

# **General Terms and Conditions of Business**

## **1. Validity**

All offers issued by us and agreements made with us are subject to the following General Terms and Conditions of Business. Any contrary terms of purchase of the Customer shall not be applicable to us and are herewith expressly opposed. Any acknowledgement of such terms of purchase, either in part or wholly, can only be effected in writing but not implied. Our General Terms and Conditions of Business are acknowledged upon placement of order and acceptance of delivery. All our quotations are without obligation. Incoming orders and all agreements do not become binding until they have been confirmed by us in writing.

## **2. Prices**

- a) Unless otherwise stated, prices are ex works including packaging. Any special packaging will be charged at cost price. Packaging that is on loan will be invoiced; a credit note will be issued on return of the same freight paid.
- b) Our list prices in effect on the date of delivery are applicable.
- c) Should any fixed prices be agreed and thereafter the cost elements relevant to our production, such as materials, wages, freight rates, energy costs, etc., change significantly, an appropriate price change is to be negotiated. We are entitled to withdraw from any contracts if such negotiations fail. In the event of any such withdrawal, the contracting partner is not entitled to any claims for damages.
- d) We are authorised to make partial shipments and to invoice and demand payment for each individual delivery separately.

## **3. Payments**

- a) All payments are to be made in cash or by cheque, free of charges, within 30 days of the date of invoice. We will grant 2% discount upon payment within 10 days following invoice date, provided the Customer is not in default with the discharge of any other liabilities on the date of payment. Non-ferrous metals and noble metals, salts from the same, and raw chemicals are payable net immediately upon receipt of invoice.
- b) Bills will only be accepted by us by separate agreement and then only in fulfilment. The bill charges and discount charges shall be borne by the Customer. Payments shall not be regarded as discharged until we can dispose of the invoiced amount together with any possibly accruing default interest and without any losses.
- c) From the due date on, the respective invoiced amount will be subject to interest according to established banking practice, but at least 3 per cent above the respective Deutsche Bundesbank discount rate.
- d) If any significant deterioration in the financial circumstances of the Customer becomes known or if the Customer defaults with any payment, we are entitled to demand immediate payment of all outstanding invoices.
- e) Deliveries up to a goods value of € 50.00 net shall become due immediately, net cash.
- f) If there is any agreement on the granting of an annual bonus, this may not be claimed in the case of raw chemicals. An annual bonus can only be allowed for net payments that have been received in due time.
- g) Any setting off on the part of the Customer with alleged claims of his own or any enforcement of retaining rights are excluded unless there is a court decision on the counter-claims or counter-titles, or these are uncontested between the contracting parties.

## **4. Delivery**

- a) The order placed, as acknowledged by our confirmation of order in each individual case, determines the type and scope of supply to be performed by us. Amendments can only be taken into account if they are made known in good time. We for our part shall always

endeavour to deliver at the earliest or on the agreed date. The specified delivery dates shall only be regarded as approximate dates.

b) Interruptions caused by force majeure, public disturbance, delay, work stoppage, lock-out, machine breakdown, lack of materials on the part of our sub-contractors, etc., shall release us from our obligation to supply for the duration of such interruption.

## **5. Packing Materials**

Unless otherwise specified, prices are stated ex works including packaging.

Special packing materials will be invoiced at cost price. Any product packaging for our substances with residues or traces of content are not subject to the packaging directive nor to the obligation to take the same back. Packing materials on loan will be invoiced and a credit note issued once they have been returned, freight paid, in a clean, empty and complete condition. Product packing for our materials with residues or traces of contents cannot be taken back.

With the exception of containers on loan, the acceptance of returned packing materials requires separate agreement in each case.

Our containers are intended solely for storing our products described on the same.

Should any empty packing materials become the property of the Customer, the Customer undertakes to remove all labels on the same referring to the previous owner, who herewith also prohibits the use of such containers for any other than the originally intended purposes.

## **6. Shipment**

Delivery is performed by us ex works at the cost and risk of the Customer. Upon receipt of written instructions we will take out transport insurance for freight consignments to be charged to our Customer, if the Customer so wishes.

## **7. Warranty and Notices of Defect**

The statutory laws governing purchasing shall be applicable to all contracts entered into with us unless any special provisions are specified in our General Terms and Conditions of Business. We are not obligated to render any services under contracts for work.

Should we offer and, on request, provide product consultancy for the products supplied by us, this shall not affect the commercial character of the contracts entered into with us. Any consultancy on our part is always an extra service within the scope of product or work instruction given to the Customer in writing in such cases.

In the case of chemicals and other expendable items, we warrant the fault-free quality and composition of the same. Any complaints are to be lodged immediately in writing, at the latest however within eight days following receipt of the consignment.

Such complaints can only be acknowledged if the Customer either provides evidence of deficient quality or, on request, facilitates an inspection of the chemicals or other expendable items by us, if necessary at the place of use.

Provided the Customer can provide evidence of a quality deficiency of the supplied goods, or if the same is undisputed by us following our own perceptions, we are only obligated, at our discretion and excluding other claims on the part of the Customer, to supply replacement for the defective goods free of charge or to bring the deficient goods to the state of average condition and grade, for example by means of regeneration. We are to be allowed an appropriate extension period for this purpose.

All further claims, including any claim for lost profit, compensation for damage due to non-performance, damages for delay or damages due to malperformance and any other consequential damages are excluded or at most limited to 10 per cent of the net value of the supplied goods.

Any information and advice, whether spoken or written, and tests, even if these are conducted in the presence of an expert assigned by us, are provided to the best of our knowledge; they are, however, always without commitment and exclude all liability. Any

liability is limited at most to 10 per cent of the net value of the supplied goods. Our information and advice or tests do not release the Customer from conducting his own inspection and tests in relation to the suitability of the products supplied by us for the intended processes and purposes.

Any costs incurred by us as a result of unjustified complaints will be debited to the Customer. Warranty claims shall otherwise expire by limitation three months following written rejection of the complaint by us, at the latest however within six months following delivery of the supplied goods.

### **8. Guarantees, Weights and Safety**

All our products are supplied under observance of the customary rules in conformity with the standard values specified in our technical leaflets.

Any assurance or statement of quality characteristics made by representatives or employees of our company is only legally binding if confirmed in writing by us.

Our guarantees are limited only to goods manufactured by us.

The determination of weights for drawing up invoices is carried out solely at the supply plant.

Safety data sheets for the supplied goods are to be requested from our sales service department. Customer and users are obligated to pay attention to the contents of the same and to observe all legally prescribed instructions when dealing with the products. This is in particular applicable to products with properties that call for special precautionary measures (temperature, fire, explosion, environmental protection).

### **9. Cancellation**

We are entitled to withdraw from the contract:

- a) if the Customer does not fulfil his obligations arising from this or any other contract entered into with us, despite reminder,
- b) if any circumstances become known that give rise to serious doubt as to the financial standing of the Customer, or
- c) if the financial situation of the Customer objectively deteriorates subsequent to concluding the contract.

Exercising this right of cancellation does not provide the Customer with grounds for any claim against us.

### **10. Reservation of Title**

The goods supplied shall remain the property of the Supplier until all liabilities arising from the business relationship between the Supplier and the Customer have been paid up in full.

The regulation of individual debts in a current invoice and the balancing and acknowledgement of the same shall not affect this reservation of title. Payment shall not be deemed as effected until receipt of the valuable consideration on the part of the Supplier.

The Customer is entitled to resell the goods that are the subject of reservation of title in the normal course of business; he is however not permitted to pledge such goods or assign them as security. The Customer is obliged to safeguard the rights of the purchaser of such reserved goods upon resale of the same on credit.

The Customer's claims arising from the resale of the goods subject to reservation of title are herewith assigned to the Supplier, and the Supplier accepts this assignment. Notwithstanding the assignment and right to collect on the part of the Supplier, the Customer is entitled to collect as long as he fulfils his obligations towards the Supplier and does not verge on insolvency. At the Supplier's request, the Customer shall provide the Supplier with the necessary information relating to the assigned claims and shall inform the debtors of such assignment.

The Customer shall carry out any processing or treatment of the goods subject to reservation of title on behalf of the Supplier without any liabilities arising for the latter. In the case of processing, compounding, mixing or blending the goods subject to reservation of title with

other goods that do not belong to the Supplier, the Supplier is entitled to the resulting share of co-ownership in the new item in proportion of the invoiced value of the goods subject to reservation of title to the remaining processed goods at the time of such processing, compounding, mixing or blending. Should the Customer acquire the sole ownership in the new item, the contracting partners are in agreement that the Customer shall grant the Supplier co-ownership in the new item in proportion to the invoiced value of the processed or compounded, mixed or blended reserved goods and will hold the same in trust for the Supplier free of charge.

If the goods subject to reservation of title are resold together with other goods, no matter whether without or following processing, compounding, mixing or blending of the same, the above agreed advance assignment shall only apply to the amount of the invoiced value of the reserved goods sold together with the other goods.

The Customer shall notify the Supplier immediately of any foreclosure actions by third parties in relation to the goods subject to retention of title or to claims assigned in advance, and shall specify the documents necessary for an intervention.

The Supplier undertakes to release such securities to which he is entitled according to the above provisions at his discretion at the request of the Customer to the extent that their value exceeds the claims to be secured by 20 per cent or more.

#### **11. Place of Performance, Venue and Effectiveness of Contract**

- a) The place of performance for both parties is the registered office of our company.
- b) The sole venue for all legal disputes between us and our Customers, including those arising from unlawful acts and cheque and bill actions, shall be either the District Court Andernach or the Regional Court Koblenz, depending on the legally prescribed jurisdiction in rem.
- c) Should any individual provisions of these General Terms and Conditions of Business be ineffective, this shall not affect the validity of the contract as a whole. An effective provision that comes closest to the intent expressed in the ineffective provision shall take the place of the inoperative provision.
- d) The Customer may only effectively assign or transfer any claims and rights arising from contracts with us with our express written consent. Any assignments or transfers carried out without our written consent are invalid.
- e) All contracts entered into with us are governed by the laws of the Federal Republic of Germany.