

GENERAL TERMS AND CONDITIONS OF BUSINESS

for the re-sharpening service of the company ZCC Cutting Tools Europe GmbH (ZCC-CT)

Section 1 - General

- 1.1. The following terms and conditions of contract are applicable to all contracts, deliveries and other performances within the scope of the ZCC-CT re-sharpening service, unless they are amended or excluded with the express, written consent of ZCC-CT. Agreements that deviate from these terms and conditions must be included in the written order confirmation of ZCC-CT. Our quotations are without engagement, unless the quotation text indicates commitment for a limited period.
- 1.2. Conflicting general terms and conditions of business of the customer shall only become an integral part of the contract if ZCC-CT demonstrably consents to them (not repeatedly).

Section 2 - Ouotations and conclusion of contract

- 2.1. Quotations concerning the re-sharpening service are without engagement and non-binding in all cases including as regards the price information.
- 2.2. Subsidiary agreements, amendments, extensions and/or other deviations from the acknowledgement of receipt forwarded also require written confirmation themselves.
- 2.3. Cost estimates will only be provided at the express request of the customer. If an ongoing business relationship exists between the customer and ZCC-CT for which these General Terms and Conditions of Business are applicable, the provision of a cost estimate shall only be subject to remuneration in cases in which no order is placed for processing despite the provision of the cost estimate.

Section 3 - Obligations of the customer

- 3.1. The tools/materials provided by the customer for processing must be suitable for processing and free from defects. Through hand-over of the tools/materials to ZCC-CT, the customer guarantees in particular that the tool/material, provided by it and to be processed, is capable of withstanding the strain occurring during processing. As such, ZCC-CT is under no obligation to check the suitability of the tool/material. Consequently, acceptance of the tool/material shall not constitute any declaration by ZCC-CT not even by implication –that it considers the tool/material to be suitable. ZCC-CT shall likewise assume no liability for the conduct of the tool/material provided during its processing.
- 3.2. If ZCC-CT ascertains prior to processing of the tool/material that performance of the order is uneconomical or technically unfeasible, ZCC-CT reserves the right to refuse the order. In such cases, the customer shall not be entitled to any form of compensation whatsoever. If return is necessary as a result, ZCC-CT reserves the right to invoice the costs of return transport.
- 3.3. If the tool/material proves to be unsuitable during processing, ZCC-CT's claim to remuneration for the work already carried out shall remain unaffected. Nevertheless, ZCC-CT shall forfeit its claim to remuneration if it has caused the unsuitability of the tool/material provided through gross negligence or intent.
- 3.4. Hidden defects discovered during processing, such as material stress, cracks in the material, material breaks or similar, shall be for the account of the customer.
- 3.5. Necessary correction and resulting breaks or material alterations are the risk of the customer and shall be for its account.
- 3.6. The customer bears sole responsibility for the documents to be provided by it; these include drawings, gauges, patterns and other documents. In addition, the customer must ensure that the implementation plans provided by it do not violate rights of third parties. As such, liability of ZCC-CT is excluded.

Section 4 – Scope of the delivery

4.1. The scope of the delivery shall be based on the information in the acknowledgment of receipt from ZCC-CT. In the absence of written work instructions in the order form, the work shall be based on the customer master datasheet (general specifications); if this is not available, on the descriptions in the ZCC-CT flyer concerning the re-sharpening service.



4.2. If orders are placed for special tools, quantity variances are permitted within a reasonable scope. In the event of variances in quantities, the invoice shall be based on the quantity actually delivered.

Section 5 - Delivery terms

- 5.1. Subject to the reserve of a delivery period assured by ZCC-CT in writing, the standard processing time for orders placed is 4 weeks (standard processing time), plus the time for transport to the customer. In the event of a delivery delay becoming apparent, ZCC-CT shall notify this immediately it becomes aware of it. The standard processing time can be extended as a result of special requirements (special coating etc.).
- 5.2. Delivery delays for which neither ZCC-CT nor its upstream suppliers are responsible shall not result in default on the part of ZCC-CT. Exceptions shall apply only in cases in which ZCC-CT has expressly issued a guarantee of delivery by a specific date.
- 5.3. The delivery period shall be extended given the occurrence of unforeseen hindrances, beyond the control of ZCC-CT or its vicarious agents or suppliers and their suppliers, in so far as these hindrances demonstrably have an effect on the production and delivery of the item. The delivery period shall be extended in particular in the event of disturbances caused by industrial disputes (strike, lockout or similar) as well as given non-delivery of materials or items that are essential for the processing. As a fundamental rule, ZCC-CT shall inform the customer of the beginning and end of any such hindrances as soon as it becomes aware of the hindrance. The customer can require a statement from ZCC-CT concerning whether ZCC-CT can deliver within an appropriate deadline extension.
- 5.4. The delivery period can also be extended if the customer makes alterations to technical details subsequent to conclusion of the contract, and these then necessitate an extension of the processing time.
- 5.5. If delivery is not to be made until a later date at the express wish of the customer, ZCC-CT shall, upon reaching this date and following unsuccessful passing of a period of grace, granted by ZCC-CT to the customer for delivery, be entitled to dispose of the delivery item in an alternative manner and to supply the customer with a new, equal-value item within an appropriate period.
- 5.6. Partial deliveries are possible in a reasonable scope, provided these are not worthless for the customer.

Section 6 - Dispatch and passing of risk

- 6.1. If no special agreements have been made, the choice of transport route and method of dispatch shall be left to ZCC-CT. ZCC-CT can provide the customer with a special transport box for collection and return of the tools/materials. This must be used for transport as a standard measure. The provision of and possible payment for this box shall be left to the discretion of ZCC-CT. The customer undertakes furthermore to use the ZCC-CT order form for the re-sharpening service.
- The customer must hand the tools over to ZCC-CT in suitable packing, with the completed order form and at the expense and risk of the customer. Problems resulting from incorrect packing shall be for the account of the customer.
- 6.2. As a standard measure, the return of the tools/materials shall be at the expense and risk of ZCC-CT or its authorised parties. The risk shall pass to the customer as soon as the consignment has been handed over to the party performing the transport (freight forwarder, carrier), or has left the ZCC-CT works or warehouse for the purpose of dispatch, irrespective of who orders and pays for the transport.
- 6.3. If dispatch is delayed as a result of circumstances for which the customer is responsible, the risk shall pass to the customer as from the date of the offer of dispatch.

Section 7 - Prices

- 7.1. The prices for the re-sharpening service shall be based on the product group and diameter of the tools. They will be set out in a price list. The prices are to be understood as excluding statutory value added tax. Price alterations require the written consent of ZCC-CT.
- 7.2. The costs of transport and suitable transport packing are included in the prices, subject to a minimum order value of 150.00 €. The returnable boxes of ZCC-CT are excluded.
- 7.2.1 The use of the returnable box of ZCC-CT underlies a refundable deposit. The use of the boxes is for an indefinite period. ZCC-CT remains during the entire period owner of the boxes. By return of the returnable boxes the paid fee will be refunded.



7.3. Increases in material prices or other cost increases at a later date can result in price alterations. ZCC-CT shall inform the customer of this in sufficient time.

Section 8 - Payment terms

The uniform payment terms for the re-sharpening service are "immediately and net".

The customer can only offset against claims that are undisputed or have been established by declaratory judgment.

Section 9 - Warranty

- 9.1. The customer is obliged to examine the goods delivered for defects and completeness immediately upon arrival. Obvious defects must be reported in writing within 5 working days of handover of the goods, stating the precise defect. Concealed defects occurring at a later date must be reported within 5 working days of detection.
- 9.2. Immaterial, reasonable variances in construction and design, deviations from drawings, catalogues and similar, shall not create an entitlement to complain, unless they constitute a deterioration in the suitability for use. The applicable dimensions and tolerances of the products and goods shall be based on normal commercial practice as well as on state-of-the-art technology.
- 9.3. Defects resulting from unsuitable or incorrect use, incorrect assembly or commissioning by the customer as well as from normal deterioration, wear and tear, incorrect or negligent treatment, shall not create an entitlement to complain, nor shall the consequences of alterations or repair work carried out by the customer incorrectly or without the consent of ZCC-CT.
- 9.4. In the event of defects occurring, ZCC-CT can choose between removal of the defects through repair or replacement delivery. In this respect, the customer must provide ZCC-CT with the item subject to complaint or with a sample thereof in so far as necessary.
- 9.5. If ZCC-CT allows an appropriate period of grace, granted for removal of the defect, to pass unsuccessfully without providing repair or replacement delivery, or if repair or replacement delivery is impossible from the outset, the customer shall be entitled to the rights resulting from Section 634 BGB (German Civil Code).
- 9.6. If the delivery subject to complaint is returned to ZCC-CT for subsequent fulfilment or in the event of withdrawal from the contract, the delivered item must be packed expertly by the customer.
- 9.7. ZCC-CT shall be under no obligation to provide subsequent fulfilment if the customer or a third party have carried out incorrect alterations to or repair work on the item to be repaired, which render subsequent fulfilment impossible. In such cases, the rights resulting from Section 634 BGB in addition to subsequent fulfilment shall also be excluded.
- 9.8. The warranty periods shall be based on the statutory provisions.

Section 10 - General limitation of liability

Liability of ZCC-CT shall be based on the statutory provisions. Nevertheless, liability is excluded in cases of immaterial violations of obligations that have been committed neither intentionally nor through gross negligence, irrespective of the legal grounds.

Section 11 – Place of jurisdiction, applicable law, partial nullity.

- 11.1. These Terms and Conditions of Business and the entire legal relationships between ZCC-CT and the customer shall be governed by the law of the Federal Republic of Germany, subject to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- 11.2. Place of performance for all obligations resulting from the business relationships is the registered company office of ZCC-CT.
- 11.3. If the customer is not a consumer as defined in Section 13 BGB, a juridical person under public law, a juridical person as public-law special fund or has no general place of jurisdiction in Germany, the registered company office of ZCC-CT shall apply as agreed place of jurisdiction.
- 11.4. Should a provision of these Terms and Conditions of Business be or become ineffective, the validity of all other provisions and agreements between ZCC-CT and the customer shall remain unaffected.