contracts for the International Sale of Goods is excluded.

§ 13 Jurisdiction

Where the contracting partner is a merchant, a legal entity under public law, or an entity specially funded under public law, the following is stipulated: The venue for all disputes arising under or in connection with this contract shall be the German court of jurisdiction for our registered office (Lübeck District Court, Lübeck District Country Court, etc.).

§ 14 Final Provisions

1. The Customer's claims arising under supply contracts can only be assigned with our written consent.

2. Should individual provisions of these Terms and Conditions be or become invalid, in whole or in part, this shall not affect the validity of the remaining Terms and Conditions. Invalid provisions are to be interpreted and construed such that their intended result is achieved to the greatest extent possible. Should this not be legally possible or should the contract contain any other loophole or gap, the contract is to be amended in consideration of its general objectives to include a provision that corresponds to that which the parties would have stipulated if they had considered this point. Where the lack of validity is due to a measure of performance or time specified in these Terms and Conditions, the permissible measure that most closely approximates the stipulated measure shall be deemed to apply.