

GENERAL CONDITIONS OF SALE OF PRÖLL GMBH

These General Conditions of Sale shall apply to all present and future international contracts concerning the sale of goods and services associated with them by Pröll GmbH (hereinafter referred to as „Seller“) to Buyer throughout the business relations. Buyer's conditions of purchase shall not apply even if Seller does not expressly object to them upon receipt in writing.

Offer and Acceptance, Delivery Time, Deviation

1.1. Seller's suggestions or quotations are not binding offers but shall be interpreted as invitations to Buyer to submit a binding offer. The contract is concluded by Buyer's written offer (order) and by Seller's written acceptance (order confirmation). Sending an invoice shall be construed as Seller's acceptance.

- 1.2. Preferably by letter, fax or e-mail, Buyer may place an order specifying at least
- the exact product,
 - the desired quantity (metric system),
 - the standard price according to the relevant price list or the particular price for special products agreed on (matching or laboratory surcharges may be added),
 - the delivery time.

1.3. The delivery time shall not begin until Buyer does everything which can reasonably be expected of him to enable Seller to make delivery (e.g. contributing raw materials, making prepayment).

1.4. Individual agreements, guarantees, price changes or deviation from these General Conditions of Sale require the explicit written approval of Seller's officially registered representatives.

Intellectual Property Rights, Confidentiality, Rights of Third Parties

2.1. Intellectual property rights concerning goods shall remain with Seller.

2.2. Sensitive correspondence and exchanged materials shall be treated confidentially.

2.3. Seller assures, to the best of his knowledge, that all products are free of property rights of third parties.

2.4. In case of property rights of third parties affecting the use of products by Buyer, Seller shall inform Buyer without delay and take all reasonable action, to free the product in question of any and all property rights. If this cannot be achieved, Buyer shall be entitled to cancel the contract.

2.5. Should new products be developed according to Buyer's specifications, Buyer assures that intellectual property rights of third parties will not be infringed upon.

Prices, Terms of Payment, Default on Payment

3.1. Prices listed on the relevant price list or agreed on are net prices calculated in EURO ex works (EXW Weissenburg i. Bay. INCOTERMS® 2010). These include neither the costs of transport and insurance nor those of value-added tax, any other taxes, duties, tariffs, levies or charges.

3.2. The price shall be paid at Seller's place of business.

3.3. Unless otherwise stated, the following terms of payment shall apply: Payment shall be received by Seller within 30 days of the date of invoice. Barring any arrears, Buyer shall be entitled to a discount of 2% on payments effected within 10 days of date of invoice. Cashless payment by bank transfer is not complete until the amount is credited to Seller's account.

3.4. Discount and bank charges shall be paid by Buyer. Bills of exchange are allowed only when they have been accepted as a means of payment by Seller in the individual case.

3.5. Failure to pay the invoiced price within 30 days constitutes a fundamental breach of contract. Buyer shall pay interest of at least 8% above the base interest rate announced by the German Bundesbank per annum on delay in paying for goods within this period.

3.6. In cases of default on payments owed in conjunction with contracts based on these General Conditions of Sale, Seller may declare due all outstanding amounts. The right to suspend the performance of Seller's obligations according to Art. 71 CISG shall remain unaffected. In cases of doubt as to Buyer's solvency, Seller may also revoke agreed credit terms and demand financial security.

3.7. Buyer may only offset uncontested or legally settled claims over which German courts have international jurisdiction.

Delivery, Passing of Risk, Transportation

4.1. Unless otherwise agreed, delivery shall be made ex works (EXW Weissenburg i. Bay. INCOTERMS® 2010).

4.2. Goods placed on demand shall be collected by Buyer within 3 months. Buyer's failure to accept delivery of the goods shall be deemed a fundamental breach of contract.

4.3. In case of delivery by placing the goods at Buyer's disposal at Seller's premises (EXW), risk shall pass when Buyer receives notification that the goods appropriated to the contract are at Buyer's disposal.

4.4. Buyer shall inform Seller of all damages resulting from transportation.

4.5. Insofar as reasonable, Seller shall be allowed to make partial deliveries.

Retention of Title

5.1. Title to the goods shall remain with Seller and shall not pass to Buyer until the price for the goods as well as for all other goods delivered during the business relations has been paid in full by Buyer and received by Seller.

5.2. In case of insolvency or seizure, Buyer shall be obligated to inform Seller of goods in stock which are affected.

Quality Management, Product Conformity, Technical Information

6.1. Seller has established a quality and environmental management system as well as an occupational health and safety management system in accordance with ISO 9001, 14001 and OHSAS 18001. All goods are developed, manufactured and tested on the basis of these standards.

6.2. Commercial product conformity and quality is specified by written product information in connection with wet samples of Seller. No information on product specifications, quality, shelf life or identified uses under the European Chemical Regulation REACH constitutes a guarantee unless specifically guaranteed by Seller's officially registered representatives.

6.3. Any special conformity or quality of goods required by Buyer must be guaranteed by Seller's officially registered representatives.

6.4. All information by Seller, either in verbal instructions, technical information sheets or product tests shall neither be construed to represent express guarantees regarding the product or its suitability for a particular purpose, nor release Buyer from his obligation to verify and test the product and its application for the specific requirement.

Notice of Non-Conformity, Remedies for Breach of Contract, Limitation Period

7.1. Buyer shall examine the goods within as short a period as is practicable under the circumstances (Art. 38 CISG).

7.2. Buyer shall provide a written notice of non-conformity (Art. 39 CISG), shall specify the nature of the non-conformity of the goods, deliver proofs (e.g. copy of delivery note, batch number, color sample) and post these immediately upon discovery of non-conformity.

7.3. In case of non-conformity of the goods with the contract, Seller's obligations shall be first limited to repairing or replacing the goods at the discretion of Seller. Only in case of failure or unreasonableness shall Buyer be entitled to obtain a reduction in price or to return the goods for a complete refund.

7.4. To enable Seller to repair or replace goods, Buyer shall return them at the expense of Seller. Seller may keep replaced goods.

7.5. The right to claim damages according to Art. 74-77 CISG after a reasonable time extension for performance remains unaffected.

7.6. Any proceedings under this section must be commenced within the limitation period applicable in accordance with German domestic law. In case of non-conformity of the goods with the contract, the limitation period shall be 2 years from the date on which the goods were handed over to Buyer (Section 438 (1) 3. of the German Civil Code, BGB).

Compliance with Legal Requirements

8.1. Seller shall be responsible for ensuring that all products are produced, packaged and labeled in accordance with the relevant laws, regulations and standards of the European Union.

8.2. Buyer shall be responsible for compliance with international trade laws, regulations and standards regarding import, transport, storage and use of the goods, as well as with such of Buyer's home country or the country of delivery. Unless otherwise stated, Buyer shall be obligated to obtain all approvals, permits or clearances necessary in this context.

Liability, Damages

9.1. Seller's liability for breach of contractual obligations shall be restricted to damages caused by wrongful intent or gross negligence and shall be limited to foreseeable losses in the meaning of Art. 25 and 74 CISG and damages characteristic of the type of contract in question.

9.2. The foregoing limitations on Seller's liability do not apply to fundamental breach of contract, statutory liability according to Product Liability Law, any liability resulting from non-fulfillment of express warranties nor to impairment of life, body or health.

Force Majeure

10.1. No party shall be liable for failure to perform the party's obligations if such failure was due to an impediment beyond the party's control, such as a result of acts of God (e.g. fire, flood, earthquake, storm, or other natural disaster), war, war-like operations, civil unrest, terrorist activities, nationalization, government sanctions, blockage, embargo, concerted labor action, shortage of materials, as well as interruption or failure of electricity, internet, telephone or transport service.

10.2. Asserting Force Majeure for failure to perform a contractual obligation, the non-performing party must prove that the party took reasonable steps to minimize delay or damages caused by foreseeable events, that the party substantially fulfilled all non-excused obligations, and that the other party was given timely notification of the likelihood or actual occurrence of an event as described above.

Jurisdiction, Applicable Law

11.1. Should any dispute arise out of or in connection with these General Conditions of Sale or any subsequent contracts thereto appertaining, the commercial chamber of the regional court in Nuremberg, Germany, shall have sole jurisdiction.

11.2. All contractual relations between Seller and Buyer shall be governed by the laws of the Federal Republic of Germany, including the provisions of the authentic English-language version of the United Nations Convention on Contracts for the International Sale of Goods dated 11 April 1980 (CISG), irrespective of whether Buyer's place of business is in a country which has ratified the Convention or not.