

Purchasing Conditions

1. Scope

Our purchasing conditions apply exclusively. Any conditions by the Vendor being diverging or to the contrary are rejected. Our purchasing conditions apply only to enterprises and corporate bodies under public law. Our purchasing conditions apply also to all future trading with the Vendor.

2. Ordering

Orders are as a rule issued in written form. Orders issued orally or by telephone are confirmed by us in writing.

3. Confirmation

The Vendor shall confirm our order in writing, stating our ordering data. Amendments to orders shall be laid down in writing for purposes of proof.

4. Documents

All documents which we hand to the Vendor for the purpose of executing the order remain our property. The Vendor may not without our express permission let any third party peruse them.

5. Delivery default

In the event of delivery default we are entitled to withdraw from the contract in accordance with the statutory provisions. Should it not be possible to execute an order by the agreed time the Vendor is under an obligation to inform us immediately, in order that we can issue reasonable extension. Should delivery not be effected punctually as regards firm transaction, we are entitled either to waive delivery entirely and demand damages for non - delivery, or to insist on subsequent delivery. In the latter event the damage proved to have been caused to us due to non - timely or incomplete delivery, including all expenses shall be defrayed immediately by the Vendor. We shall be able to carry out possible cover - purchases without any special formalities.

6. Transfer of risk

The transfer of risk is regulated by INCOTERMS which are valid at the time of purchase.

7. Dispatch and marking instructions

The Vendor shall observe our dispatch and marking instructions. In the event of non - observance, all expenses resulting therefrom shall be debited to the Vendor. In so far as no goods are involved in which we trade under their brand names and which are recognizable as such, the goods, their appearance and packaging must be strictly neutral, without name of firm or sign. Nor may anything be packed in the consignment which indicates the origin of the goods. Any pattern, catalogues and printed matter that might be desired shall always be dispatched separately from the goods.

8. Patent rights

The Vendor gives us a guarantee when accepting the order that the goods to be delivered and their use do not infringe the rights of any kind of third parties. Furthermore, the Vendor gives us a guarantee that he shall make every reasonable effort to prevent all complaints arising from this and will be responsible for all court costs and lawyers' fees. With regard to all damage caused to us or to our client resulting from the fact that the brands, marks, labels, patterns, designs etc. thus used violate possible existing rights of third parties, the Vendor shall be responsible for these in so far as the brands etc. are not expressly prescribed by us.

9. Dangerous goods

The packing and marking of dangerous, i.e. inflammable or explosive goods shall be carried out in accordance with the valid national and international decrees, guidelines and conventions, particularly the Decree on Hazardous Sea Freight Goods, the International Decree for Transporting Dangerous Goods by Rail (RID) and the European Agreement on the International Transportation of Dangerous Goods by Road (ADR). The goods have to be expressly described in the order confirmation and in the invoice as dangerous, inflammable or explosive.

10. Reference samples

Where the order lays down delivery of reference samples, these shall be supplied at the latest together with invoice, we are not under an obligation to examine them.

11. Performance guarantee

In overseas transaction with regard to quality, range and other delivery differences, the findings of the overseas experts shall be authoritative for both sides; such experts have to be nominated in accordance with customs prevailing at point of destination. Sections 438 and 634a of the German Civil Code respectively defines the period of prescription. The prescription period begins to run once the goods are delivered respectively accepted. The requirement for delivery respectively acceptances are only met where we are in a position to examine the goods. As a rule this will not be the case before the goods have been arrived at the foreign point of destination. As regards delivery of seaworthy packed goods in export business, the place of delivery and examination within the meaning of section 377 of the German Commercial Code is held to be the final foreign point of destination. If the goods cannot be examined immediately after passing of risk they do not need to be examined prior to expiry of 2 weeks after arrival at the domicile of the European customer. In case of destinations outside Europe not before ninety days after arrival and effected customs clearance in the overseas port of destination. Notification of deficiency, even though only generally worded, is regarded as adequate and in good time if it is sent to us within these deadlines and forwarded on by us to the Vendor within 8 days after receipt. Delivery is not approved solely on account of payment.

12. Packing

Unless otherwise agreed, no refund is made in respect of packing.

13. Price

The agreed price applies only in the currency as given.

14. Invoices

The invoices – also in respect of part consignments – have to be made out at the latest by 3 months after delivery and have to accord precisely with the instructions of the order. In the event of non-compliance or incorrect execution of these instructions the Vendor will be liable for the damage resulting therefrom, including possible customs penalties.

15. Transfer of ownership

The goods shall be regarded as transferred to us as owners at the latest when they are paid for, and must be separated from the remaining stocks and properly stored as belonging to us. The Vendor has to ensure the goods until leaving the factory against fire and theft, even when the goods have already become our property.

16. Liability

We are liable pursuant to the statutory provisions as far as the Vendor claims damages (i) caused intentionally or by gross negligence, including intent or gross negligence by our representatives or vicarious agents, or (ii) arising out of death, injury to body or health. As far as we are not liable for an intentional breach of duty or for damages arising out of death, injury to body or health, our liability is limited to the foreseeable, typical damage. We are liable pursuant to the statutory provisions also for ordinary negligence as far as we violate an essential contractual obligation; in this event our liability is limited to the foreseeable and typical damage. Beyond this any liability for damage is excluded. The exemption from liabilities is also effective for the personal liability of our legal representatives, employees and other vicarious agents.

17. Place of settlement and jurisdiction

The place of settlement and jurisdiction for merchants and corporate bodies of public law is Hamburg. German law shall apply exclusively.

Sales Conditions

1. Score

Deliveries will be made subject to these general conditions of sale which will remain in force for all future supplies even without further notification and override any other terms of conditions stipulated or referred to by the Buyer. These general conditions of sale only apply to enterprises, corporate bodies under public law and state - operated funds.

2. Formation of contract

Our quotations are not offers. The contract is to be made at the time of our written confirmation by letter, facsimile ore - mail or through the execution of the order by dispatch of goods.

3. Price alteration

If our prices are altered between the date of contract and dispatch, the price ruling on the date of dispatch will apply. In the event of a price increase the Buyer is entitled to withdraw from the contract by giving notice in a facsimile ore - mail immediately after having received notification of the price increase.

4. Delivery dates

Delivery dates quoted are not to be binding.

5. Variations in content

Information supplied with regard to the percentage content and mixing proportions of our products are only to be regarded as approximate average values. We shall not be liable for any variations in such content which are within the tolerances applicable to the particular goods and are unavoidable despite every care in manufacture and in determination of values.

6. Use of products

All particulars and information with respect to the suitability and application of our products are given without obligation and do not relieve the Buyer from undertaking his own investigations and tests. The Buyer is responsible for the observance of legal and official regulations covering the use of our product.

7. Performance

7.1. Complaints arising out of the material defects, deliveries and quantities which are incorrect, so far as these can be discovered by a reasonable examination, must be made in writing immediately and not later than fourteen days after receipt of the goods. If they cannot be discovered by a reasonable examination, complaints must be made immediately after detection.

7.2. In the case of justified complaints, shortages will be rectified by further delivery and other complaints will be dealt with by supplementary performance. If we should refuse the supplementary performance according to Section 439 para. I German Civil code or if the supplementary performance should be unsuccessful the Buyer shall have the right to cancel the purchase contract or reduce the purchase price. The Buyer shall not be entitled to return the goods to us without our consent. Any claims in respect of defects or shortages are time - barred in 1 year.

8. Liability

We are liable pursuant to the statutory provisions as far as the Buyer claims damages (i) caused intentionally or by gross negligence, including intent or gross negligence by our representatives or vicarious agents, or (ii) arising out of death, injury to body or health. As far as we are not liable for an intentional breach of duty or for losses arising out of death, injury or health, our liability is limited to the foreseeable, typical damage. We are liable pursuant to the statutory provisions also for ordinary negligence as far as we violate an essential contractual obligation; in this event our liability is limited to the foreseeable, typical damage. Beyond this any liability for damages is excluded. The exemption from liabilities is also effective for the personal liability of our legal representatives, employees and other vicarious agents. Liability pursuant to the product liability law remains unaffected by this exemption.

9. Transport

9.1. Unless otherwise agreed, we have the right to choose the route and the means of transport. If we have to bear the transport charges, then any increase occurring therein after the contract has come into force shall be charged to the Buyer.

9.2. Unless otherwise agreed or implied by trade custom all deliveries travel at the risk of the Buyer even if transport charges are being borne by us. Claims arising out of damage in transit must be lodged by the Buyer directly to the deliverer within the specified period. General Commercial Terms such as FOB, CIF, CFR etc. shall be interpreted in accordance with the latest version of the Incoterms.

10. Force Majeure

War, breakdowns, strikes, lockouts, shortages of energy and raw materials, transport problems, orders from High Authorities including those which render the execution of the particular business within a reasonable time uneconomical, as well as other cases of "Force Majeure" both in relation to ourselves and our suppliers, relieve us from the obligation to supply for so long as anyone or other of them or its or their consequences last but without any obligation on us to make up for short deliveries later. All the aforementioned occurrences entitle us to withdraw from the contract wholly or in part without the Buyer having any right to compensation, if it is not foreseeable how long the occurrences will last.

11. Payment

11.1. Our terms of payment are those ruling on the date of delivery. Any bank charges arising from payment of the purchase price in the Buyer's country or from the opening and confirmation of Letters of Credit shall be borne by the Buyer. Any letters of credit must comply with the Uniform Customers and Practice of Documentary Credits issued by the International Chamber of Commerce, Paris, or any subsequent amendment thereof.

11.2. Except with our consent no set off and no right of retention of goods against outstanding debts will be permitted except in respect of claims which are either undisputed or concluded by a judgment against which no appeal can be made.

11.3. Where there is any doubt as to the Buyer's ability to pay in accordance with the contract and particularly where the Buyer is in arrears, we are entitled to demand payment in advance or security for all monies due before making any further deliveries. If the Buyer should fall behind in fulfilling his obligations, we are entitled to suspend further deliveries, to stop goods in transit and take back possession of them, to withdraw any credit granted for deliveries already made and without prejudice to any other claims which we may have to charge interest on the amount outstanding.

12. Security interest/retention of title

12.1. We retain ownership of the goods until such time as the Buyer has completely fulfilled all his obligations to us, such ownership being retained notwithstanding delivery of the goods to the Buyer or to any person for the purpose of delivering to the Buyer.

12.2. The Buyer is, however, authorized to dispose of such goods owned by us in the ordinary course of his business, such authorization being automatically cancelled if the Buyer falls into arrears with payment, becomes insolvent, or if proceedings are issued in any court for bankruptcy or the winding up of the Buyer.

12.3. Following such cancellation we have the right to withdraw from the contract and to demand from the Buyer the return of all goods in his possession owned by us. All expenses incurred by us during the hand - over of such goods shall be borne by the Buyer.

12.4. Upon request the Buyer shall give us all information necessary to enable us to locate the goods in his possession owned by us.

12.5. Where the Buyer sells goods owned by us in the ordinary course of his business he hereby assigns all claims arising from such transactions to us in advance as far as they do not exceed our claims against the Buyer. This applies regardless whether the goods are sold before or after specification. After assignment the Buyer remains entitled to collect this claim. Our right to collect the claim by ourselves remains unaffected. However, we commit ourselves not to collect the claim while the Buyer fulfils his obligations to pay and proceedings are not commenced in any court for bankruptcy or the winding up of the Buyer. In this case upon request the Buyer shall disclose the assigned claims and their debtors, furnish all data necessary for the collection of the claim, hand - over all materials relating to the claim and inform the debtors on the assignment.

12.6. Specification is rendered by the Buyer on our behalf. Where the good is brought into new forms together with goods owned by us we acquire co - ownership of the new thing in proportion of the sold thing's value to the other processed things' value at the time of specification. Furthermore, to the new thing the same applies as to any sold thing we retained ownership of.

12.7. Where the sold thing is mixed inseparably with things not owned by us we acquire co - ownership of the new thing in proportion of the value of the sold thing to the value of the other mixed things at the time of mixture. Where the Buyer's thing is regarded as the main

thing it is deemed to be agreed that the Buyer transfers proportionally co - ownership. The Buyer keeps the ownership or co - ownership on our behalf.

12.8. The Buyer also assigns his claims against a third party which have been arising from the union of a sold thing with real estate, in order to provide security for our claims against the Buyer.

12.9. We commit ourselves to release our securities upon the Buyer's Request insofar as the realizable value of our securities exceeds our claims for more than 10 %; our right to choose the securities to be released is reserved.

12.10. If the Buyer fails to fulfill any of his obligations in due time we are entitled to rescind the contract forthwith.

12.11. If under the law of the country in which the goods are located reservation of title is not permitted, we shall be entitled to demand from the Buyer equivalent security. The Buyer must co - operate fully with us in all measures necessary and legally permissible for the protection of our rights, and must inform us immediately if any third party should make a claim which might prejudice such rights.

13. Replacement provisions

Where individual terms in these conditions are rendered impracticable or invalid the remainder of these conditions shall not be rendered void. In such circumstances the invalid or impracticable conditions shall be replaced by valid provisions ensuring that the intentions of the parties as to the purpose of the contract shall be fulfilled in as effective manner as possible.

14. General

The place of payment shall be our domicile. Any dispute arising out of this contract shall be heard either by a court of law at our domicile, however, we are also entitled to file an action at the appropriate court of law in the Buyer's country. The applicable law of the contract will be exclusively the law of the Federal Republic of Germany.