

ProChem GmbH

Gewerbegebiet Wallfeld 12-14
66649 Oberthal
Germany

§ 1 General / Scope of application

- (1) The company ProChem GmbH understands itself exclusively as a service provider and does not act as a producer of products or as a manufacturer.
- (2) The following general terms and conditions apply to all contracts between ProChem GmbH (hereinafter referred to as "PROCHEM") and the customer company (hereinafter referred to as "CUSTOMER"). In commercial business, in each case the version of the general terms and conditions of PROCHEM valid at the time of the conclusion of the contract is applicable.
- (3) Should individual terms of this agreement be ineffective or lose their effectiveness due to later circumstances or should a loophole emerge in these general terms and conditions, the legal effectiveness of the other provisions will not be affected.
- (4) The respective relevant version of these general terms and conditions is available on the homepage www.prochem-gmbh.de.

§ 2 Conclusion of the contract

- (1) All agreements relating to finalization of a contract require written form.
- (2) Deviations and alterations of these general terms and conditions such as changes of provided raw materials and auxiliary materials, product specifications, laboratory experiments or additional work are to be made in writing.

§ 3 Place of supply of services and authority

- (1) Places of supply of services are located at the facilities of PROCHEM with its sites in Oberthal, Lorsch, Dieburg and Bensheim, all of them in Germany.
- (2) PROCHEM reserves the right to use subcontractors in the execution of parts or the whole services agreed.
- (3) The contractual performance can also be achieved using own employees at other locations, also at the facilities of the CUSTOMER. In this case, the right to issue instructions for the employees of PROCHEM is exclusively with PROCHEM. Employees of PROCHEM also have no right to issue instructions to employees of the CUSTOMER.
- (4) The CUSTOMER and PROCHEM agree that during the order processing there is no necessity and reason for an employment or social insurance employment between employees of PROCHEM on the one hand and employees of the CUSTOMER on the other hand.

§ 4 Terms of delivery

- (1) The delivery date is the result of the agreements of the contracting parties. Compliance with the agreed delivery date requires that all commercial and technical questions between the contracting parties have been resolved and that the CUSTOMER has fulfilled all obligations which are due to it such as (for example) the timely delivery of product samples, supplied products or raw materials, documents or deposit. An order is timely if it takes place no later than ten business days before the planned start of the production. The timely delivery of raw materials and resources is fixed three days before starting of production. If this is not the case, the delivery date automatically shifts by another ten days after the order has been placed and raw materials delivered. PROCHEM reserves the right to charge for the additional work and / or storage periods caused by the non-timely ordering or delivery, unless PROCHEM is responsible for the delay.
- (2) If shipping or acceptance of the delivery items is delayed for reasons for which the CUSTOMER is responsible, PROCHEM shall be authorized to charge the CUSTOMER for expenses PROCHEM has incurred, starting 14 days after notification that the delivery object is ready to be dispatched or inspected.
- (3) Should non-compliance with the agreed delivery date be attributable to force majeure, the agreed delivery date shall be extended by a period equal to the delay caused by force majeure. This is also valid if the above-mentioned hindrances occur during a delay or because of a sub-contractor. PROCHEM shall immediately inform its CUSTOMERS of such impediments of their start and probable duration. If the circumstances make the delivery impossible to fulfil and the period is longer than six months, the CUSTOMER and PROCHEM shall be entitled, with reasonable notice, to rescind from the contract according to statutory provisions. In such case, CUSTOMER will be obligated to pay all deliveries and/or services so far performed as well as to reimburse adequately all procured materials and the work performed.
- (4) If PROCHEM is not in the position to supply the goods or services within the expressly agreed period or if PROCHEM will be in delay for other reasons, CUSTOMER must grant PROCHEM a reasonable period to supply the goods or services. PROCHEM shall be liable in accordance with statutory provisions insofar as the delay in delivery that was due to PROCHEM was caused by the culpable breach of a material contractual obligation. In this case, however, liability of PROCHEM for damages shall be limited to the foreseeable typically occurring damage.
- (5) As a legal consequence of contractual withdrawal or cancellation Sec. 346 qq. of the BGB (German Civil Code) and all reprimands hereafter shall apply.

§ 5 Payment and remuneration

- (1) PROCHEM reserves the right to request appropriate payments on account and advance payments or to issue monthly partial invoices or partial invoices according to work progress.
- (2) Invoices of PROCHEM are due within 30 days without deduction after the date of the invoice. Payment shall not be deemed effected until the relevant amount has been unconditionally credited on PROCHEM's bank account. The CUSTOMER shall apply an interest rate of 8 percentage points above the current European base rate to all late payments as of the due date of the invoice. This shall be without prejudice to the assertion of further default damages.
- (3) Set-off of CUSTOMER's own claims against PROCHEM's claims from invoices to such CUSTOMER may only apply if both claims are legally binding and undisputed between PROCHEM and CUSTOMER. Alongside this, CUSTOMER is only entitled to his rights of retention of payment if his counterclaims are regarding the same contractual relationship.

§ 6 Customers obligation to cooperate, right of use

- (1) CUSTOMER shall ensure that PROCHEM receives on time all documents necessary for performing its duties. CUSTOMER must also ensure that raw materials and other resources are in place at the right time and with the required specifications and quality. Furthermore, CUSTOMER must ensure that PROCHEM is provided with all supporting documents and records required for and is informed of all events and circumstances which may be significant to the performance of the engagement. This also applies to documents, processes and circumstances that only become known while the order is being processed by PROCHEM. If information becomes known while the order is processed by PROCHEM, CUSTOMER must notify PROCHEM immediately after acquiring such knowledge.
- (2) CUSTOMER is responsible for the content of any document, particularly with regard to digital data carries.
- (3) PROCHEM has the right to use the information provided by CUSTOMER, referred to in Sec. 6 (1), free of charge.
- (4) On request of PROCHEM, CUSTOMER must confirm in writing the correctness and completeness of the documents presented by him, his information and verbal explanations.
- (5) If employees of PROCHEM are working outside of PROCHEM's facilities, CUSTOMER shall procure that all preconditions falling within its business sphere that are required for the proper performance of the order will be satisfied free of charge.
- (6) The shipment of samples to be examined takes place at the risk and cost of the CUSTOMER. All hazard and handling notices which apply to the samples - insofar as their composition is known - must be communicated to PROCHEM.

§ 7 Storage and return of documents and retain samples

(1) PROCHEM obliges itself to keep all provided business and operating documents which are marked confidential duly until the expiry of the contract and to ensure in particular that third parties cannot take insight of such documents. The material made available for carrying out the activities and the documentation created in this connection shall be returned upon termination of the contractual relationship to CUSTOMER, or shall be duly destroyed upon the request of CUSTOMER. Liability for negligent damage to these documents is excluded.

(2) Samples of test and reference items and specimens are retained by PROCHEM under consideration of due diligence. The storage of retain samples can be arranged individually on CUSTOMERS request. CUSTOMER has to bear any resulting cost.

§ 8 Claims for defects, liability and insurance

(1) PROCHEM's liability is in accordance with statutory regulations, unless otherwise agreed to in these general terms and conditions.

(2) PROCHEM and its agents assume liability for property damage and financial damage caused by minor negligence only in cases where an essential duty of contract has been infringed, but limited to the typical contractual damage foreseeable at the time of conclusion of such contracts.

(3) CUSTOMER releases PROCHEM from any obligations based on third-party claims because of alleged injury and which are not within the responsibility of PROCHEM.

(4) Claims of CUSTOMER, in particular for compensation of damages which did not occur due to the delivery item itself and that do not affect any essential contractual obligations - including violation of mutual confidence in the preparation of contract, contract preparation and during the contractual negotiations - shall be excluded. This does not apply to CUSTOMER's damages resulting from damages to life and limb attributable to PROCHEM and any damages caused by intent or gross negligence of PROCHEM or its agents.

(5) CUSTOMER is obliged to inspect the subject matter of the contract immediately and in a satisfactory manner on receipt for defects and to send PROCHEM a written notice of any defects found. The complaint of obvious defects is deemed on time if it is received by PROCHEM within 5 workdays from delivery of the contract. In the case of covert defects, notification is due no later than five working days from the discovery of such defect.

(6) CUSTOMER insures the chemicals, other raw materials, packaging materials and plants and equipment provided by CUSTOMERs on its own account. PROCHEM shall not be liable to CUSTOMER for the compensation of damages in case of accidental loss, fire, earthquake, flood, water damage, lightning, natural disasters, terrorist attacks or other force majeure events.

(7) Upon presence of a defect, PROCHEM will repair within the time limit set by the CUSTOMER only, if this time limit is commensurate, otherwise within a reasonable period considering the concrete nature of the supplementary performance owed.

§ 9 Limitation, acceptance

(1) Warranty claims lapse within one year of the date of acceptance. If acceptance is not possible, the period of limitation begins with the delivery date of the contract object.

(2) Acceptance is deemed to have taken place if CUSTOMER does not expressly declare the refusal of acceptance within two weeks, upon written request of CUSTOMER for acceptance by PROCHEM, by stating the reason for refusal.

§ 10 Reservation of ownership

(1) Calculations, drawings, plans and other documents, which also belong to any offer of PROCHEM to CUSTOMER, shall remain property of PROCHEM, who reserves all copyrights to such documents. Their reproduction or transmission to third parties shall only be permitted with the prior written consent of PROCHEM.

§ 11 Copyrights

(1) PROCHEM retains all industrial property rights of inventions made in relation to the contractual performance or its additional gained know-how by PROCHEM. CUSTOMER is only allowed to use such know-how, if it is part of the contractual arrangement. A transfer to a third party, a group company or a subsidiary is allowed only with the written permission of PROCHEM and will be charged for separately. CUSTOMER is obliged to compensate the damages which may result from transfer, duplication or public accessibility of intellectual property of PROCHEM.

§ 12 Court of jurisdiction

(1) St. Wendel, Germany, is the place of jurisdiction.

(2) The contractual relationship is governed by German law. The governing law applies also in the case that CUSTOMER is not domiciled in Germany.