

General Conditions of Sale

I. General conditions

Quotes, orders and deliveries are exclusively subject to these terms and conditions of sale. Deviations or additional conditions and agreements shall only apply if they were confirmed in writing by the seller. The seller expressly objects to the purchase conditions of the buyer. Orders shall only become binding through a written confirmation of the seller.

II. Delivery

1. The delivery of the seller is usually in accordance with the product specification given by the seller. Such specification is made available to the buyer when first concluding a sales contract. The seller reserves the right to change these specifications.

2. As soon as the goods leave the seller's plant or warehouse or, in case of delayed acceptance, are placed at the buyer's disposal ready for shipment, all risks including the risk of shipment shall pass to the buyer. The buyer shall bear the costs of shipment from the place of the seller's branch operation unless they are out of reasonable proportion to the value of the delivery item.

3. In case of failure to keep the delivery date, the buyer must grant an additional period of time of reasonable length. Claims for damages for default of delivery are limited to the net invoice value of the delayed delivery unless intent or gross negligence is involved. The same shall apply in case of intent or gross negligence except in case of willful or grossly negligent acts of Seller or his senior executives.

4. "Force majeure" and other impediments which do not lie within the seller's responsibility such as a shortage of raw material, industrial disputes or unforeseen operation or dispatch problems shall release the seller from his delivery obligation for the duration of the disturbance and its repercussions. If the agreed delivery time is exceeded for more than two months, buyer and seller may withdraw from the part of the contract which has not been performed.

5. Should economic life in the country of the buyer be seriously affected by war, civil war or similar events, the seller shall be entitled to withdraw from the part of the contract which has not yet been performed.

6. Reselling of delivered goods using presentation and packing material owned by the seller is subject to the seller's prior written consent.

III. Payment

1. Apart from the agreed prices, the buyer must pay the statutory sales tax.

2. In case of default, the seller shall be entitled, apart from other rights, to an interest of at least eight percentage points above the base interest rate according to section 247 BGB [German Civil Code], unless the buyer proves that the seller suffered a lower interest loss.

3. Failure by the buyer to pay despite default shall entitle the seller to withdraw from the contract or to demand advance payment for possible outstanding deliveries.

4. Withholding due payments or a set-off shall only be possible if claims of the buyer have become res judicata or have been generally accepted by the seller in writing.

5. All costs incurred under the contract in the country of the buyer including charges and taxes which were not known when entering into the contract shall be borne by the buyer.

6. In case the agreed currency is not the currency of the seller's country, seller and buyer have the right to withdraw from the part of the contract for which delivery has not yet been performed, if and as long as, in the country of the seller, the valid exchange rate of the agreed currency deviates more than 3% from the exchange rate at the day of the conclusion of the contract.

IV. Retention of title

1. The seller shall retain title of the goods until all claims of the seller against the buyer arising from the business transaction have been met. Should the buyer breach his duties, in particular in the event of default in payment, the seller shall be entitled to demand the return of the goods and/or to withdraw from the contract, even without setting a deadline. The buyer undertakes to return the goods. A request to return the delivery item shall not constitute a notice of withdrawal of the seller, unless this is expressly stated.

2. If the buyer fails to pay the debt and has not done so within 30 days of its due date at the latest or if there is the risk of the buyer becoming insolvent, the buyer must return the goods of which the seller retains title and put it at the seller's free disposal upon his request.

3. If the value of security exceeds the debt to be secured by more than 20%, the seller undertakes to release security of his choice upon request of the buyer.

4. The buyer undertakes to insure the goods of which the seller retains title with the due care and diligence of a "prudent businessman" and to provide evidence for such an insurance upon request. For reasons of security, the buyer hereby already assigns his claims from such insurance to the seller.

5. On request of the seller, the buyer is obliged to co-operate in any respect to secure the rights of the seller.

6.

The buyer shall be entitled to resell the goods in ordinary business transactions subject to the regulation laid down under II.6. However, he already assigns all debts to the seller to the amount of the total invoice amount (including sales tax) of the claims arising against his customers or third parties from reselling, irrespective of whether the goods were resold with or without further processing. The buyer shall be entitled to collect this debt even after the assignment. The right of the seller to collect the debt himself shall remain unaffected. Processing or transformation of the objects sold/goods by the buyer shall always be carried out by the buyer. If the goods are processed together with other objects which are not in the possession of the seller, the seller shall acquire a share in the ownership of the new object based on the proportion of the value of the goods to the other processed objects at the time of processing. As far as the object resulting from processing is concerned, the same shall apply as to the goods which are delivered subject to retention of title.

V. INCOTERMS

Commercial terms such as FOB and CIF shall apply in accordance with the INCOTERMS of the International Chamber of Commerce as amended at the time of entering into the contract.

VI. Warranty

1. Notices of defect must be submitted in writing within 15 days of receipt of the goods – in case of hidden defects immediately upon discovery – stating invoice and packing unit. Deviations in the shade of natural and dyed delivered goods shall not be considered as defect unless they substantially impair the usability of the products manufactured from these goods.

2. If a notice of defect is justified and lodged in time, the seller has the choice of either reducing the purchase price in a fair and reasonable way or providing for a substitute delivery. Should the substitute delivery be a failure, the buyer has the choice between another substitute delivery, a fair and reasonable price reduction or the return of the goods and refund of the purchase price.

3. If the buyer wants to process or resell the goods despite visible defects, he has to give the seller the opportunity to express his opinion in good time before taking action.

VII. Liability

1. The seller shall be liable under the statutory provisions if the buyer claims damages which are based on intent or gross negligence including intent and gross negligence of the seller's agents or employees. Insofar as the seller is not blamed for any intentional breach of contract, liability for damages shall be limited to the foreseeable damage that is typical of this kind of contract. Even in cases of gross negligence, the seller's liability is limited to foreseeable damage that is typical of the contract. The seller shall also be liable under the statutory provisions if he culpably breaches an essential contractual duty. In such a case, liability for damages shall, however, be limited to the foreseeable damage that is typical of this kind of contract.

2. Liability for culpable violation of life, limb or health shall remain unaffected. This shall also apply to compulsory liability under the product liability law.

3. Our products are not designed or manufactured as parts, components or raw material for use in the medical, cosmetics or food sector nor are they intended as such for sale. The customer shall assume sole responsibility, if products bought by the customer are used in these sectors. Exceptions shall be governed by separate product specifications and individual agreements.

VIII. Presentation and packing material

If the buyer does not send back the presentation and packing material, which remains the property of the seller, as agreed and in a state that allows further use, within a period of time to be fixed by the seller, the seller shall be entitled to charge the buyer for the replacement value and demand immediate payment. If the buyer proves that the damage is far below the replacement price, he must only pay for this damage.

IX. Trademarks

Trademarks under which the goods are sold must not be used for products manufactured from them without the prior written consent of the seller.

X. Miscellaneous

1. The sales contract is subject to the law which is applicable at the head office of the seller under exclusion of the United Nations Convention on Contracts for the International Sale of Goods dated 11 April 1980.

2. Place of fulfilment and jurisdiction for all claims arising from the business contact is the head office of the seller. However, the seller shall also be entitled to assert his claims at the buyer's general place of jurisdiction.

3. Should one or more provisions of the present terms and conditions of sale be invalid, the validity of the remaining provisions shall not be affected.