# **General Terms & Conditions**

for the Hot Dip Galvanizing of Steel and Powder Coating of Workpieces Made of Steel, Hot Dip Galvanized Steel and Aluminium

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#### 01. General

Our deliveries and services shall exclusively be rendered on the basis of these terms and conditions. Differing terms of the orderer not explicitly recognised by Müritz-Zink GmbH in writing shall not be binding upon us, even if they have not expressly been objected to. The terms of Müritz-Zink GmbH shall also apply to all orders placed by the orderer in future, regardless of whether Müritz-Zink GmbH refers to them in each individual case.

### 02. Scope and Duty to Deliver

The offers of Müritz-Zink GmbH shall be subject to change. All devices or goods handed over for galvanization are to be delivered with delivery note or PO with exact details on the number of pieces and their total weight, with the gross weight details being important in the orderer's interest, but shall not be binding upon Müritz-Zink GmbH.

Hot dip galvanization shall be subject to the terms of DIN EN ISO 1461 in the respective valid version of its yellow or white print as well as to the comment on this standard. Powder coating shall be subject to the terms of DIN 55633, of DIN EN ISO 12944 to the extent applicable, to the "Guideline of Trade Associations – Duplex Systems", and otherwise to the recognised codes of practice.

Agreements made by telegraph, by telephone or verbally as well as representations must be confirmed in writing. The representatives of Müritz-Zink GmbH shall have neither any power to contract or collect nor any authority to agree to modifications to the sales and delivery terms. Illustrations and technical details in catalogues, lists, quotations and order confirmations of Müritz-Zink GmbH shall be as exact as possible, but non-binding.

### 03. Delivery Period

The delivery period shall always be approximate and hence non-binding. It shall commence on the day the goods are delivered, but not before all order details have been clarified, and shall be deemed observed if the finished commodity has left Müritz-Zink GmbH by the end of the delivery period or, once shipment is possible, notice of readiness for dispatch has been given. The delivery period shall be extended appropriately, even during any default of delivery, upon any occurrence of unforeseen impediments Müritz-Zink GmbH was not able to avert despite exercising the care to be reasonably expected from them according to the circumstances of the case, e.g. operational disruptions, delays in the delivery of essential raw materials. This shall also apply, mutatis mutandis, in any case of strike or lockout.

Where any later modifications made to the contract may have an influence on the delivery period, the delivery period shall be extended to a reasonable extent, unless special agreements are made on this.

Compensation claims of the orderer due to delayed or unperformed delivery shall be excluded in all cases, even after expiry of any grace period granted by Müritz-Zink GmbH, unless the damage is based on wilful intent or gross negligence by Müritz-Zink GmbH. The orderer shall be entitled, however, to withdraw from the contract after expiry of the delivery period and after having granted a reasonable grace period. The orderer must not reject partial deliveries.

### 04. Force Majeure and Right of Withdrawal

If Müritz-Zink GmbH is prevented from fulfilling their obligations by the occurrence of unforeseen circumstances they were not able to avert despite exercising the care to be reasonably expected from them according to the circumstances of the case, e.g. operational disruptions, delays in the delivery of essential raw materials, and this results in galvanization becoming impossible, they shall be released from their delivery obligation.

This shall also apply, mutatis mutandis, in any case of strike and lockout.

### 05. Pricing and Payment Terms

The prices shall apply ex-works of Müritz-Zink GmbH, exclusive of packaging, freight and any insurance costs, and shall be charged by the weight of the galvanized parts. Powder-coated parts shall be charged by sqm surfaces or running metre or by unit price. The weigh ticket of Müritz-Zink GmbH shall apply. If the cost factors relevant for pricing increase by the time of delivery (e.g. for manufacturing material, operating materials, wages and salaries), Müritz-Zink GmbH shall be entitled to restipulate the agreed price accordingly. Müritz-Zink GmbH reserves the right to charge a supplement on the prices in line with the additional expenditure for objects very difficult to galvanize as a result of their construction or otherwise requiring substantially more time than usual. Müritz-Zink GmbH shall remove paint, oil, grease, tar, markings and old zinc coating, as well as retrospectively insert apertures in hollow bodies only after coordination with the orderer and shall charge this work separately. Plastering and straightening work shall not be included in the processing price and shall be invoiced separately. Shortage quantities in hot dip galvanization and powder coating shall be charged as minimum order value. Enquiries about these may be made by phone or consulted in the goods receiving department. Müritz-Zink GmbH shall charge an adequate supplement for parts immersed twice. Payments are to be effected in cash without deduction, irrespective of the time of receipt of the processed commodity and without prejudice to the right to give notice of defects, net within 10 days after readiness for dispatch. Advance payments shall not bear interest. The orderer must not set off against counterclaims not recognised by Müritz-Zink GmbH and shall not be entitled to any right of retention. If the term of payment is not met, interest in the amount of 4% above the Federal Bank's bill discount rate shall be charged, without any special dun being required. Bills of exchange and checks shall not be accepted. Müritz-Zink GmbH shall be entitled to request securities for their services at any time. If the orderer fails to meet the payment terms or if circumstances Müritz-Zink GmbH deems likely to reduce the orderer's creditworthiness become known only after contract conclusion or if such an aggravation becomes known to Müritz-Zink GmbH only after their performance, all receivables shall become due without delay. In case of such circumstances, Müritz-Zink GmbH shall further be entitled to perform still outstanding services only against advance payment or by way of security and, after expiry of any grace period, to withdraw from the contract or to claim damages for non-fulfilment.

### 06. Lien and Security Ownership

Müritz-Zink GmbH shall have a statutory lien to the parts handed over to it for finishing and may assert such lien on account of all receivables from the business relationship with the orderer. If Müritz-Zink GmbH delivers the finished parts to the orderer before these have been paid in full, the orderer shall transfer title to these parts to Müritz-Zink GmbH to secure all receivables due to Müritz-Zink GmbH from the business relationship, even after any assembly. If the galvanized or coated objects were delivered to the orderer by a third party subject to retention of title, the assignment as security shall be superseded by the transfer of entitlement, with the result that Müritz-Zink GmbH may acquire title by satisfying the seller. If the galvanized or coated objects have been assigned to a third party as security, the orderer shall assign the orderer's claim to reassignment to Müritz-Zink GmbH.

The same shall apply to the orderer's claims from any excessive securing against owners of retained titles and securities. Moreover, the orderer shall assign receivables acquired from the further delivery or further processing of the finished parts to Müritz-Zink GmbH.

### 07. Freights

Unless otherwise agreed by way of exception, the outward and return freight of the parts to and from Müritz-Zink GmbH shall be performed at the orderer's expense.

### 08. Acceptance

Any testing or acceptance by the orderer or the orderer's agents must be agreed specifically. Acceptance must be performed in Müritz-Zink GmbH promptly after notice of readiness for dispatch is given. If acceptance is not effected without delay, the goods shall be deemed accepted.

### 09. Passing of Risk and Dispatch

Müritz-Zink GmbH shall always dispatch at the orderer's risk, even for carriage-paid deliveries as well as for transport with their own vehicles. The risk shall pass to the orderer once the shipment has left Müritz-Zink GmbH.

As from the same time, the orderer shall be liable for damage likely to be caused to third parties. If processed parts are ready for dispatch and shipping or acceptance is delayed for reasons for which Müritz-Zink GmbH is not responsible, the risk shall pass to the orderer upon receipt of the notice of readiness for dispatch. Route, mode and means of dispatch are to be left to Müritz-Zink GmbH to the exclusion of any liability and without any warranty for the cheapest and quickest transport and full utilisation of the means of transport.

To the extent that material is to be collected by lorries, the collection time is to be agreed on time. Müritz-Zink GmbH shall not be liable for waiting periods caused by any collection by lorries. If an order to be executed weighs less than the indicated load weight of the lorry provided by a forwarding agency, the dead freight shall be at the orderer's expense. The verification as to whether any additional loading capacities for several orders or partial call orders exist for the same address shall be left to the orderer.

Any transport insurance shall be taken out only at the orderer's explicit request and expense. The orderer must expressly note such request on the order form. If dispatch is delayed by any fault or request of the orderer, the goods shall be stored for account and at the expense of the orderer. In this case, the day of dispatch shall be superseded by the day of readiness for dispatch for payment of the invoice. Müritz-Zink GmbH shall respond to complaints on account of lacking parts only if they are made within one week after receipt of the shipment at the latest.

#### 10. Packaging

The galvanized parts shall be packaged only to the extent that the material was sent and the packing material is reusable. Any packaging requested after the galvanization shall be charged and not taken back.

Powder-coated parts shall be delivered packaged, with the packaging being invoiced to the customer and not taken back.

## 11. Warranty

Small parts not to be sent for centrifugal galvanization shall be batch-galvanized under DIN EN ISO 1461 and delivered uncleaned on binding wire. If the metal finishing exhibits defects demonstrably attributable to faulty galvanization or coating, Müritz-Zink GmbH shall be obliged to expertly mend the damaged spot at their expense. Compensation for missing parts shall only be provided if delivery has been proven by a delivery note initialled by Müritz-Zink GmbH. Further claims of the orderer, in particular to compensation for lost profit and for consequential damage, shall be excluded, unless they are based on wilful intent or gross negligence by Müritz-Zink GmbH. Other than that, the relevant provisions of the standards and sets of rules under cl. 2 shall apply. Written notice of the establishment of any defects for which Müritz-Zink GmbH is to warrant must be given to it without delay, for recognisable defects within 5 days after receipt of the parts at the latest, but basically prior to any realienation or installation. Written notice of not recognisable or subsequently arising defects is to be given promptly after they become recognisable. If defects occur during further processing, further processing is to be discontinued, so that the orderer can make sure of the delivery condition of the goods. All notices are to be directed to Müritz-Zink GmbH themself and not to their representatives. The orderer has to send the goods objected to back to Müritz-Zink GmbH free of charge.

Müritz-Zink GmbH shall be liable for claims for subsequent improvement to the same extent as for the original delivery condition.

After prior consultation with the supplier, the orderer has to give the supplier the time and opportunity to perform all subsequent improvements deemed necessary by the supplier at reasonable discretion, failing which the supplier shall be exempt from the liability for defects.

Claims of the orderer on account of the expenditures required for subsequent improvement purposes, in particular, transport, road, labour and material costs, shall be excluded to the extent that the expenditures increase since the delivery object had been brought to any place other than the orderer's location. Relevant extra costs shall be borne by the orderer.

The orderer may assert warranty claims only if the orderer has met their own payment obligations. Damage as a result of deformations likely to arise to light-weight constructed and larger objects as well as crack damage to cast and steel construction parts and their welds shall be excluded from the warranty.

Müritz-Zink GmbH shall not be liable for damage attributable to excessive mechanical, chemical or electrolytic action either. Since the galvanization outcome is influenced by the material properties and the construction of the material to be galvanized, the warranty shall be subject to the orderer having met the obligations incumbent upon the orderer.

Liability shall be excluded for any defects which are unavoidable according to the present state of the art or are based on insufficient, imprecise details provided by the orderer. The supplier shall be held liable within the statutory limitation period and in line with the regulations in this clause 11, even for defective subsequent improvement work or defective replacement deliveries.

#### 11.a. Additional Regulations for the Hot Dip Galvanization Warranty

In particular, the parts to be handed over by the orderer for galvanization have to be constructed appropriately for galvanization. Related material properties, manufacture and/or surface finish must be in line with the requirements under DIN EN ISO 1461. The steel must be suitable under DIN EN 10025.

Müritz-Zink GmbH shall not accept any responsibility for defects caused by parts passed on for galvanization that have not been constructed appropriately (for galvanization) in terms of material property, manufacture and/or surface finish or those not being in line with the requirements under DIN EN ISO 1461 or for steel not being suitable under DIN EN 10025.

Sufficient galvanization quality can frequently not be achieved, in particular, for steels with a silicon content of 0.03 - 0.12%.

Warranty claims from this perspective shall be excluded. Müritz-Zink GmbH shall not be liable for defects as a result of deformations by internal stress (e.g. by prior welding, straightening, rolling, heat treatment). Any hot dip galvanization shall be manufactured as surface protection and shall not provide any absolute warranty of perfect smoothness. If perfect smoothness is not achieved everywhere, this shall therefore not be regarded as a defect. Construction parts, in particular sheet metal parts and welding constructions, may deform more or less as a result of a zinc bath temperature of approx. 450° Celsius. Galvanization shall be performed with utmost care, but such deformations may not be ruled out and Müritz-Zink GmbH shall not accept any responsibility in this respect.

# 11.b. Powder Coating Warranty

Achieving an impeccable plastic coating shall require

- a faultless base material without cracks and pores,
- a densely closed surface after mechanical preparation, free from shrink holes and abrasive grains and without any drawing faults and double rolling as well as
- a uniform, clean and metallically bright surface.

Pores, scratches, cracks, grooves, impact points, bruises, structural faults and heavy contaminations on the material surface will not be levelled or removed by the coating. The customer shall be responsible for ensuring that the requirements for an impeccable coating are met.

The material must be free from water-soluble salts, iron and zinc oxides, greases and oils, failing which faulty coatings may arise. Müritz-Zink GmbH shall not have any obligation to verify these requirements.

The liability for defects in the powder coating shall cease to apply in case of any re-coating or overcoating of already coated as well as paint-stripped and anodized material and any subsequent mechanical stress, assembly or improper further processing.

If temporary corrosion inhibitors have been applied to the material to be coated, these may not be removed, and any warranty shall be excluded.

Any warranty shall likewise be excluded if the material does no longer have the condition it had at the time of delivery to the orderer. No liability shall be accepted either for damage, in particular surface damage to galvanized and coated parts, attributable to excessively long storage in the business of Müritz-Zink GmbH.

# 12. Other Damages Claims

Other damages claims the orderer has against Müritz-Zink GmbH or their vicarious and performing agents for any legal reason whatsoever shall be limited to the value of the delivery object, unless wilful intent or gross negligence exists on the part of Müritz-Zink GmbH.

### 13. Assignment of Rights

Claims of the orderer against the supplier may be transferred only with the supplier's prior written consent.

### 14. Binding Nature of the Contract

The contract shall remain binding even if individual aspects of its terms are legally ineffective.

#### 15. Place of Performance and Jurisdiction

Place of performance for all obligations from the contractual relationship shall be the headquarters of Müritz-Zink GmbH, irrespective of the amount in controversy.

The contractual relationship shall be subject to German law.

This English version of the General Terms and Conditions is not binding and for convenience and information purposes only. In all cases, the German language version shall prevail.