

General Terms and Conditions of Business

of

Fa. Rembrandtin Lack GmbH Nfg. KG

1. Scope

(1) The following General Terms and Conditions of Business (GTC) shall apply to all activities (sales, deliveries, etc.) of Fa. Rembrandtin Lack GmbH Nfg. KG (hereinafter also called Supplier). Any additions to or variations of the GTC require the written approval of Fa. Rembrandtin Lack GmbH Nfg. KG. With the placement of an order, the customer shall accept these GTC and be legally bound by them.

(2) Should the customer also use GTC, the GTC of Fa. Rembrandtin Lack GmbH Nfg. KG shall prevail, even if the Supplier does not object to the GTC of the customer. Activities related to fulfilling a contract shall not be considered as an acceptance of contract conditions deviating from the conditions of the Supplier.

(3) Should one or more stipulations of these GTC be completely or partly invalid, this shall not affect the validity of the other terms and conditions. Instead of the invalid stipulation, a valid one, which is closest to the economic purpose of the invalid stipulation, shall apply. Ambiguities regarding the interpretation of these GTC or the interpretation of the contract shall be clarified in such a way that those terms are to be considered as agreed which usually apply in comparable cases.

(4) Our sales staff is not entitled to make agreements or commitments which are binding for Fa. Rembrandtin.

2. Quotation and Order

(1) Our quotations shall not be binding with regard to price, quantity, delivery and delivery time unless they are marked expressly as binding.

(2) Changes of an order (not cancellations) shall be accepted by the Supplier if practicable for the Supplier. Changes of an order shall only take effect through a written confirmation from the Supplier.

3. Price

(1) The selling price shall be the listed price effective on the day of delivery/ partial delivery resp. the price of the according offer. If other prices are agreed, the following shall apply: If labour costs or other production costs, such as those for raw materials, energy, transport, financing, etc. which are not in the sphere of influence of Rembrandtin Lack GmbH Nfg. KG, rise in the time between the confirmation of an order and the day of delivery, the Supplier shall be entitled to adjust the selling price accordingly.

(2) The basis for the price calculation shall be the weight in kg or the volume in litres as established at the time of dispatch.

(3) All prices quoted by the Supplier are exclusive of VAT unless stated expressly otherwise. In the case of invoicing, the applicable VAT shall be added to the price.

4. Delivery

(1) Delivery times mentioned by us shall not be generally binding. Specific delivery times (periods) can only be set when all modalities of the delivery are fixed, in particular

destination and transport. If necessary, specific delivery dates can be adjusted by the Supplier. An agreement on delivery times does not represent a conclusion of a firm deal.

(2) Should the agreed delivery date be delayed by more than 14 days, the customer shall be entitled to cancel the contract in written after extending the original term by 14 days.

(3) In the event of unexpected obstacles to the delivery (strike, plant interruption, interruption of the supply of raw materials, scarcity of raw materials, intervention by public authorities, traffic blockages, etc. or in cases of force majeure) the Supplier shall be entitled to extend the time of delivery accordingly, or to cancel the contract entirely or partly.

(4) The Supplier shall be free to choose how to carry out the transport to the customer. Specific requests of the customer regarding the transport shall be taken into account as far as possible, additional costs resulting from this shall be borne by the customer.

(5) Should the customer not collect the acquired quantity within the agreed period of time or has not paid an earlier delivery in due course, the Supplier shall be entitled to cancel the contract concerning the uncollected quantity without extending the period of delivery.

5. Transport Cost and Passage of Risk

(1) Subject to the agreement of Incoterms 2000 within the contract or within the offer concerning the transport costs the following shall apply: The delivery shall not be included in the price unless agreed otherwise in the order. Subject to the agreement of Incoterms 2000 within the contract or within the offer concerning the passage of risk, the following shall apply: If the Supplier carries out the transport, the risk shall pass to the customer at the destination (before unloading); the Supplier shall not be obliged to unload the goods. If the transport is handled by a carrier (e.g. railway or truck), the risk shall pass to the customer immediately after the goods are loaded onto the means of transportation.

(2) Should the customer organise the transport personally or via a carrier commissioned by the customer, the risk shall pass ex works to the customer (Incoterms 2000).

6. Terms of Payment

(1) The purchase price shall be due and payable within 30 days after the receipt of the invoice. Cash discounts shall only be granted within the framework and on the basis of a written agreement.

(2) In case of delay in payment caused by the customer, the legal rate of interest according to § 1333 ABGB shall be charged. This lies 8 % above the base rate on the last calendar day of a six-month period valid for the coming six month.

(3) In addition to the interest laid down in paragraph 2, the Supplier reserves the right to assert all claims for damages from the customer caused by the delay in payment.

7. Warranty

(1) The delivery shall always be intended for use in the plant of the customer. The delivery may exceed or fall below the ordered quantity by 10 %.

(2) The goods shall be inspected immediately after the delivery. All discovered defects shall be notified to the Supplier as soon as possible, but at the latest 5 days after the delivery describing the nature and extent of the defect. Hidden defects shall be notified immediately after their discovery. If the complaint is not filed or not filed in due time, the goods shall be considered as accepted. In such cases, any warranty claims or claims for damages and avoidance on account of mistake shall be excluded.

(3) With the exception of those cases in which the customer has the legal right to cancel the contract, the Supplier shall have the choice to satisfy the claim by rectification, replacement, or price reduction. The customer always has to prove that the defect existed at the time of delivery.

(4) The goods of the Supplier are produced as specified in the order or the product specification. Advice on application from the Supplier shall always be product-specific and not binding. This shall also apply to possible protection rights of third parties and shall not free the customer from analysing the goods with respect to their suitability for intended processes and uses. This shall apply in particular when thinners, plasticisers, additives or other components are added, which were not bought from Rembrandtin Lack GmbH Nfg. KG. The Supplier does not accept any liability or warranty for a use which is not product-specific.

8. Claims for Damages

Claims for damages against the Supplier shall be excluded in cases of slight or ordinary negligence; this shall not apply in cases of personal damage. Gross negligence has to be proved by the damaged party. Claims shall be subject to a limitation period of 6 months after the notification of the damage to the damaging party, and, in any case, to a limitation period of 3 years after the performance or delivery. Claims for damages shall be limited to rationally foreseeable damages and shall be limited with the amount invoiced.

9. Product Liability

Recourse claims against the Supplier made by the contracting partners or third parties, which are based on the title "product liability" according to the law on product liability, shall be excluded, unless the claimant proves that the mistake was made within the sphere of the Supplier or was at least caused grossly negligent.

10. Prohibition of Assignment, Setoff and Withholding Payment

(1) The assignment of claims against the Supplier shall be prohibited without explicit written consent.

(2) A setoff of claims of the Supplier against counterclaims of any type shall be excluded.

(3) Rightful claims shall not entitle the customer to withhold the payment of the entire invoice amount but only an appropriate part of the invoice amount.

11. Retention of Title

(1) The goods shall remain the property of Fa. Rembrandtin Lack GmbH Nfg. KG until full payment and the goods have to be signed as a property of the Supplier in any case.

(2) The customer shall be entitled to use the goods in the ordinary course of business activities, but shall not pledge the goods or give them as security. Attachments of property by other creditors shall be notified immediately to the Supplier. The claim for the purchase price shall be considered as assigned to the Supplier and the Supplier shall be entitled to inform, at any time, third parties of this assignment. The customer shall be obliged to disclose to the Supplier the names and addresses of the buyers as well as the stock and the amount of the claims resulting from the resale and to inform potential buyers about the assignment of the claim.

(3) The customer (the interim manager, the administrator of the bankrupt's estate) shall be obliged in any event of delay of payment - particularly of bankruptcy - to grant the Supplier access to its goods and the products manufactured with the goods. Furthermore, the customer shall disclose the books to the Supplier and give all necessary information relevant for the segregation claims of the Supplier.

12. Packaging/Loaned Containers

Containers loaned to the customer shall be returned at the latest 1 month - for deliveries abroad, 2 months - of the date of invoice, in proper condition and without product residues and free of charge to the Supplier.

13. Place of Performance, Place of Jurisdiction and Applicable Law

(1) The place of performance for delivery and payment shall be the headquarter of Fa. Rembrandtin Lack GmbH Nfg. KG in Vienna.

(2) The place of jurisdiction with regard to all disputes arising from this contract shall be Vienna, Austria. Further, the Supplier shall be entitled to assert its own claims at the customer's place of jurisdiction.

(3) Austrian law shall apply. The UN Sales Convention shall not apply.