

General Terms and Conditions of Sale

1. General

Orders and/or purchase orders placed by purchaser ("Purchaser") will be confirmed and executed by us solely in accordance with our General Terms and Conditions of Sale provided herein ("GTC"). These GTC also apply to all of the following deliveries and services ("Delivery/-ies") without explicit agreement being necessary. Terms and conditions which differ from these GTC or from statutory provisions under applicable laws and regulations, shall apply only to the extent that they are explicitly confirmed by us in writing. Our delivery of goods, performance of services or acceptance of payments does not constitute recognition on our part of terms that vary from these GTC.

2. Terms of Delivery

- 2.1 Our Deliveries are made "ex works" (EXW, Incoterms 2010), unless agreed otherwise. If it is agreed that we shall be responsible for shipment, we shall ship the goods at the Purchaser's risk and expense, unless agreed otherwise. Furthermore, we shall specify the manner of shipment, shipment route and carrier.
- 2.2 Performance of the stipulated time for delivery is subject to our timely receipt of all documents and information to be provided by the Purchaser, as well as fulfillment of the agreed terms of payment and other obligations by the Purchaser. To the extent said conditions are not fulfilled on time, the time for delivery shall be extended accordingly, unless we are responsible for the delay.
- 2.3 The Deliveries shall be subject to our complete and timely reception of the deliveries by our sub suppliers.
- 2.4 We are entitled to partial deliveries, over-deliveries and short-deliveries as far as these are reasonable for the Purchaser taking into account customary tolerances. The same shall apply to early deliveries.
- 2.5 Fulfillment of our contractual obligations is subject to the condition that the fulfillment is not prevented by any impediments arising out of applicable laws or any embargos and/or other sanctions to the extent that we or the Purchaser or the goods for the Deliveries falling into the jurisdictions thereunder. If required by applicable laws, the Purchaser shall provide us with a duly completed and signed end-use certificate (EUC), in addition, we are entitled to verify relevant qualifications, licenses and permits (including but not limited to operation permit for hazardous chemicals) of the Purchaser which are required for business operation of the Purchaser under applicable laws, and to make a record of the photocopies thereto before we accept any purchase order placed by the Purchaser or make Deliveries of any goods. If any approval, permit or filing shall be made by either us or the Purchaser for delivery of goods outside of PRC in accordance with applicable laws, the Purchaser shall duly apply to and obtain any such approval, permit and filing, and we may provide reasonable assistance in this regard upon request by the Purchaser.

3. Prices

- 3.1 If not agreed otherwise, our prices shall be "ex works", plus any costs for packing, freight, insurance, disposal,

any additional expenses and VAT if applicable. In case of cross-border deliveries, Purchaser shall reimburse us for any customs duties, taxes or other public charges.

- 3.2 In case of over-deliveries and short-deliveries, total prices for the delivered goods shall be adjusted accordingly in accordance with the actual quantity of deliveries.
- 3.3 In the event that after our written confirmation of Buyer's order, the cost to us of the goods has increased as a result of an increase in external costs or a modification of rates of exchange or increase in our buying prices, taxes, duties or other levies as imposed by statutory authorities, we have a right to increase the price accordingly.

4. Terms of Payment, Set-off, Assignment

- 4.1 Unless otherwise stated in the order confirmation, the Purchaser shall effect payment without deductions no later than thirty (30) calendar days subsequent to our issuance of the invoice. We are entitled to reject purchase order or withhold the Delivery of goods, as long as any invoiced amounts due for payment by such Purchaser are not settled.
- 4.2 In the event that Buyer fails to make any payment in full when due, all sums currently invoiced to Buyer shall immediately become due in full and all amounts due shall be charged interest at a rate of one and a half percent (1.5%) per month or as otherwise determined by us calculated from the date of which these amounts became due until date of payment in full, without prejudice to claims by us against Buyer for eventual damages. By the mere fact of non-performance or late performance, Buyer shall be deemed to be in default without warning or notification of default being required.
- 4.2 The Purchaser may set off only those claims which are undisputed between the parties, have been finally adjudicated or which are in a reciprocal relationship to our claim, against which the set off may be effected.
- 4.3 The assignment of claims against us is prohibited.

5. Defects

- 5.1 Unless otherwise agreed, only the quality of the products described in our product descriptions, specifications and markings shall define the contractual characteristics in terms of quality of the Deliveries. Information with respect to percentages and mixing ratios are approximate mean values only. Deviations within customary tolerances that may occur in spite of all care exercised when manufacturing the goods and determining the mean values are expressly reserved.
- 5.2 Any information regarding the application and utilization of our products is provided according to our best knowledge, but shall be non-binding and does not release the Purchaser from its obligation to properly assess the products regarding their suitability for the planned purposes and applications.
- 5.3 The Purchaser shall immediately inspect the Deliveries and shall notify us in writing without undue delay of any defects.
- 5.4 In the event of justified and rightfully raised defect claims of the delivered goods, we reserve the right, sole-

ly at our discretion, to either replace or repair the goods. For this, we shall always have reasonable time to replace or repair. If our repair or replacement fails to remedy the defects, the Purchaser shall be entitled to either adjust the purchase price or terminate relevant purchase order which has been affected by the defects. For the avoidance of doubt, the Purchaser shall not be entitled to terminate the entire contract.

- 5.5 Any claims of the Purchaser for compensation of costs arising in relation to the rectification of non-conforming Deliveries, in particular expenses for transport, shall be excluded, to the extent they accrue because the delivered goods have been moved after delivery to another location than the place of receipt.
- 5.6 Claims by the Purchaser for recourse against us as provided for by statutory law can only be made to the extent the Purchaser has not agreed with its customers to provisions exceeding the statutory rights in case of defects.

6. Limitation of Liability

- 6.1 To the extent permitted by law, we shall not be responsible for delay in/failure of delivery arising out of circumstances beyond our control.
- 6.2 To the extent permitted by law, we shall not in any event be liable to the Purchaser or any third party for an injury, loss or damage, whether direct, indirect, consequential or incidental, which arise out of or in connection with the goods supplied by us, including but not limited to liability for loss of use, loss of work in progress, down time, loss of revenue or profits, loss of contracts, failure to realize savings unless such damage is caused by our gross negligence or due to the breach of a material contractual obligation by us. A material contractual obligation for this purpose shall mean an obligation the fulfilment of which is essential to the proper performance of the contract and upon compliance with which the Purchaser is duly entitled to rely (essential obligation). In case of slight negligence in breach of essential obligations, our liability for damages shall be limited to the foreseeable damage typical for a contract of this nature.
- 6.3 To the extent our liability is excluded or limited pursuant to this clause 6, this shall equally apply for the respective personal liability of our employees, vicarious agents and legal representatives.
- 6.4 The foregoing provisions shall not imply any shift in the burden of proof to the detriment of the Purchaser.
- 6.5 To the extent permitted by law, all warranties, conditions and other terms are hereby expressly excluded.

7. Retention of Title

- 7.1 The title in the objects of the Deliveries shall not pass to the Purchaser until we have received in full all sums due for payment from the Purchaser in relation to the general business relationship between us and the Purchaser ("Reserved Goods").
- 7.2 The Purchaser is entitled and authorized to process or resell the Reserved Goods only in the due and proper course of business, and provided that the Purchaser has expressly informed its customers in written form about the title retention of the Reserved Goods and provided us with relevant proof. If required by applicable laws,

the Purchaser shall duly make registration or filing in relation to the Reserved Goods and provide relevant proof of such registration or filing to us for information. The Purchaser is not entitled to otherwise dispose of the Reserved Goods, such as pledging or transfer by way of security.

- 7.3 In case the Reserved Goods are being processed, connected or blended, such action shall be performed for our benefit as manufacturer. If the Reserved Goods are combined with other goods, we acquire co-ownership in the new goods to the extent of the pro rata value of the invoice amount of the Reserved Goods in relation to the invoice amount of the other goods.
- 7.4 If our title in the Reserved Goods expires due to processing, the Purchaser transfers to us already now its ownership rights with respect to the new goods or items to the extent of the invoice value of the Reserved Goods and keeps them in custody for us free of charge. The subsequently arising co-ownership rights shall be considered as Reserved Goods, and the Purchaser shall take the same actions as required under Section 7.2 for the benefit of us. When requested by us or required by applicable laws, the Purchaser shall take all necessary actions howsoever required for enforcing our rights in relation to our acquired co-ownership under this Clause 7.
- 7.5 Claims against third parties arising from the resale of the Reserved Goods are already now assigned onto us in the amount of the invoice value of the Reserved Goods, irrespective of whether the resale takes place without or following processing, or to one or several third parties. The Purchaser shall be entitled to collect payment for us. We reserve the right to cancel the authorization to resell the Reserved Goods and to receive payment for good cause, in particular in case the Purchaser is in delay with payment or disposed of the Reserved Goods outside the due and proper course of business; the same applies in the event of payment stoppages or a significant deterioration of the Purchaser's creditworthiness. In case of an insolvency application concerning Purchaser's assets, the authorization to resell the Reserved Goods and collect payment expires automatically.
- 7.6 In case the value of the securities acquired by us pursuant to this Clause 7 exceeds the value of our secured claims by more than 10%, we will, at our discretion and at the Purchaser's request, release part of securities in an appropriate amount.

8. Place of Performance, Applicable Law, Jurisdiction

- 8.1 The place of performance (including remedying of defects) shall be the respective place of delivery (Incoterms 2010).
- 8.2 The contract shall be governed by the laws of India to the exclusion of the UN Convention on Contracts for the International Sale of Goods dated 11 April 1980 (CISG).
- 8.3 The exclusive place of jurisdiction for any disputes arising out of or related to the contract shall be the competent court at our registration address. However, we are entitled to raise an action against the Purchaser also at any other competent court.