

## General Terms and Conditions AGENCY graphic & design

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### 1. Applicability; Conclusion of contract

1.1 ARTINA graphic & design (hereinafter "Agency") shall provide its services exclusively on the basis of the following General Terms and Conditions (GTC). They shall apply to all legal relationships between the Agency and the Client (hereinafter "Client"), even if they are not expressly referred to. The GTC shall exclusively apply to legal transactions with entrepreneurs, i.e. B2B transactions.

1.2 The version applicable at the time of conclusion of a contract shall be relevant. Deviations from these GTC and other supplementary agreements with the Client shall only be effective if they have been confirmed by the Agency in writing.

1.3 Terms and conditions of the Client, if any, shall not be accepted, even if the Agency knows them, unless expressly agreed otherwise in writing on a case-by-case basis. The Agency expressly objects to GTC of the Client. No other objection of the Agency to the Client's GTC shall be required.

1.4 The Client shall be informed about amendments to the GTC; they shall be deemed agreed unless the Client objects to the amended GTC in writing within 14 days; in the information the Client will be expressly informed about the consequence of silence on his part.

1.5 If any provisions of these General Terms and Conditions are ineffective, the binding nature of the remaining provisions and the contracts concluded on the basis of the same shall not be affected. The ineffective provision shall be replaced by an effective provision which comes as close as possible to the meaning and purpose of the ineffective one.

1.6 The Agency's offers shall be subject to change without notice and non-binding.

### 2. Basic principles of cooperation

2.1 Consulting by the Agency is only offered for the area of expertise design and does not include business consulting.

2.2 Cost estimates provided by the Agency shall be non-binding. If it becomes clear that the actual costs will exceed the Agency's written cost estimate by more than 15 per cent, the Agency shall advise the Client of such higher costs. The increase in costs shall be deemed accepted by the Client if the Client does not object to such increase in writing within three working days of the advice and states cheaper alternatives at the same time. Cost increases of up to 15 per cent shall not have to be advised separately. Such a deviation from the cost estimate shall be deemed accepted by the Client from the beginning.

### 3. Copyright and Right of Use

3.1 The Agency shall retain title to all services of the Agency, including services in connection with presentations (e.g., suggestions, ideas, sketches, preliminary designs, scribbles, final drawings, concepts, negatives, slides), including parts thereof, as well as the individual workpieces and original designs and the Agency may demand at any time, in particular in the case of termination of the contractual relationship, that

they be returned to it. By paying the fees the Client shall acquire the right to use the services for the designated purpose agreed. Unless otherwise agreed the Client shall, however, use the Agency's services exclusively in Austria. Acquisition of rights to use and exploit the Agency's services shall in any case be subject to full payment of the fees charged by the Agency for the same. If the Client uses the Agency's services already prior to that time, such use shall be based on a loan relationship that may be revoked at any time.

3.2. Use of the Agency's services beyond the originally agreed purpose and scope of use shall be subject to the Agency's consent irrespective of whether such service is protected by copyright or not. In consideration thereof the Agency and the author shall be entitled to a separate reasonable fee.

3.3. After expiration of the Agency Agreement use of services of the Agency and/or advertising means for which the Agency developed concepts or designs shall also be subject to the Agency's consent irrespective of whether the service is protected by copyright or not.

3.4. The Client shall be liable to the Agency for any unlawful use in the amount of twice the reasonable fees for such use.

#### **4. Remuneration of Presentations**

If a potential Client has already invited the Agency beforehand to develop a concept and if the Agency accepts this invitation prior to conclusion of the principal contract, the following shall apply:

4.1. By the invitation and acceptance of the invitation by the Agency the potential Client and the Agency enter into a contractual relationship ("pitching contract"). That contract will also be based on the GTC.

4.2. The potential Client acknowledges that already by developing a concept the Agency will render cost-intensive services, even though the Client himself has not taken on any performance duties yet.

4.3. To the extent that they reach the level of originality required for copyright protection the linguistic and graphic parts of the concept are protected by the Austrian Copyright Act. The potential Client is not permitted to use or edit those parts without the Agency's consent due to the Austrian Copyright Act alone.

4.4. Furthermore, the concept contains **ideas** that are relevant to advertising which do not reach the level of originality required for copyright protection and are thus not protected by the Austrian Copyright Act. Such ideas are generated at the beginning of every creative process and may be defined as the creative spark for all subsequent work results and, thus, as the origin of the marketing strategy. Accordingly, those elements of the concept are protected which are unique and characterize the marketing strategy. For the purpose of this agreement ideas shall in particular mean advertising slogans, advertising texts, graphics and illustrations, advertising means etc., even if they do not reach the level of originality required for copyright protection.

4.5. The potential Client undertakes not to exploit or have exploited commercially and/or use or have used the creative advertising ideas which the Agency presented as part of the concept in any context other than the corrective of a principal contract to be concluded at a later time.

4.6. If the potential Client is of the opinion that the Agency presented ideas to him which he already had before the presentation, he shall notify the Agency thereof via e-mail within 14 days of the day of the presentation and include means of evidence which allow a chronological allocation.

4.7. Otherwise the Parties will assume that the Agency has presented an idea to the potential Client which is new to him. If the Client uses the idea, it has to be assumed that the Agency received remuneration therefor.

4.8. The potential Client may be released from his duties under this Clause if he pays a reasonable compensation plus 20% VAT. Such release shall become effective only after receipt of the full compensation payment by the Agency.

#### **5. Scope of services; Order processing; External services**

5.1. The scope of the services to be rendered shall be based on the specifications of the Agency Agreement or the Agency's acknowledgment of order, if any, and the briefing report, if any ("Offer Documents").

Subsequent modifications of the services shall be subject to the Agency's written confirmation. When executing the order the Agency shall be free in its discretion within the framework specified by the Client.

5.2. All services of the Agency (including but not limited to all preliminary designs, sketches, final drawings, proofs, blueprints, copies, coloured prints and electronic files) shall be checked by the Client and released within three working days of receipt by the Client. If they are not released within that period, they shall be deemed approved by the Client. After that period has expired with no reply from the Client they shall be deemed accepted by the same.

5.3. The Client shall make accessible to the Agency completely and in time all information and documents required for rendering the service. The Client shall notify the Agency of all circumstances that are relevant to execution of the order, even if they become known only in the course of execution of the order. The Client shall bear the costs incurred due to the fact that work has to be done again by the Agency or is delayed because of his incorrect, incomplete or subsequently modified specifications.

5.4. In addition, the Client is obliged to clear the documents made available by him for execution of the order (photos, logos, etc.) for potential copyrights, trademark rights, marks or other rights of third parties (rights clearance) and guarantees that the documents are free from rights of third parties and may therefore be used for the desired purpose. In the case of merely slight negligence or if it has fulfilled its duty to warn the Client, the Agency shall not be liable (at least as regards the relationship between the Agency and the Client) for an infringement of such rights of third parties by documents made available by the Client. If the Agency is held liable for an infringement of such rights, the Client shall indemnify and hold harmless the Agency and shall compensate the Agency for any and all disadvantages suffered by it due to third-party claims, including costs of reasonable legal representation. The Client undertakes to support the Agency in defending claims of third parties, if any. For this purpose the Client shall provide the Agency with all documents without request.

5.5. The Agency shall be entitled at its own discretion to render the services itself, to employ expert third parties as agents as defined by Section 1313a of the Austrian General Civil Code [AGBG] and/or to commission a third party to render such services ("External Service").

5.6. Commissioning of third parties in connection with an External Service shall be done either in the Agency's own name or in the name of the Client. The Agency shall select the relevant third party with care and ensure that it is appropriately qualified.

5.7. The Client shall assume obligations vis-à-vis third parties which survive the contract. This shall expressly apply also in the case of termination of the Agency contract for cause.

## **6. Warranty**

6.1. The Client shall notify any defects immediately and in any case within eight days of delivery/provision of the service by the Agency and hidden defects not later than eight days after they were identified in writing including a description of the defect; otherwise the service shall be deemed accepted. In that case assertion of any warranty claims or claims for damages as well as the right to assert claims on account of mistake shall be excluded.

6.2. In the case of a justified and timely notification of defects the Client shall be entitled to improvement or replacement of the delivery/service by the Agency. The Agency shall repair the defects within a reasonable period of time and the Client shall enable the Agency to take all measures which are necessary for examination and repair of the defects. The Agency shall be entitled to refuse improvement of the service if such improvement is impossible or if the Agency were to incur disproportionately high costs. In that case the Client shall be entitled to cancel the contract or get a fee reduction as provided for by law. In the case of improvement the Client shall send the defective (physical) item at his cost.

6.3. The Client shall also be obliged to examine the service for its lawfulness, including but not limited to competition law, trademark law, copyright law and administrative law. The Agency is obliged only to roughly examine lawfulness. In the case of slight negligence or after it has fulfilled its duty to warn the Client, if any, the Agency shall not be liable for lawfulness of contents if they were advised or accepted by the Client.

6.4. The warranty period shall be six months as of delivery/service. The right of recourse to the Agency as defined in Section 933 b (1) ABGB shall be forfeited one year after delivery/service. The Client shall not be

entitled to withhold payments on the ground of complaints. The presumption rule of Section 924 *AGBG* shall be excluded.

## **7. Liability**

7.1. In cases of slight negligence liability of the Agency and its employees, contractors or other agents [translator's note: *Erfüllungsgehilfen* as defined by Section 1313a *AGBG*] ("People") for damage to property or pecuniary loss suffered by the Client shall be excluded, be it indirect or direct damage, lost profit or consequential damage resulting from a defect, damage due to default, impossibility, breach of obligation, culpa in contrahendo or due to defective or incomplete performance. The harmed party shall have to prove gross negligence. To the extent that the Agency's liability is excluded or limited this shall also apply to personal liability of its People.

7.2. Any liability of the Agency for claims asserted vis-à-vis the Client on the ground of services rendered by the Agency (e.g. advertising and promotion measures) shall be expressly excluded, provided that the Agency complied with its duty to inform or if it was unable to see such a duty, even due to slight negligence. The Agency shall, in particular, not be liable for costs of legal proceedings, lawyer's fees of the Client or costs of publication of judgments or for claims for damages, if any, or other claims of third parties; the Client shall indemnify and hold harmless the Agency in this respect.

7.3. Claims of the Client for damages shall be forfeited six months after knowledge of the damage and in any case three years after the Agency's infringement. Claims for damages shall be limited to the net contract value.

## **8. Identification marks**

8.1. The Agency shall be entitled to make reference to the Agency and the author, if applicable, on all advertising means and in any advertising and promotion measures, without the Client being entitled to any payment in this respect.

8.2. The Agency shall be entitled to make reference to its current or former business relationship with the Client on its own advertising media, including but not limited to its website, by referring to the Client's business name and business logo, with the Client having the right to revoke his consent in writing at any time.

## **9. Competition clause**

Unless otherwise agreed, the Agency is not subject to any kind of restriction in the processing of the same or similar projects from different clients.

## **10. Employee clause**

The client and all companies associated with the client refrain from commissioning or employing former Agency employees for a period of one year after the end of a project (date of the last invoice).

## **11. Early termination**

11.1. The Agency shall be entitled to terminate the contract for cause with immediate effect. Causes shall include but not be limited to situations where

(a) provision of a service becomes impossible for reasons for which the Client is responsible or is further delayed even though the Client was granted a grace period of 14 days;

(b) the Client continues to violate material obligations under this contract, such as, e.g. the obligation to pay an amount payment of which has been demanded or duties to co-operate, despite a written warning and having been granted a grace period of 14 days.

(c) legitimate concerns exist regarding the Client's credit standing and, upon the Agency's request, the Client fails to make advance payments or to furnish suitable security prior to provision of the service by the Agency;

11.2. The Client shall be entitled to terminate the contract for cause without having to grant a grace period. A cause shall be, in particular, where the Agency repeatedly violates material provisions of this contract despite a written warning and having been granted a grace period of at least 14 days to remedy the breach of the contract.

## **12. Final Provisions**

12.1. All additional agreements to these GTC need to be in written form.

12.2. The Agreement and all mutual rights and duties resulting therefrom as well as any claims between the Agency and the Client shall be subject to Austrian substantive law, and its conflicts of laws rules and UN Sales Law shall be excluded.

12.3. Data protection (visual emphasis according to court rulings)

The Client agrees that his personal data, namely name, occupation, date of birth, Business Register Number, powers to represent the company, contact person, business address and other addresses of the Client, phone number, fax number, e-mail address, bank details, credit card details, VAT number) may be collected, stored and processed electronically for the purpose of performance of the contract and support of the Client and for the Agency's own advertising and promotion purposes, for example by sending him offers, advertising brochures or newsletters (in hard copy or electronic form) and for the purpose of making reference to the current of former business relationship with the Client. The Client agrees to be sent electronic mail for advertising purposes until further notice.

Such consent may be revoked in writing via e-mail, fax or letter to the contact details stated in the header of these GTC at any time.