

General Business Terms and Conditions

1. Scope of application

The following General Business Terms and Conditions are part of all of our quotations and contracts for deliveries and services for current and future businesses. They apply to merchants, namely for contracts which are part of the operation of their business, as well as to legal persons and body corporate organized under public law or any special assets under public law — in the following the merchants — and to non-merchants with the deviations mentioned in the conditions.

2. Prices, quotations, contract awards, severability clause Our prices and quotations are without engagement. Contracts with our company come into effect by our order confirmation or by performance after order receipt. Our quotations and contracts are subject to our General Business Terms and Conditions. If the order is placed based on our quotation or in the scope of a current business relation, any contrary terms and conditions of purchase are excluded as basis of the order. If conditions of the order deviate from our order confirmation and these conditions, the order of a merchant is deemed to be effective at any rate provided the customer does not contradict immediately. In no event we accept any contrary order, purchase or other general business terms and conditions. If no fixed price is agreed, the costs are charged on time and material basis or according to our valid price list. If individual conditions are or become ineffective, the effectiveness of the remaining provisions is not affected. § 139 BGB (German civil code) does not apply. Instead of the ineffective provisions, it shall apply what the parties would have effectively agreed taking into consideration

the interests if they had known the ineffectiveness.

3. Delivery, invoicing and transfer of risk

Our deliveries are carried out carriage forward on account and risk of the purchaser ex our factory. Transport insurance for the delivery and collection of the items to be treated are not covered by us. Goods that are not collected by the customer are stored on his account for a maximum period of 3 (three) months. After expiry of this period we are entitled to use and/or destroy the goods.

4. Payment terms

Our invoices are payable net within 10 days after date of invoice. In case of a later payment, default interests to the amount valid according to the legal regulations, however to the amount of 7 % minimum, are charged.

5. Packaging

We do not provide the packaging material. Any pallets, notched wood and similar packaging provided will be charged reasonably.

6. Delivery times and deadlines

Promised delivery times are only binding if they are confirmed in writing. They are not considered as fixed deadlines for the purpose of sections 284, clause 2 and 361 BGB. Deadlines start from the doubtless contract conclusion, from the day of arrival of the goods in our factory at the earliest. Default only occurs based on a written reminder with a respite of minimum 14 days. In case of default, any rights of the customer may be claimed according to § 326 BGB at best.

Business disruptions, lack of raw material, illness, accidents, strikes, war, riots and any other cases of a hindrance of performance for which we are not responsible as well as any event of "force majeure" extend the agreed delivery time for the duration of the performance hindrance and entitle us to a complete or partial cancelation of the contract as far as we have already carried out partial services. If the delivery time is exceeded for the above reasons, the purchaser has no right to cancelation.

7. Guarantee and compensation

Notices of defect must be submitted immediately with proof in writing indicating the exact defect - and we must have the opportunity to check them. This inspection takes place in our factory so that allegedly defective work pieces of the purchaser have to be supplied to the factory. The complaint is invalid if the claimed items have been changed previously without our consent. This does not apply if urgent reasons for mitigation of damage made this change necessary and we have delayed this inspection and approval in bad faith and unreasonably. If the notice of defect is accepted, a rework is carried out free-ofcharge. An appropriate period has to be granted for this purpose. Only if rework fails, the purchaser is entitled to any exceeding legal guarantee rights. The purchaser is responsible for a perfect condition of the material appropriate for the planned surface treatment. In case of an insufficient material condition, the customer pays a reasonable price for necessary extra work or any treatment in vain.

If the purchaser is a merchant, compensation claims are excluded irrespective of whether they are based on contractual liability for non-performance, faulty performance, default, positive contract violation, guarantee right, culpa in contrahendo or on liability for unpermitted action or other reasons, except the damage is due to a deliberate or grossly negligent behaviour of the management, especially a grossly negligent fault of organization. Compensation claims of non-merchants are excluded, except the damage is based on deliberate or grossly negligent behaviour of the management or the vicarious agents. At any rate compensation claims are limited in value to the order sum. The liability for direct damages, especially for consequential damages is excluded. By all means the compensation claims and warranty claims of merchants against us become time-barred six months after delivery of the processed item - irrespective of the legal foundation on which they are based.

8. Reservation of ownership and security interests

We have a right of retention regarding all items left to us for processing in accordance with § 369 HGB (German commercial code) for all claims due from processing of the item against the purchaser or the proprietor of the item until full payment including interests and costs. For the collection of the claims, we are entitled to use the item(s) in any form.

As far as we acquire ownership or co-ownership on the items by processing of the surface, the so-called extended reservation of ownership applies in case of sale of the item by the purchaser before settlement of all of our claims.

9. Place of fulfilment

Place of fulfilment for all performances and payments is Hildesheim, Germany. Hildesheim is agreed to be the place of jurisdiction with respect to all merchants.

The legal regulations apply for all non-merchants and non-registered merchants for the purpose of § 4 HGB.

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