

General Terms and Conditions of Purchase CARL BECHEM GMBH

Art. 1 Scope of Validity

These Terms and Conditions of Purchase shall apply to all business relations with the supplier or other contractors (hereinafter jointly called the "Supplier") even if no mention should be made of them in later contracts. Except where contractually agreed otherwise in individual cases, the inclusion of general terms and conditions of supply or other general terms and conditions of business of the Supplier is hereby rejected. This shall also apply if the Supplier, especially on accepting an order or in an order confirmation, makes reference to his own terms and conditions of business, except in cases where the latter have been expressly consented to.

Art. 2 Orders

- (1) An order shall only be deemed to have been placed when it has been produced by us in writing, provided with a Bechem order number and signed. Orders placed by word of mouth or on the telephone shall only be binding on us when we have confirmed them by subsequently sending our written order.
- (2) The Supplier shall have a duty to accept the offer implicit in our order within a period of two weeks. By accepting the order, the Supplier confirms that he has informed himself of the nature and scope of performance by inspecting the available documents. In the case of any evident errors or writing and mathematical mistakes in documents furnished by us, we shall not be bound by them. The Supplier shall have a duty to draw our attention to such errors and mistakes so as to enable us to correct our order and issue a new one. The same shall also apply in the case of any missing documents.
- (3) The Order No., Material No. and Supplier No. shown in our order must be quoted in all correspondence (order confirmation, shipping documents, invoices etc.). In all other respects, orders shall be executed in accordance with Incoterms 2000.
- (4) The acceptance of orders must be confirmed to us by signature on the copy of the order within three working days from issue of the order; otherwise we shall have the right to revoke the order.
- (5) Deviations in quantity and quality from the text and content of our order and any subsequent contract amendments shall only be deemed agreed when we have expressly confirmed them in writing.
- (6) Drawings, tools, samples, models, marks and getups or the like as well as finished and semi-finished products furnished by us or made on our behalf shall remain our property and may be supplied to third parties only with

our express written consent. Unless agreed otherwise in any particular case, they shall be returned to us without delay on completion of an order without any request to that effect on our part being necessary. Products made or marked with such production means, marks and getups may be supplied to third parties only with our express written consent.

- (7) The use of our inquiries and orders for advertising purposes is not permitted except with our prior consent; see also Art. 14.

Art. 3 Delivery Dates

- (1) Periods of time and dates agreed for delivery shall be binding. They shall run from the date of order. The goods must have been received at the place of destination specified by us within the delivery period or by the delivery date. If any delays are to be expected, the Supplier must inform us accordingly without delay and await our decision on whether or not to abide by the order.
- (2) Should the Supplier fall into delay we shall have the right, after giving due warning, to claim a contractual penalty in an amount of 1% of the net order value per week or part of week of delay, though in an amount of at most 10% of the net order value, and/or to demand delivery and/or to repudiate the contract. Any contractual penalty payments already made will be credited towards any other compensation which we reserve the right to claim. This shall be without prejudice to the rights pursuant to Art. 343 BGB [German Civil Code].
- (3) We shall have no duty to take delivery of goods before the end of the delivery period or the delivery date.

Art. 4 Delivery/Packing/Shipment

- (1) Delivery shall be effected at the Supplier's expense and clear of charges for us at the place of receipt designated by us. In exceptional cases we should we be required to pay the freight, the Supplier shall choose the mode of transport specified by us, but in all other respects the most favourable mode of transport and delivery. We shall not pay freight charges in advance.
- (2) Packages must be marked permanently and with quality designation, batch number and net weight and our material number. In the case of delivery by truck, arrivals can be handled between 7.00 a.m. and 2.00 p.m. on Mondays to Thursdays and between 7.00 a.m. and 11.30 a.m. on Fridays. No arrivals can be handled on Saturdays.
- (3) An advice of dispatch must be sent on the day of delivery. The risk shall only pass to us on acceptance by our place of receipt.

- (4) The shipping address shall be as stated in our order or can be obtained on inquiry from us. If the waybill is wrongly completed, we will charge for the rerouting freight.

Art. 5 Packing

- (1) Packing is included in the price. The Supplier must choose the form of packing specified by us and ensure that the packing is such as to protect the goods from damage. In the event of return, the whole value of the goods shall be credited.
- (2) Hired packaging containers such as barrels, drums, crates etc. must be handled with in accordance with the deposit systems of the chemical sector. In the case of non-returnable containers, the Supplier shall have a duty to take back the containers. After emptying, such containers shall be returned to the Supplier at the Supplier's expense or, in the case of delivery to us by truck, shall be returned with the truck; should the Supplier not take back such containers, he shall bear the costs incurred for disposal.
- (3) The outside or transport packing must be marked in accordance with statutory regulations. A corresponding disposal agreement must be concluded by the Supplier. A copy of the agreement must be furnished to us on our request. Otherwise, the packing will be disposed of at the Supplier's expense or placed at his disposal.

Art. 6 Documentation

- (1) Delivery notes, invoices and packing slips must be enclosed in duplicate with each shipment on the day of shipment; monthly invoices must be rendered by the third working day of the next following month. These documents must contain:
 - Number of the order
 - Supplier number
 - Batch number
 - Quantity/quantity unit/remaining quantity in the case of part-deliveries as follows:
 - Final quantity:
 - Quantity taken previously:
 - Quantity taken today:
 - Remaining quantity:
 - Gross and net weight and invoicing weight, if any
 - Article description with our article number.

If invoice is rendered with a delay, we reserve the right to take the day of receipt of invoice as the value date.

- (2) Apart from the afore-mentioned documents, an advice of dispatch must be sent to us separately on the day of dispatch in the case of freight shipments.

Art. 7 Prices

- (1) Unless expressly provided otherwise, the agreed prices are fixed prices unless the Supplier generally reduces the prices concerned.
- (2) The Supplier shall grant us no prices and terms that are less favourable than those offered to any other customer provided that the conditions offered to the Supplier by such other customer in any particular case are the same as or equivalent to those offered by ourselves.

Art. 8 Invoice/Payment/Assignment of Claims

- (1) Invoices must be issued separately for each order. Payment will only be effected after receipt in full of goods which are free of defects or complete service which is free of defects and after receipt of invoice. In the case of part-deliveries, the same shall apply analogously. Delays in time arising through wrong or incomplete invoices shall have no effect on periods allowed for cash discount. Unless agreed otherwise, payment will be effected within 14 days with 3% cash discount or within 30 days net.
- (2) Claims of the Supplier on us may be assigned to third parties only with our consent. Payments will be made to the Supplier only.

Art. 9 Warranty/Guarantee/Claims

- (1) We shall be entitled to the statutory warranty claims without limitation. In the case of defects which are not immediately discernible, it shall be sufficient for us to notify them within two weeks from discovery. The Supplier warrants to supply goods which are in accordance with our specifications, including getup and markings. Our orders shall be executed properly and professionally in accordance with the state of the art.
- (2) In the case of supply of defective goods, the Supplier shall be given the opportunity, at our option, to effect remedy or supply replacements. Should the Supplier be unable to do so or should he fail to do so promptly on our due request and the allowance of time, we shall have the right to return the goods for the Supplier's risk and to purchase the goods elsewhere. Warranty for products produced by or for orders performed by the Supplier shall end 24 months after delivery and acceptance.
- (3) Except as provided otherwise above, warranty shall be as provided for in statutory regulations.

Art. 10 Producer Liability

For defects due to a fault of the Supplier, the Supplier shall indemnify us from the resulting producer liability insofar as he himself would also have direct liability.

Art. 11 Industrial Property Rights

The Supplier shall have liability for ensuring that no patents or other such property rights of third parties are breached by his delivery to us and our use of it. He shall hold us and our customers harmless from all claims arising from the use of such property rights. This shall not apply insofar as the Supplier has made the goods in accordance with drawings or models furnished by us or other descriptions or specifications equivalent thereto and does not know or is not able to know in connection with the goods made by him that they are in breach of property rights.

Art. 12 Force Majeure

War, civil war, export restrictions or restrictions on trade due to changes in political circumstances as well as strikes, lockouts, disruptions to or restrictions on business or operations and any other such like events which render it impossible or unreasonable for us to perform our contract shall be deemed force majeure and shall release us for their duration from our duty to take punctual delivery of the goods. The parties hereto shall have a duty to keep each other mutually informed and, acting in good faith, to adjust their obligations in line with changing circumstances.

Art. 13 Preservation/Title

Materials furnished by us shall remain our property. They must be kept separately and may be used for our orders only. Even if he has no fault, the Supplier shall be liable for any deterioration or loss. Articles made with materials furnished by us shall become our property at the various stages of production. The Supplier shall preserve such articles on our behalf; the costs for storage of the articles and materials preserved on our behalf are included in the purchase price.

Art. 14 Business Secrets

The Supplier shall have a duty to treat our orders and all commercial and technical details connected with them as business secrets. In particular, he shall have no right to use our inquiries and orders for advertising purposes.

Art. 15 Final Provisions

- (1) All legal relations between the customer and ourselves shall, even if the customer has his registered domicile abroad, be governed exclusively by German law. The UN Convention on Contracts for the International Sale of Goods shall explicitly not apply.
- (2) The legal venue and place of performance for registered business persons or registered business entities shall be Hagen.
- (3) Should any of these provisions be or become invalid, the other provisions shall nevertheless remain in full force and effect and the parties shall have a duty to replace an invalid provision by one which is valid and which as nearly as possible achieves the same economic success as that intended by the invalid provision.