General Terms and Conditions of ChemPur Feinchemikalien und Forschungsbedarf GmbH, Karlsruhe, Germany

§1 Purpose

<u>1.</u>

The following General Terms and Conditions shall apply to all deliveries and offers provided by ChemPur to contractual partners ("Customers") with the exception of consumers (i.e. natural persons acting for a purpose that is outside of their trade, business or profession).

<u>2.</u>

General Terms and Conditions governing purchase contracts of Customer shall not become part of the agreement, even when ChemPur does not object to Customer's reference to the applicability of such Terms and Conditions and performs the agreement.

<u>3.</u>

Deviations from ChemPur's General Terms and Conditions must be in writing to be effective.

§ 2 Contract; Scope of Performance

<u>1.</u>

Offers submitted by ChemPur shall be non-binding. The parties enter into a binding supply contract upon ChemPur's written confirmation of Customer's order or when ChemPur fills Customer's order.

<u>2.</u>

The scope and content of a delivery shall be subject to the specification in the written order confirmation provided by ChemPur in connection with the analytical data confirmed by ChemPur, if applicable. In case of mail orders, the specification in the latest ChemPur catalog shall apply. The specification determines ChemPur's obligation to supply a certain quality, but does not constitute an extra guarantee of quality and durability in terms of German law. Such extra guarantees require an explicit confirmation in writing.

<u>3.</u>

The delivered goods may vary within the agreed tolerances, unless the parties agree otherwise in writing (e.g., delivery of a certain batch).

Customer shall examine whether the goods ordered are fit and permitted for the intended use. ChemPur assumes delivery obligations only, but does not assume any consulting obligations.

§ 3 Delivery; Transfer of Risk of Loss

<u>1.</u>

Any delivery periods provided by ChemPur are approximate periods, unless ChemPur has confirmed a delivery date as binding in writing. If the goods are not supplied within the agreed delivery periods, Customer may only assert its legal rights after it has granted ChemPur a reasonable grace period in writing and if this grace period has expired without performance. If Customer wants to terminate the contract (e. g. by rescission or by demanding compensation in lieu of performance) because of expiration of the grace period without performance, he may only do so after having given notice of that intention in writing when granting the grace period.

<u>2.</u>

In case of force majeure, failure of technical facilities, or non-delivery by subsuppliers beyond ChemPur's control ChemPur shall be released from further performance during the impairment and to the extent of its effects. Delivery periods do not run during the period in which ChemPur and Customer discuss the technical prerequisites or the content of an order.

<u>3.</u>

In case ChemPur accepts an order for the manufacture and supply of new products not available from ChemPur's or a third party's stock and if there is no reliable state-of-the-art information regarding their manufacture, ChemPur shall be released from its contractual obligation provided that ChemPur proves that Chem-Pur is unable to manufacture this product in accordance with the contract in spite of reasonable efforts.

<u>4.</u>

ChemPur shall have the right to make partial deliveries and to perform services in several portions.

<u>5.</u>

The risk of loss and deterioration of the goods shipped shall pass to Customer at the time ChemPur turns over the goods to the shipping company. At Customer's request ChemPur shall insure the shipment against transportation risks at Customer's expenses.

<u>6.</u>

If Customer is in default accepting the goods ordered, ChemPur may - after granting a 14 day grace period – notwithstanding ChemPur's further rights in case of default of acceptance rescind the agreement or claim damages. ChemPur may claim lump-sum damages in the amount of 30 % of the contract value. ChemPur may prove higher damages, Customer may prove lower damages.

§4 Pricing

<u>1.</u>

All prices offered by ChemPur and agreed between the parties are quoted exclusive of the statutory value added tax applicable at the time of invoicing. In case of mail orders the catalog prices applicable at the time the order is placed shall apply.

<u>2.</u>

ChemPur is entitled to invoice shipping costs and -expenses.

§ 5 Payment, Right to Offset, Assignment

<u>1.</u>

Unless otherwise agreed in writing, ChemPur's invoices shall be payable within 10 days from the invoice date without any rebate and deduction of any expenses. 2.

ChemPur may charge interest on overdue payments in the amount of 8 % p.a. above the basic interest rate according to § 247 German Civil Code (BGB). ChemPur reserves the right to claim further damages.

<u>3.</u>

Customer may only offset claims acknowledged by ChemPur or finally adjudicated by a court.

<u>4.</u>

Customer may not transfer or assign its contractual rights against ChemPur or any individual claims against ChemPur to third parties without ChemPur's prior written consent.

§ 6 Customer's Duty to Inspect; Defects as to quality and defects of title

<u>1.</u>

Customer shall inspect the delivered goods immediately after their receipt for missing quantities and for their compliance with the agreed quality. If applicable, Customer shall immediately notify ChemPur of defects in writing.

<u>2.</u>

ChemPur warrants – within the statutory provisions of the German Civil Code (BGB) for contracts of sale - that the goods supplied are free of defects as to quality and defects of title. ChemPur shall, at its option, perform its obligations for supplementary performance by making improvements or by providing a replacement. If the attempt to make improvements or to provide a replacement fails after a reasonable grace period granted by Customer in writing, Customer shall have the right to rescind the agreement, to reduce the purchase price, or to request a new delivery free of defects. Customer may claim damages in case of defects as to quality and in case of defects in title according to statutory provisions, but only within the limits set by § 7.

<u>3.</u>

Customer shall provide a detailed description of any defects - at the request of ChemPur inspection and/or analytical reports - and shall assist ChemPur in the examination of the defect to the extent reasonable. Customer's warranty claims shall expire if Customer violates its duty to immediately inspect the goods and to immediately notify ChemPur of defects pursuant to par. 1 or if Customer violates its duty to assist ChemPur in the examination and removal of defects and if these tasks thereby become substantially more difficult.

<u>4.</u>

The limitation period for defects as to quality and defects of title is one year and shall begin to run on delivery except in cases of § 438 Abs. 1 Nr. 1 or 2 or Abs. 3 German Civil Code (BGB) or in cases of damages caused intentionally; in this cases the statutory-period of limitation is applicable.

§7 Limitation of liability

<u>1.</u>

ChemPur shall be liable for damages or reimbursement for wasted expenditure irrespective of contractual or other cause only in case of intentional wrongdoing and gross negligence. If a cardinal obligation is violated ChemPur shall also be liable for the full amount irrespective of the degree of its fault, but limited to such foreseeable damages that were to be avoided by the cardinal obligation and if ChemPur reasonably had to expect the occurrence of such damages at the time the agreement was entered; a cardinal obligation under these terms is a material contractual obligation that is essential to execute the contract and to attain the contractual purpose ("Kardinalpflicht" according to the judicature of the German Supreme Court – BGH). Liability for default and for initial impossibility shall be limited to the amount of the contract except in cases of intentional wrong doing.

<u>2.</u>

In case of ordinary negligence, ChemPur shall not be liable except in the above cases.

<u>3.</u>

Liability for personal injury or liability according to the German Product Liability Act (Produkthaftungsgesetz) and liability in case of guarantee of quality and durability shall remain unaffected.

§8 Reservation of Title

<u>1.</u>

ChemPur reserves title to all goods supplied by ChemPur until all claims against Customer arising out of the business relationship with Customer have been paid. Goods to which ChemPur has reserved title may not be disposed or pledged without the prior written consent of ChemPur.

<u>2.</u>

Reseller customers of ChemPur may sell the goods to which ChemPur has reserved title in the ordinary course of business. Customer herewith assigns all rights against third parties arising out of the sale of the goods or out of any other legal cause to the full extent as security to ChemPur.

<u>3.</u>

ChemPur shall release fully paid deliveries if the security interest based on the reservation of title exceeds the claims to be secured by more than 10 %.

<u>4.</u>

If after the execution of the agreement the financial situation of Customer substantially deteriorates and gives rise to doubts regarding Customer's credit standing ChemPur may withhold deliveries and grant Customer a reasonable period for making prepayments or for providing a security. If the grace period expires unsuccessfully, ChemPur may terminate the agreement.

§ 9 Final Provisions

<u>1.</u>

Place of performance shall be Karlsruhe, Germany.

<u>2.</u>

This agreement shall be governed by German law, the UN Convention on the Sale of Goods shall be excluded.

<u>3.</u>

The exclusive venue for all disputes arising out of or in connection with this legal relationship shall be Karlsruhe, Germany, if Customer is a merchant, a public-law entity, a public-law fund, or if it does not have a general venue in the Federal Republic of Germany.

<u>4.</u>

If any provision of this agreement is or should become invalid, the remaining terms and provisions of this agreement shall remain in full force and effect. Invalid provisions shall be replaced by valid provisions which economically most closely represents the intent and purpose of the invalid provision.