

CONDITIONS OF SALE AND DELIVERY

I. Scope of Application, Conclusion of the Contract

(1) All offers, deliveries and services shall only occur on the basis of our Conditions of Sale and Delivery specified hereinafter. They shall also apply to all future offers, deliveries and services. Even in the case of jobs that are to be carried out at short notice, which we do not tend to confirm separately, the customer shall be subject to the said conditions.

(2) Any deviating general terms and conditions of conditions of purchase of the customer shall hereby be disregarded. This shall also apply if we do not disregard any general terms and conditions or conditions of purchase again after they have been submitted.

(3) Our offers are subject to change without notice. Our explanations shall be in writing or in electronic form as set forth in Sections 126 a and 127 of the BGB (German Civil Code). Explanations of any type and subsidiary agreements made by our employees, whether verbally, telephonically, by telex or through a representative, shall require our written or fully electronically created confirmation to be valid and shall be expressly identified as such.

(4) Offers and orders of the customer shall only be deemed to be valid and accepted by us if an express written confirmation has been received from us or on the basis of a confirmation that was created fully electronically. If no response is received from us to an offer or an order of the customer, this shall not constitute our acceptance thereof.

(5) Our written or fully electronically created order confirmation shall be the decisive factor for the contract entered into with the customer. Any objections to the order confirmation or the confirmation of subsidiary agreements shall be made to us immediately, within 3 working days at the latest from the receipt of our confirmation.

II. Product Condition, Manufacturers Specifications, Dimensions, Weights, Quality

(1) Drawings, images, dimensions, weights or any other performance data as well as samples, such as in particular liquid samples of the materials or granule samples, pamphlet specifications or information contained in any other advertising material do not constitute an agreement on condition as set forth in Sections 434 Subsection 1 Clause 1 and 2, 636 Subsection 2 Clause 1 of the BGB. Such specifications shall only be binding if this has been expressly agreed upon in writing. Samples shall only be valid as non-binding viewing samples.

(2) Deviations from contractually negotiated dimensions, weights and qualities shall be permitted within the framework of applicable DIN standards or accepted practice. Changes may only be made to contractually negotiated dimensions, weights and qualities at the customer's request if the latter makes his / her request in good time so that it is still possible to take the changes into consideration during manufacturing.

(3) Our employees and representatives provide consulting services to the best of their knowledge. Specifications and information about the properties, dimensions, weights and quality of our products, as well as about the suitability and use of our products for specific processes and purposes, shall be non-binding and also do not constitute an agreement on condition as set forth in Section 434 Subsection 1 Clause 1 and Clause 2, 636 Subsection 2 Clause 1 of the BGB. Such specifications given during consulting meetings do not free the customer from conducting his / her own tests and trials. We shall only be liable for any errors in such specifications in the event of intent or gross negligence.

III. Delivery

(1) The delivery times and delivery deadlines shall only be binding if they have been expressly agreed upon in writing. Any agreed upon delivery deadlines shall commence on the date of our order confirmation, however

not before all of the necessary details and technical questions connected to the contract have been completely clarified. The latter shall also apply to delivery times.

(2) If nothing else has been expressly agreed upon, the customer must request orders within 4 weeks of the date of our order confirmation or accept them within a period of four weeks of the individually negotiated order release dates.

(3) If the customer does not meet his / her contractual obligations - including participation or accessory obligations (e.g. open a letter of credit, provide national or international certification, make an advance payment and such like) on time, we shall be entitled to extend or defer our delivery deadlines and dates according to the requirements of our production flow, without endangering our rights connected to the customer being in arrears. An act of God or any other event that occurs on our premises or on those of our suppliers such as, for example, a strike, a lockout, orders from the authorities and such like, which leads to the delivery deadline being missed, shall free us for the duration of the said event from the obligation to comply with the contractually negotiated deadlines.

(4) We shall be entitled to make partial deliveries.

IV. Passage of Risk, Dispatch, Acceptance

(1) We shall be permitted to decide on the form of transport and transport route, insofar as nothing else has been agreed upon. In such an event, we shall choose the forwarding agent and / or the freight carrier. We also reserve the right to choose the shipping route and shipping method. The customer shall be liable for any additional costs that are created by special dispatch requests of the customer. This shall apply in particular for shipping products that are sensitive to low temperatures and that have to be forwarded in thermal transport containers. The customer shall also be liable for any additional costs created by a detour of the goods that he / she is responsible for, as well as for any additional storage costs.

(2) Once the customer, forwarding agent or freight forwarder has been given the goods, however once they leave the factory or storage area at the latest, the passage of risk and liability for sinking, loss or damage of the goods shall be transferred to the customer. In the event that the customer has made an agreement to pick up the goods, the passage of risk shall be transferred to the former once the goods have been prepared for pick up.

(3) If the delivery of the goods is delayed for a reason that the customer is responsible for, we shall be entitled but not obliged to put the goods into storage at the expense and risk of the customer at our discretion, to take any measures required to preserve the goods that are deemed appropriate and to send an invoice for the goods. In such an event, the passage of risk shall be transferred to the customer as soon as the customer has been informed that the goods are ready to be delivered. The date given to the customer for when the goods will be ready to be delivered shall be valid as the date on which they are delivered to the customer. The same shall apply if the customer does not make a date for delivery within 4 working days for goods that he / she has been told are ready to be delivered. The legal regulations on the default of acceptance shall remain unaffected hereby.

(4) If our deliveries and services are dispatched by a forwarding agent or freight forwarder, the customer shall be obliged to compile a report in the event that any defects are identified for legal purpose, which shall specify the exact defects, give it to the forwarding agent or freight forwarder and have the forwarding agent or freight forwarder sign it. Furthermore, the customer undertakes to immediately inform us thereof and enclose a copy of the damage report.

(5) If the acceptance of our deliveries and services has been agreed upon or if the customer is obliged to accept them at our request, this shall take place on the supplier's premises. This must be carried out immediately after

the customer has been notified that the goods are ready to be accepted. We shall be liable for the factory's acceptance costs, but the customer shall be liable for any other costs connected to the acceptance or charged to us by third parties. If special quality regulations or special specifications on the condition of our deliveries or services have been agreed upon or if our standard products or standard systems had to be worked on in terms of special requests of the customer, we shall be entitled, but not obliged, to demand that the customer accept our deliveries and services. The customer shall be obliged to accept them should he / she be requested to do so. If the customer gets into arrears with the acceptance of our deliveries and services, we shall have the rights specified in Clause. IV (3).

(6) There must be a special agreement on taking back the packaging, insofar as we are not obliged to do so in accordance with binding legal regulations or due to official regulations which are based on binding legal regulations.

V. Prices, Proof of Completion, Payment, Security

(1) Our prices, insofar as nothing else has been expressly agreed upon, from the factory do not include any applicable national or international sales tax.

(2) Customs duties, consulate costs, freight charges, insurance premiums, packing costs and any other costs that are connected to the execution of the contract shall be billed to the customer separately. If an agreement has been made which differs from this, i.e. that such costs are included in the price, any costs which increase following the conclusion of the contract shall be billed to the customer.

(3) In the case of deliveries and services within the EU, the customer shall provide us with his / her VAT ID No before making an order, under which he / she conducts purchase taxation within the EU. If a customer or his authorised representative who does not live in the Federal Republic of Germany picks up the goods and then forwards or sends them to countries outside of the EU, the customer shall provide us with evidence of an export shipment which complies with the provisions of the Turnover Tax Act of the Federal Republic of Germany. If this evidence is not provided within 30 days of the goods being handed over to the customer, the latter shall pay the turnover tax applicable to deliveries within the Federal Republic of Germany.

(4) Our Invoice are payable in full within 30 days of the invoice date. Any other form of payment shall require an express agreement.

(5) The customer shall only have the right to withhold payments or to offset them against counterclaims, insofar as we have deemed the said counterclaims to be undisputed or legally binding. The customer shall only be entitled to assign claims made against us with our prior written agreement.

(6) We only accept bills of exchange or cheques on account of performance that can be discounted and on which the tax has been properly paid. Should we accept bills of exchange or cheques, the obligation to pay will only be amortised once an irrevocable credit of the amount in the security, which is evidenced by certificates, has been credited to an account specified by us. The customer shall be liable for any fees for accepting bills of exchange that can be discounted and any costs associated with cashing in the amount of the bills of exchange or cheques.

(7) If the customer gets into arrears with the payment of an invoice or if we become aware of circumstances which give us good reason to seriously question the credit worthiness of the customer, we shall be entitled to immediately demand payment of any claims that are still outstanding against the customer without taking into consideration any payment targets granted and without regard to term of any accepted bills of exchange. We shall also be entitled to either fully or partially withdraw from any current contracts. We may make any orders that have not yet been completed dependant on advance payments or security. In such an event,

the customer shall be liable for the costs of any security.

(8) We shall be entitled to demand a security at any time, in accordance with Section 648 a of the BGB. In such an event, we shall pay the standard costs for the security up to a maximum of 2 percent p.a.

VI. Claims for Defects

(1) An identifiable defects of our deliveries and services, including the delivery of incorrect volumes or the delivery of goods that were not ordered must be immediately sent to us in writing. Any hidden defects shall be sent to us in writing as soon as they have been discovered.

(2) We shall not be liable for the deterioration of the goods once the passage of risk has been transferred to the customer, unless the deterioration or destruction is due to a defect that was present before passage of risk had been transferred. We shall not be held responsible for the consequences of inappropriate use of our goods once the passage of risk has been transferred. Moreover, we shall not be held responsible for the unsuitable or inappropriate use, incorrect or careless use and / or storage and incorrect processing of the goods supplied by us. We shall also not be liable for the consequences of inappropriate touching up carried out by the purchaser or a third party.

If any changes are made to products delivered by us, if materials are replaced or used that do not correspond to the original specifications or if materials supplied by us are not processed in accordance with our processing guidelines, our warranty obligations shall be extinguished if the customer does not prove that none of these circumstances caused the defect, but rather that it was already present before the passage of risk had been transferred and was not connected in any way to the aforementioned circumstances.

The customer shall not have any warranty claims, insofar as the defects were caused by the customer's instructions or any other cause that is not covered by our deliveries and services. The customer shall also not have any warranty claims with regard to the suitability of our deliveries and services for a use that is not specified in the contract or for a use that differs from the usual intended use of our deliveries and services. If the customer further processes materials with identifiable defects, our warranty obligations shall be extinguished.

(3) If he / she has any complaints, the customer shall immediately give us the opportunity to examine the existing deliveries. Upon request, the rejected goods or a sample thereof shall be made available to us at our expense. In the case of unjustified complaints, we shall be entitled to charge the customer any freight and forwarding costs as well as the inspection costs using standard prices.

(4) If a defect is present, we shall at our discretion - taking into consideration the concern of the customer - provide subsequent performance either by delivering a replacement or by touching it up. If we choose to provide a replacement, only the individual deliveries that have defects will be replaced if different material or materials in separate packaging are delivered and not the total delivery. The faulty individual delivery shall be returned at the same time as the replacement delivery.

(5) Without prejudice to Sections 438 I Subsection 1 and Subsection 2 and Section 478 and 479 of the BGB and insofar as nothing else has been agreed upon, the statute of limitations for defects shall be 1 year. The statute of limitations shall commence once the passage of risk has been transferred.

(6) If the customer is entitled to claims under a right of recourse, in accordance with Section 478 of the BGB, they shall be limited to the legal scope of the warranty claims of third parties made against the customer. The customer undertakes to rebut such claims if at all possible.

VII. Retention of Ownership

(1) Our goods shall remain our property until all demands, including any future demands, have been met, in particular also connected to the respective settlement claims against the customer that we are entitled to make within the framework of the business relationship. By asserting the retention of ownership, we shall not be deemed to have withdrawn from the contract. If we assert our claim for restitution, the customer hereby irrevocably gives us permission to take possession of the goods owned by us and, for this purpose, to enter the place where the said goods are.

(2) The machining and processing of the reserved goods shall be carried out by us as manufacturers as set forth in Section 950 of the BGB, however there shall be no obligation on our part. If our contractual items are processed with other goods that do not belong to us, we shall be given co-ownership of the new item using the proportion which is calculated based on the value ratio of the invoice value of the goods delivered by us and the processing value of the new item. The machined or processed contractual item and our co-ownership share of the new item are deemed to be reserved goods as set forth in the preceding subsection. (1).

If our contractual items are compounded or mixed with other goods that do not belong to us, we shall be given co-ownership of the uniform item which corresponds to the value ratio of the mixed / compounded items, if another one of the items that was processed or mixed with the others is deemed to be the main item, and if the latter belongs to the customer, the latter shall already at this stage transfer to us co-ownership that corresponds to the value ratio of the items that were mixed or compounded with the others. Our co-ownership is deemed to be reserved goods as set forth in the preceding subsection. (1).

(3) The customer shall be entitled to sell the reserved goods in standard commercial dealings. The customer shall already assign the claims to us at this stage that he gains by way of the resale to the value of the invoice value of the reserved goods. If the customer sells the reserved goods along with other goods that do not belong to us, the former shall assign the claims connected to the resale to us at the ratio of the invoice value of our reserved goods to the invoice value of the other goods. If goods which we have co-ownership shares in as set forth in the preceding subsection (2) are resold, we shall be assigned a part of the resale claim that corresponds to our co-ownership share.

(4) The assignments referred to in the preceding subsection (3) shall occur to safeguard all of our existing and future claims that result from the business relationship with the customer. At the customer's request, we undertake to approve the securities we are entitled to, insofar as the value of our securities exceeds the claims to be secured by more than 20%.

(5) The customer shall not have the right to assign claims from the resale of reserved goods to third parties. Assigning claims from the resale of reserved goods to factoring companies shall require our prior express written permission. The customer shall not be entitled to pledge or transfer ownership as security reserved goods, provided that we retain ownership of them. Once payments have been suspended, the customer shall no longer be entitled to resell reserved goods, even if they have been processed. In the case of levies of execution or other access of third parties to the reserved goods or to claims from the resale of reserved goods that have been assigned to us, the customer shall identify this on our property and immediately inform us thereof in writing.

(6) At our request, the customer shall be obliged to inform his / her contractual partners of the assignment to us and to provide us with the

information and documentation required to collect it. For our part, we shall be entitled to inform the contractual partners of the customer of the assignment at any time. If the customer accepts payments or any other cover funds from the resale of reserved goods before completely meeting our claims that are to be secured, this shall be paid to us within the scope of the claims assigned to us. The customer shall act as our trustee for taking in these counter values.

VIII. General Liability Limitations

(1) Insofar as nothing else is stipulated in these conditions, we shall be liable for damages caused by breaching contractual or non-contractual obligations, even if accessory obligations are breached or because obligations are breached once the contract has been concluded, only in the event of intent or gross negligence of our legal representatives or vicarious agents as well as for culpable negligence of significant contractual obligations (material contractual obligations).

(2) We shall be liable for culpable negligence of material contractual obligations - expect in cases of intent or gross negligence of our legal representatives or vicarious agents - only for the contractually anticipated, foreseeable damages.

(3) The aforementioned liability limitations do not apply in the event of damage to life, body or health and for personal injuries or damage caused to privately used items, in accordance with the German Product Liability Act.

IX. Legal Venue, Applicable Law

(1) Without prejudice to the legal venues for temporary legal protection measures, our registered office shall be the legal venue for any legal disputes for orders from business people, even for bills of exchange and cheque processes. We may however also bring a claim against the customer at any court of his / her general legal venue.

(2) For all legal relationships between us and the customer, only the law of the Federal Republic of Germany that is decisive for legal relationships between domestic contractual parties shall apply, with the express exclusion of the UN Sales Convention.

X. Other Provisions

(1) Our recipes and developments are subject to patent, intellectual copyright and protection of design patents. The customer shall be liable for damages that occur due to the breach of any industrial property rights.

(2) Even in the event that individual parts of the aforementioned provisions are ineffective, the remaining parts shall remain completely effective.

(3) Data that are connected to the business relationship shall be processed electronically and saved in files.