

I. General

1. All legal relations with Münch International GmbH, Weinheim – hereinafter referred to as Münch - are based on these General Contract Conditions.
2. General business conditions opposing, contradicting, restricting or invalidating the General Contract Conditions of Münch are not part of the contract unless their validity is expressly agreed to in writing by Münch. Upon materialisation of the contract with Münch the customer expressly recognises the exclusive validity of these General Contract Conditions.
3. If in doubt the General Contract Conditions of Münch shall be considered agreed once the delivery or service subject of the agreement is received by Münch.
4. Verbal promises, additional arrangements or similar require the express confirmation by Münch to become effective.

II. Materialisation of the contract

1. Details in price lists, advertising documents, technical descriptions or similar documents as well as offers are not binding on Münch.
2. The contract between Münch and the customer materialises subject to the inclusion of the General Contract Conditions of Münch through
 - a) acceptance of the offer of Münch without reservations by the customer,
 - b) in the case of an order of the customer (customer offer) through declaration of acceptance through Münch, which can issued within two weeks after receipt of the customer offer in writing or conclusively through delivery of the goods to the customer or
 - c) through the rendering of the delivery or service offered or ordered through Münch and its acceptance without reservation by the customer.
3. Orders with a merchandise net value of less than 100 EUR will generally not be dispatched. Münch is entitled to charge a low quality surcharge of 50 EUR exclusive of the current legal value added tax for orders with a merchandise net value between 100 EUR and 249.99 EUR.

III. Delivery - service - transfer of risk

1. Part deliveries and part services are permissible.
2. Deliveries and services take place at the place of performance unless otherwise agreed in writing.
3. The risk of accidental loss, the deterioration or damage of the delivery or service passes to the customer upon handover of the delivery or the service to the transport company.
4. The choice of the transport company and the type and manner of packaging and dispatch shall be left to Münch; Münch chooses at its discretion. Münch shall be liable for the selection of the transport company and for the type and manner of packaging and dispatch only for deliberate action and gross negligence.
5. Changes to the technical specification are reserved. Münch is also entitled to supply makes other than those ordered if the technical specification is identical or differs only to an insignificant degree from the order, provided the price is the same or – with technical goods of higher value specifications – only slightly higher.

IV. Term of delivery

1. Münch always endeavours to supply or render the service subject of the contract as quickly as possible.
2. Delivery terms are only binding when expressly agreed as such in writing.

The term of delivery is considered maintained if Münch hands over the delivery or service to the customer or the transport company (III.4.) within the period.

3. If Münch is only able to perform a part service or part delivery, an agreed term of delivery is considered maintained if the part service or part delivery is handed over to the transport company or the customer within

such term (III.4.) and the remaining delivery or remaining service will follow without delay.

4. The liability of Münch is limited to deliberate action and gross negligence and in terms of the amount to a maximum of the amount which the customer would have to pay Münch for any delayed deliveries or service.

V. Packaging - freight costs - insurances

1. The delivery or service is packaged to suit the requirements at the discretion of Münch.

2. Münch is not obligated to take out insurance for dispatching the delivery or service.
If it is agreed that the delivery or service should be insured, such shall be paid for by the customer.

3. Reacceptance of the supplied packaging by Münch is excluded; the customer herewith expressly exempts Münch of possible legal regulations opposing this.

4. Insofar as the packaging or the delivery or service itself has to be disposed of according to legal regulations, the customer accepts this obligation in the relationship to Münch and expressly exempts Münch from all obligations in this regard.

VI. Prices - payment

1. Münch will charge the prices as quoted in the pricelists, valid at the time the contract for the delivery or service is concluded plus a low quantity surcharge where applicable (II. No.3.)

2. The prices contained in pricelists are understood plus the legal value added tax applicable at the time and the freight costs if applicable.

3. Should considerable increases of the procurement costs of Münch (also through changes in the exchange rate) occur or the prices recommended by the manufacturer are significantly increased with orders having a projected delivery term from 4 months or in the case of successive delivery agreements after order confirmation and prior to delivery, Münch shall be entitled to make appropriate price adjustments. Considerable increases are considered increases from 5% based on the net price. Fixed prices must be expressly agreed as such in writing; in these cases such shall not apply to re-orders and to any subsequent change of delivery quantities and terms on the part of the ordering party.

4. Invoices are payable within 8 days with 2% discount or after 30 days net. The timeliness of a payment shall be determined by the date such is credited to one of the accounts of Münch.

5. After expiration of 30 calendar days from the receipt of the invoice the customer is in arrears and owes interest on arrears on the claims of Münch to the amount of 5 percentage points above the respective basic interest rate. In the case of customers who are not users in terms of § 288 II BGB (German Civil Code) interest on arrears of 8 percentage points above the respective basic interest rate is owed; such interest shall be payable by the customer from the 31st day following receipt of the invoice up to the time payment has been credited to Münch plus possible costs for reminders and legal pursuit.

6. Bills and cheques for payment will only be accepted if expressly agreed in writing. All costs incurred through the acceptance by exception of bills or cheques (tax on bills, discount charges etc.) shall be borne by the customer.

7. Münch is entitled to verify the liquidity of customers by the means generally employed; should doubts in the liquidity of the customer arise in the process or should a significant deterioration of the pecuniary circumstances of the business partner occur, Münch shall be entitled to revoke the granted payment objectives and perform further deliveries only against advance cash payment or cash on delivery payment. Granted payment objectives become void and all claims by Münch become due immediately if the business partner fails to honour cheques or debit orders based on debit authorisation granted Münch due to a lack of funds or returns such through objection, applies for insolvency or settlement or the opening of such proceedings are applied for; in such cases Münch shall be entitled to seize already delivered goods for security reasons.

VII. Offsetting - right of retention

Offsetting and exercising the right of retention against claims by Münch are only permissible with such counterclaims as have been legally established or recognised by Münch.

VIII. Warranty - liability

1. Details in brochures, offers, advertising documents, technical descriptions or similar documentation originate from the manufacturer of the goods; such shall only be understood as approximately correct; as for the rest the right to technical changes and improvements is reserved.

2. Obvious deviations of the delivery or service from the order – regardless of type – as well as substantial defects that exist when the delivery or service is handed over to the customer – if the deviation or the substantial defect can be detected upon receipt of the delivery or the service through usual commercial inspection (obvious deviations and defects) – shall be brought to the attention of Münch in writing within 8 days from acceptance of the goods. Complaints that cannot be detected immediately despite inspection as obligated shall be brought to the attention of Münch immediately such are detected – however not later than within 3 days from such detection.

Failure to timely report such shall mean acceptance of the delivery or service in accordance with the contract, consequently excluding any claims against Münch. The full burden of proof for all claim prerequisites is incumbent on the customer, especially for the defect itself, for the time the defect was detected and for the timeliness of the defect complaint.

3. Upon justified complaint of goods deliveries by the customer within the period according to Figure VIII.2. Münch shall provide warranty according to its choice through reworking or replacement delivery; replacement delivery shall also mean the delivery of comparable goods essentially corresponding to the intended purpose of the goods subject of the complaint.

Goods subject of a complaint shall be sent to Münch all charges paid; if the inspection through Münch should reveal that the goods are not defective, a flat inspection amount of Euro 25.- plus packaging and dispatch costs and plus the legal value added tax shall be charged for each rejected and checked item. Return shipment as part of the warranty of replaced goods and goods identified as free from defect after inspection shall be for the expense and risk of the customer. Figures III and V apply.

Should subsequent execution fail the customer shall always be entitled to demand a reduction of the remuneration or cancellation (withdrawal) from the contract according to his choice. With only a minor contractual transgression, especially with only minor defects, the customer shall not be entitled to withdraw from the contract however.

Should the customer choose to withdraw from the contract because of a legal or substantial defect following failed subsequent execution, he shall not be entitled to any additional compensation because of the defect.

4. With slightly negligent violations of obligations the liability of Münch shall be limited to the immediate average damage typical for the contract and foreseeable according to the type of the purchase object. This applies also to slightly negligent violation of obligation of the legal representative of Münch or its vicarious agents. Münch shall not be liable to entrepreneurs for slightly negligent violation of minor contract obligations. The aforementioned liability restrictions do not concern the claims of the customer from product liability. Liability limitations neither apply to damages to body and health attributable to Münch or the loss of life of the customer attributable to Münch.

5. Entitlements of the customer to defect remedy and the titles to withdrawal, reduction or compensation which exist because of a defect shall be subject to the statute of limitation 1 year after the start of the warranty period provided Münch has not maliciously kept quiet about the defect and the customer is an entrepreneur.

IX. Ownership reservation

1. Delivered goods are the property of Münch pending complete offsetting of all claims from the running business relationship of Münch – plus interest and costs for legal pursuit – against the customer.

2. The customer is obligated to store separately from other goods stocks the deliveries or services subject to ownership reservation of Münch so that these can be identified at any time as having been supplied by Münch.

3. The customer is obligated to take out adequate insurance against fire, theft, vandalism and similar hazards at his own expense for the objects of Münch subject to ownership reservation. Claims against insurances from such cases of damage are herewith ceded to Münch; Münch herewith accepts such cession.

4. Should deliveries or services of Münch subject to ownership reservation be attached by third parties, the customer make an affirmation in lieu of an oath or if insolvency proceedings are initiated, the customer is obligated to immediately inform Münch and do everything to enable Münch to realise its rights and claims especially those of ownership reservation. The customer undertakes to immediately report possible damages or

the destruction of the goods, a change of ownership as well as a change of residence (change of the seat of the business).

X. Damages

Should the customer be in arrears with executing the contract concluded with Münch or should he refuse its execution, Münch shall be entitled after fruitless setting of a period of 21 days requesting execution of the contract, Münch shall be entitled to claim a flat rate for damages of 30% of the net contractual price from the customer. The customer has the right to prove lower damage due to failure of execution.

XI. Product liability

In the relationship with third parties, especially the end user, the customer is the manufacturer with exclusive product liability. Insofar as legal regulations may consider a liability of Münch for deliveries or services rendered, the customer shall herewith completely exempt Münch from any obligations in this regard.

XII. Venue – place of performance

If the parties are full merchants, place of performance and venue shall be 69469 Weinheim / Bergstraße. The venue Weinheim / Bergstraße applies also to and against business partners of Münch who do not have a general venue in the Federal Republic of Germany.

XIII. Applicable law

1. All legal relationships between the customers and Münch are exclusively subject to German law irrespective of the seat of the company and/or citizenship.
2. The contract and negotiation language is German.
3. The General Contract Conditions of Münch apply primarily followed supplementally by the legal provisions of the Code of Commerce and the Civil Code.

XIV. Data protection

Proper processing of the business transaction with the customers requires the electronic storage of personal or company-related data. In this regard Münch shall proceed in accordance with the applicable legal regulations.

XV. Partial ineffectiveness

1. Should agreements with customers especially parts of the General Contract Conditions of Münch be or become ineffective, such shall not affect the effectiveness of the contract in its entirety.
2. Instead of a possibly ineffective provision, such effective provision as comes as close as possible to the economic intent and purpose of such ineffective clause shall be considered agreed.

Münch Chemie International GmbH