

GENERAL CONDITIONS OF SALE AND DELIVERY (as of 20.8.2013)

1. Scope. These General Conditions of Sale and Delivery (GCSO) only apply to contracts between Dr. Spiess Chemische Fabrik GmbH based in Kleinkarlbach (hereinafter referred to as "Dr. Spiess" or "Vendor") and companies as defined in section 14 of the German Code of Civil Law [BGB] (hereinafter referred to as the "Customer" or "Purchaser") concerning the delivery of goods and the rendering of work and services by Dr. Spiess. The contractual relationship between the Customer and Dr. Spiess is exclusively based on these GCSO. Any deviating terms and conditions of the Customer are herewith expressly rejected. These GCSO shall also apply exclusively if Dr. Spiess, being aware of the Customer's opposing or differing terms and conditions, renders services for the Customer without reservation. These contractual conditions shall – subject to any changes to the General Conditions of Sale and Delivery that we may add – also be the basis of future contracts between Dr. Spiess and the Customer concerning the delivery of goods and the rendering of work and services, without our needing to expressly refer to them anew.

2. Contractual content. 2.1. All agreements that are made between Dr. Spiess and the Customer must, for the purpose of proof, be documented in writing.

2.2. The Customer may trust the legal validity of agreements entered into with employees who, according to the commercial register, are not authorised to represent the company, only if the agreement in question has been confirmed in writing by the management.

2.3. As far as Dr. Spiess uses ICC Incoterms, they have priority over any conflicting GCSO that may exist. Incoterms must be applied and interpreted according to the international rules and regulations published by the International Chamber of Commerce (ICC).

2.4. In the event that Dr. Spiess agrees payment by letter of credit or documentary collection has been agreed, section 2.3. of these General Conditions of Sale and Delivery shall apply accordingly; as far as use and interpretation are concerned, it is the ERA and ERI guidelines published by the ICC that are of importance.

3. Set-off, retention. The Customer shall only be entitled to set-off rights if his counter claims have been established as legally valid, are undisputed or have been acknowledged by Dr. Spiess. In the case of disputed counter claims that have not been established as legally valid, the Customer shall have no right of retention either.

4. Period of performance. 4.1. Compliance with the period of performance requires the timely and appropriate fulfilment of the Customer's obligations; it may, in particular, require that he make an agreed down-payment.

4.2. If unforeseen circumstances arise for which Dr. Spiess cannot be held responsible, performance periods will be extended by the number of days during which these circumstances hinder performance. Irrespective of other dissolution rights of the Customer, he has the right to withdraw from this contract if this hindrance to performance lasts longer than two months. In such a case Dr. Spiess shall also have the right to withdraw from the contract if Dr. Spiess is not responsible for the hindrance to performance.

4.3. Non-compliance with performance deadlines and periods – taking into account the granting of an extension according to section 4.2 of these GCSO – shall, irrespective of the Customer's right of withdrawal according to section 4.2 of these GCSO, only entitle the Customer to assert the rights due to him, in particular his right to withdraw from the contract, if he has, in writing, set Dr. Spiess an appropriate period of grace of at least 14 days.

4.4. Claims for damages by the Customer due to late delivery by Dr. Spiess shall be limited to one per cent of the price agreed for the delayed performance for each completed week of the delay; altogether however damages shall be limited to 25 per cent of the invoice value if Dr. Spiess is responsible for only minor negligence.

5. Place of performance and transfer or risk. Unless otherwise agreed, the services shall be rendered at the registered office of Dr. Spiess (section 269(2) of the German Code of Civil Law [BGB]). The risk of accidental destruction or accidental deterioration shall (at the latest) pass to the Customer upon the contractual items being handed over or dispatched to the Customer. If, at the request of the Customer, handover or dispatch is delayed, the risk shall pass to him as soon as he has been informed that the goods are ready for dispatch.

6. Complaints. The goods supplied by Dr. Spiess must be examined immediately after receipt by the Customer or by the recipient destined by the Customer to receive the goods. After the unreserved acceptance of the goods by the Customer or a person commissioned by him, any retrospective complaint referring to the external appearance of the goods shall be excluded. Complaints regarding other defects can, as far as they can be detected during a careful examination, only be made within 14 working days after receipt or otherwise only within five working days after discovery. Complaints concerning defects must be made in writing.

7. Customer claims due to defects. 7.1. Notwithstanding the Customer's claims for damages under the conditions set out in section 8, Dr. Spiess shall, if the purchased goods are defective and if a complaint regarding such defects has been made in due time, initially respond by supplying non-defective replacement goods or by repairing the goods ("supplementary performance"). In the case of supplementary performance, the Customer shall not be entitled to reduce the agreed purchase price or withdraw from the contract until these remedies have failed twice. If the defect in question is minor, the Customer shall simply have a right to have the contractually agreed price reduced.

7.2. If the Customer is entitled, on the one hand, to demand that Dr. Spiess deliver performance or supplementary performance and on the other hand withdraw from the contract, claim damages instead of performance and/or reimbursement of expenses, Dr. Spiess can ask the Customer to exercise his rights within an appropriate period of time.

8. Liability. 8.1. The liability of Dr. Spiess is generally limited to the damage/loss that Dr. Spiess or its vicarious agents have caused by acting with intent or gross negligence. Dr. Spiess shall only be responsible for acts of minor negligence if they lead to bodily injuries including death and other impairments to health and in cases where a breach of essential contractual obligations has been committed.

8.2. If Dr. Spiess is liable due to slightly negligent breaches of duty, its liability, as far as the amount is concerned, shall be limited to such damage/loss that is typical for contracts of the type in question, which was foreseeable upon contract completion or, at the latest, when the breach of duty occurred. The preceding rules shall not apply in cases of bodily injuries including death and other impairments to health.

8.3. Claims for damages that, pursuant to German law, do not require a party being at fault, remain unaffected by the provisions set out in paragraph 1 and 2.

9. Limitation. Unless otherwise agreed or otherwise set out in these GCSO, all claims made by the Customer for whatever legal reason shall, with the exception of claims for damages asserted by the Customer under the conditions set out in section 8 above, be subject to a period of limitation of 12 months from the time when the performance has been rendered or the goods have been formally accepted. The aforementioned provisions do not apply if Dr. Spiess is liable due to having acted with intent, gross negligence, in breach of guarantees or with fraudulent intent.

10. Retention of title. 10.1. All deliveries are subject to retention of title. The delivered goods shall remain the property of Dr. Spiess until the purchase price has been paid in full. In addition, Dr. Spiess shall retain title in the delivered goods until all claims that have arisen at the time of contract completion as part of the business relationship with the Customer ("present claims") as well as all further claims of Dr. Spiess against the Customer that arise prior to the full satisfaction of the present claims as part of the business relationship ("total claim") have been satisfied. The Customer is obliged to store the retained goods separately and to insure them appropriately against all customary risks, in particular against theft and fire. Presently the purchaser is assigning all claims against the insurance company to the Vendor.

10.2. The Customer shall be granted the revocable permission to process or resell the delivered goods during the regular course of business in accordance with the provisions set out below.

10.2.1. If the goods that are subject to retention of title are combined or mixed with other items that do not belong to Dr. Spiess, Dr. Spiess shall become co-owner according to the statutory rules and regulations. If the goods are combined or mixed in a way that the item that is not owned by Dr. Spiess must be seen as the principal component, it is agreed that the Customer transfers co-ownership to Dr. Spiess on a pro-rata basis. As to the new movable item that is created in the process, the rules that apply are the same as those that apply to the goods that are subject to retention of title.

10.2.2. If the goods that are subject to retention of title are resold, the Customer, by accepting these conditions now, assigns the claims arising from the resale at the level of the final invoiced amount including value added tax, irrespective of whether the delivered goods have been sold unprocessed or after processing. Herewith Dr. Spiess accepts the assignments. If the resold goods that are subject to retention of title are co-owned by Dr. Spiess, the assignment of the claim is limited to the amount that equals the value of the proportion owned by Dr. Spiess.

If the Customer, due in particular to prior assignments to third parties, is unable to perform an assignment according to the aforementioned provisions, the resale shall not take place during the regular course of business as defined by this regulation.

The Customer shall, until revoked by the Vendor, be entitled to collect the assigned claims. The right of Dr. Spiess to collect the claims itself shall remain unaffected hereby. Dr. Spiess however undertakes not to notify the third-party debtor of the assigned claims and not to collect the claims as long as the Customer meets his payment obligations by using the revenue collected, does not default on payments and, in particular, as long as no application to instigate insolvency proceedings has been made or payments have been suspended. Prior to that, Dr. Spiess can at any time request that the Customer make public all assigned claims and the corresponding debtors, provide all details required to collect the monies and hand over the corresponding documents.

10.2.3. The Customer must inform Dr. Spiess forthwith of any execution measures or other interventions of third parties affecting the goods that are subject to retention of title or the assigned claims and hand over to Dr. Spiess all documents required for the proceedings. If the third party is unable to reimburse Dr. Spiess for the judicial and extrajudicial costs, the Customer shall be liable for the loss caused to Dr. Spiess.

10.2.4. As soon as payments are suspended and court insolvency proceedings or extrajudicial settlement proceedings have been applied for and instigated, the right to resell and use the goods that are subject to retention of title as well as the authorisation to collect the assigned claims shall expire.

10.2.5. Dr. Spiess is obliged to release, at its discretion, any securities due to Dr. Spiess as long as their estimated value exceeds 150 per cent of the sum of the outstanding claims. The estimated value of claims is considered to be their nominal value, that of goods is the purchase price paid by the Customer or, if the goods that are subject to retention of title have been processed by the Customer, it is the production costs of the item that serves

as security, which, if the vendor is co-owner, may only be a pro-rata amount of those costs.

10.3. *Dr. Spiess* shall, in the case of contracts where the supplied goods are subject to retention of title, have the right to withdraw from the contract on the basis of which the goods that are subject to retention of title have been supplied, if the Purchaser fails to pay the contractually agreed purchase price for the goods that are subject to retention of title and if the Purchaser has been given an appropriate period of grace to make the payment and fails to do so, or if the Customer violates one of his obligations regarding the goods that are subject to retention of title. The same applies if the Purchaser fails to satisfy another total claim (section 10.1.) in line with the contract and if he, after being offered an appropriate period of grace in which to satisfy the claim, fails to do so and if this claim amounts to more than €500.00.

11. Applicable law. The laws of the Federal Republic of Germany apply to all legal transactions between *Dr. Spiess* and the Customer under or in connection with this contract excluding the use of the 'United Nations Convention on Contracts for International Sale of Goods'.

12. Place of jurisdiction. The place of jurisdiction for all disputes between *Dr. Spiess* and the Customer that arise from or in connection with this contract shall be the registered office of *Dr. Spiess* or – if proceedings are instigated by *Dr. Spiess* – according to the choice of *Dr. Spiess* the general or a particular place of jurisdiction of the Customer if the Customer is a merchant [Kaufmann].