

Standard Terms and Conditions of Sale for Synthomer Deutschland GmbH

1. General

1.1 These standard terms and conditions (hereafter "Terms and Conditions") of Synthomer Deutschland GmbH (hereafter "Synthomer") shall exclusively apply. Terms and conditions of the customer that are contrary to or deviate from these Terms and Conditions shall not apply. In particular, Synthomer's silence with regard to such deviating or conflicting terms shall not be considered as approval or acceptance. The Terms and Conditions of Synthomer shall apply even if Synthomer unconditionally delivers to the customer in the knowledge of conditions that are contrary to or deviate from these Terms and Conditions.

1.2 All agreements concluded between Synthomer and the customer for the purpose of executing this contract shall be made in writing.

1.3 The Terms and Conditions of Synthomer shall exclusively apply to entrepreneurs within the meaning of § 310 Para. 1 German Civil Code (hereafter "BGB").

2. Offer, conclusion of the contract

2.1 The offers by Synthomer are without obligation.

2.2 A customer's order is a binding offer, which Synthomer can accept within 2 weeks by a written order confirmation or by dispatch of the goods.

2.3 "Written" within the meaning of the Terms and Conditions can also refer to statements by email or fax.

3. Prices

3.1 Unless otherwise agreed in writing, prices shall be „EXW“ (ex-works ready to load) in EURO. This does not include costs for packing, insurance and freight. This shall equally apply for statutory VAT separately indicated for the statutory amount on the invoicing date.

3.2 Deducting a trade discount (Skonto) shall require an express written agreement. A claim for price reductions, discounts and rebates shall exclusively exist if this is expressly agreed in writing.

3.3 An increase in the prices stated in the contract is allowed if no fixed price has been agreed and the agreed time for delivery is longer than 4 months. The increase in the prices can be up to 3% if the time for delivery is up to 6 months. The increase in

the prices can be no more than 6% if the time for delivery is longer than 6 months. A precondition for a price increase is an increase in manufacturing costs (e.g. any increase in material costs, salaries, import duties and taxes). If the price increase is more than 5% the customer has the right of revocation by a written statement within 3 weeks from receipt of notification about the price increase.

4. Quantities

4.1 The quantities and description of the goods are established in the order confirmation issued by Synthomer to the customer or in any other form agreed by the parties. All descriptions, diagrams, technical data, weights and measurements, drawings, illustrated material, specifications and advertising material published by the seller or contained in catalogues or brochures, are delivered to the buyer or published for the sole purpose of providing an approximate picture of the displayed or described goods. They are not a component of this contract. This particularly does not represent a purchase on approval.

4.2 Unless otherwise agreed between the parties, the weight or volumes of the goods shall be the weight or volumes determined at the Synthomer plant. This weight or volume is accepted as correct by both parties and forms the basis for invoicing in accordance with Clause 3.1. Both parties reserve the right to have the accuracy of the weighbridge used by Synthomer checked or independently verified. Synthomer is not liable for any weight loss during transportation.

Synthomer can deliver a surplus or deficit of up to ten per cent of the ordered weight or volume, without assuming an additional liability for over or under-delivery, whereby the invoice amount shall be correspondingly adjusted so that the customer only pays for the actually delivered weight or volume.

4.3 Synthomer shall be entitled to deliver and invoice by instalments to an appropriate extent.

5. Delivery and performance time - force majeure

5.1 Delivery dates shall only be binding by express agreement. They shall begin to run on receipt of the written order confirmation from Synthomer if all technical issues have been clarified and the customer has fulfilled its obligations in due time and correctly.

5.2 If an agreed delivery or performance date is exceeded or a contractual obligation or special contractual obligation is not fulfilled by Synthomer in due time, the customer shall set for Synthomer in writing a reasonable extension of at least 3 weeks.

5.3 If a delivery or performance is not executed by the expiry of the extension period and the customer therefore wishes to make use of its right of revocation or demands

compensation in lieu of the performance, it is obliged to notify this to Synthomer in advance while setting a reasonable additional extension period in writing and requesting delivery or performance. The customer is obliged, at the request of Synthomer, to state within a reasonable period whether it is revoking and/or demanding compensation in lieu of performance due to the delay or whether it is insisting on delivery/performance.

5.4 In the event of delivery and performance delays due to unforeseeable obstructions for Synthomer as a result of a force majeure event (e.g. strikes or legal lockouts, civil war, terrorist attacks, unrest, natural catastrophe, delays in procuring materials because of delayed availability of supplies and raw materials for which Synthomer is not responsible, including from subcontractors of Synthomer and companies affiliated with Synthomer within the meaning of §§ 15 et seq. German Companies Act), the agreed delivery and performance date shall be extended by the duration of the obstruction. If as a result of the force majeure event Synthomer is unable to deliver for a period of at least three months, it shall be exempt from the delivery obligation. In this case the customer shall have the right to revoke the contract.

6. Place of performance - Shipping - Transfer of risk

6.1 The place of performance for the delivery is, unless otherwise agreed in writing, Synthomer's factory or distribution depot.

6.2 Unless otherwise agreed in writing, Synthomer shall ship the goods at the customer's risk and determine the type of shipping, shipping route and carrier. On transfer of the goods to the shipper, carrier or collector (including when transporting with the customer's means of transport), at the latest, however, on leaving Synthomer's factory or distribution depot, the risk of accidental loss or damage shall be transferred to the customer.

6.3. On behalf of and at the cost of the customer, Synthomer shall be entitled to take out reasonable transport insurance, at least for the amount of the good's invoice value.

6.4 Should the customer default in acceptance or intentionally or negligently breach other cooperation obligations, Synthomer shall be entitled to demand that any losses incurred, including any additional expenditures and costs, shall be compensated by customer. Additional claims or rights are reserved.

6.5 If the preconditions under Clause 5.4 are fulfilled, the risk of accidental loss or damage to the goods shall be transferred to the customer when the default in acceptance or default of the debtor occurs.

7. Payment

7.1 Unless otherwise agreed in writing, the customer shall pay the agreed purchase price within five days of delivery, or within five days of receipt of the invoice by the customer, whichever is earlier.

7.2 The customer shall only be entitled to any setoff rights if its counterclaims are established finally (all legal means are exhausted) and conclusively, are undisputed or are recognised by Synthomer.

7.3 If the customer delays in payment, Synthomer is in accordance with § 288 Para. 2 BGB entitled to a late payment interest of 9 % p.a. above the basic rate of interest.

7.4. If the customer owes payment under several obligations and if what he pays does not suffice to redeem all debts, allocation shall occur in the event of the absence of a determination by Synthomer in accordance with § 366 Para. 2 BGB.

7.5 If on the basis of a contractual agreement the consideration for deliveries by Synthomer is deferred or if a current account agreement (§ 355 German Companies Act) exists, the total open balance of any claims due by customer shall immediately be paid, if the customer delays payment, if there is a risk to Synthomer's retention of title or if there is a deterioration in the customer's financial circumstances or enforcement measures against the customer.

8. Retention of Title

8.1 Synthomer reserves ownership of the delivered goods until payment of all claims arising out of the business relationship with the customer. If the customer breaches the terms of the contract, particularly delays payment, Synthomer shall be entitled to recover the goods. If Synthomer recovers the goods, this shall mean a revocation of the contract. In the event the goods have been recovered Synthomer shall be entitled to sell the goods, whereby the proceeds of such sale shall be accounted towards the liabilities of the customer – reduced by reasonable costs incurred by the sale of the goods.

8.2 The customer is obliged to handle the goods with care, and is particularly obliged to insure them sufficiently at their replacement value at its own cost against damage by fire, water and theft.

8.3 The customer shall immediately notify Synthomer of any attachments or other encumbrances of third parties, so that Synthomer can take legal action in accordance with § 771 German Code of Civil Procedure (hereafter "ZPO"). If the third party is not in a position to refund Synthomer the legal and out-of-court costs of a legal action in accordance with § 771 ZPO, the customer shall be liable to Synthomer for any losses incurred.

8.4 The customer is entitled to resell the goods in the ordinary course of business. The customer, however, hereby assigns to Synthomer all claims in the amount of the

final invoice including VAT for all claims of Synthomer which arise from the resale to the buyer or third party regardless of whether the purchased goods were resold after being processed or not. Synthomer shall accept this assignment. The customer shall still be authorised to collect the receivable even after the aforementioned assignment. Synthomer's entitlement to collect assigned receivables itself remains unaffected by this. Synthomer, however, undertakes not to collect receivables as long as the customer fulfils its payment obligations in regards to the accrued revenues, the customer does not delay payment and as long as no application to initiate composition or insolvency proceedings has been filed or there is a cessation of payment. If, however, this is the case, Synthomer can demand that the customer notifies it of the assigned claims and their debtor, provides all information required for the collection of the claims, delivers the associated documents and notifies the debtor (third parties) of the assignment.

8.5 The processing or alteration of the purchased goods by the customer shall always be undertaken for Synthomer. If the purchased good is processed with other goods that are not owned by Synthomer, Synthomer shall acquire joint ownership in the new product pro rata, to the value of the good (final invoice amount including VAT) in relation to the value of the other processed products at the time of such processing. The conditions applicable to the goods which are subject to the retention of title shall apply to any product generated from such processing. If payment is ceased or an insolvency proceeding in regards to the customer has been filed, the customer shall no longer be entitled to process goods which are subject to the retention of title within the meaning of Clause 8.1. The customer shall in such cases immediately store the goods which are subject to this retention of title separately and label them accordingly.

8.6 If the purchased goods are mixed or combined inseparably with other goods that are not owned by Synthomer, Synthomer shall acquire joint ownership in the new product pro rata, to the value of the good (final invoice amount including VAT) in relation to the other mixed or combined products at the time of mixing or combining. If the mixing or combining occurs in such a way that the customer's product is considered to be the main product, it shall be agreed, that the customer transfers joint ownership pro rata to Synthomer. The customer shall safe keep the so arising joint ownership for Synthomer.

8.7 Synthomer undertakes to release the securities to which Synthomer is entitled to upon the request of the customer if the realisable value of Synthomer's securities exceeds the value of the claims to be secured by more than 10%. The selection of the securities to be released shall rest solely with Synthomer.

9. Product data

Unless otherwise agreed in writing, the contractually agreed quality of the products shall derive exclusively from the applicable product specifications of Synthomer. Quality, durability and other information shall only be construed as guarantees if they are agreed in writing and expressly described as such. Other information given by Synthomer in verbal or written form on products, devices, equipment, plant, applications, processes and instructions are based on extensive research and our considerable experience in the field of applied engineering. We provide this information to the best of our knowledge subject to modifications, changes and further developments, but without any liability. This information does not relieve the customer from its obligation to verify the suitability of products provided by Synthomer for the use or application intended by the customer. This limitation also applies to the protection of third party intellectual property rights.

10. Obligation to make a claim

All complaints, particularly notices of defects, shall be received by Synthomer in writing immediately, at the latest within 10 days after delivery (for concealed defects at the latest within 5 days of their discovery or the time when they should have been discovered by a reasonable inspection), while stating the name of the product and delivery number. If the customer does not notify Synthomer within the aforementioned time or not in the agreed form, delivery or performance by Synthomer shall be considered to be in accordance with the contract. If the customer accepts the delivery or performance by Synthomer in the knowledge of a defect, it shall only be entitled to any rights due to the defectiveness if the customer reserves its rights in regards to this defect in writing on delivery.

11. Liability for defects

11.1 The customer cannot derive any rights from the defectiveness of the delivery or performance of Synthomer if there is merely a trivial deviation from the contractually agreed quality. In the event the delivery or performance of Synthomer is defective and the customer rightly makes a complaint, Synthomer shall either, at its discretion, replace such defective products or remedy the defect (hereafter "Supplementary Performance"). Synthomer shall be given the opportunity to do this within a reasonable time. If the Supplementary Performance fails and Synthomer refuses any other attempt at Supplementary Performance, the customer is entitled to revoke the contract or reduce the payment respectively.

11.2 The customer is also entitled to claim damages and reimbursement of expenses, which have been incurred for the purposes of the Supplementary Performance, in accordance with the statutory requirements. Such entitlement to claim damages and reimbursement of expenses shall be subject to the limitations set out in Condition 12.

11.3 The customer shall only be entitled to statutory claims of recourse against Synthomer if the customer has not made any agreement with his buyer giving his buyer rights for defects additionally to the ones set out by law.

11.4 In the event the customer, after having been claimed against successfully in accordance with the provisions of the sale of consumer goods, wishes to take recourse against Synthomer, it is agreed that any right of recourse in accordance with the provisions of the sale of consumer goods remain unaffected.

12. Liability

12.1 Synthomer shall be liable for intention and gross negligence.

12.2 In the event of ordinary negligence Synthomer – apart from cases of injury to life, body or health – shall only be liable if essential contractual obligations (material obligations) have been breached and such liability shall be limited to foreseeable losses and losses typical to the contract, however not exceeding three times the amount of the payment due to Synthomer under the contract.

12.3 Liability for indirect and unforeseeable damages, loss of production, loss of use (downtime), loss of profit, loss of savings and any losses due to third party claims shall be excluded in the event of ordinary negligence.

12.4 Any liability additional to the liability provided for in these terms and conditions – regardless of the nature and legal status of the claim – is excluded.

12.5 The exclusions or limitations of liability set out in Conditions 12.2, 12.3 and 12.4 shall not apply to a statutory liability regardless of fault (e.g. in accordance with the Product Liability Act) or to a contractually agreed guarantee regardless of fault.

12.6 In the event Synthomer's liability under Conditions 12.2, 12.3 and 12.4 is excluded or limited, such exclusion and limitation of liability shall also apply to the personal liability of Synthomer's employees, representatives and vicarious agents.

13. Statutory limitation

The limitation period for customer's claims under warranty, claims for damages and claims for reimbursement of expenses shall be 1 year from the commencement of the limitation period according to statutory law. This limitation period shall not apply if Synthomer has acted intentionally or in the event Synthomer is liable for injury to life, body or health or in the event Synthomer is mandatorily liable in accordance with the Product Liability Act or for other reasons.

14. Statutory provisions - Foreign Trade and Customs Law

14.1 Unless otherwise agreed in writing, the customer shall be responsible for the compliance with statutory and official regulations in regards to imports, transport, storage, use, resale and exports of the products. The customer is in particular obliged to not sell or deliver these products to third parties or use them itself for the purpose of developing or producing biological, chemical or nuclear weapons; for the purpose of the illegal production of drugs; in violation of embargoes; in violation of statutory registration or notification obligations; or without the required approvals in accordance with the applicable statutory regulations. The customer shall be liable for all losses and damages incurred by Synthomer and shall indemnify Synthomer from and against any and all civil, administrative and criminal law claims arising as a consequence of a breach of the aforementioned obligations.

14.2 Should there be an obligation for a statutory or official permission for the export of the delivery/performance by Synthomer at the time of the delivery/performance and such requested permission for export is not granted, Synthomer shall be entitled to revoke the contract.

14.3 Synthomer can also revoke the contract if in the event of a product registration obligation such registration has not been applied for or such registration has not been successful at the time of the delivery/performance.

14.4 The customer warrants and represents that it does not do business with persons, companies, institutions and organisations which are on an EU sanctions list or which violate any other state sanctions lists. It further warrants and guarantees not to do business with any embargo states, which is legally prohibited.

15. Intellectually property

15.1 No right or license is granted to the customer in respect of Synthomer's intellectual property rights, including patents, know-how, registered trademarks, utility models, registered designs and applications for or rights to apply for any of the foregoing, unregistered design rights, unregistered trademarks, rights to prevent unfair competition, copyright, database rights, topography rights and any other rights in any invention, discoveries or processes in Germany and all other countries in the world together with all renewals and extensions (hereafter „Intellectual Property Rights“). Excluded from this is the customer's right to use the products in the customer's ordinary course of business. Products which are sold under a registered trademark of Synthomer or of a company affiliated with Synthomer, shall only be put on the market or sold by the customer under such trademark with the written consent of Synthomer.

15.2 Without prejudice to the generality of Condition 15.1, recipes, formulae and other information given by Synthomer to the customer for use in its manufacturing process remain the ownership of Synthomer and may not be given to a third party without Synthomer's prior written authority.

15.3 The customer will not use Synthomer's name, logo or other identification marks for the purposes of advertising or publicity without prior written consent of Synthomer.

15.4 Synthomer does not warrant or represent that the products do not infringe the Intellectual Property Rights of any third party.

15.5 If the products have been manufactured to the specification or design of the customer, the customer shall indemnify Synthomer and keep Synthomer indemnified from and against any and all losses, liabilities, costs, claims, demands, expenses and fees (including legal and other professional fees), actions, proceedings, judgments awarded and damages suffered or incurred by Synthomer arising out of or in connection with any infringement of any Intellectual Property Right according to Condition 15.1 of any third party where such liability arises as a consequence of the specifications supplied by the customer.

15.6 If Synthomer develops a product for the specific requirements of customer (hereafter „Instructions“), all Intellectual Property Rights according to Condition 15.1 created, composed, arranged or made in any other way whatsoever, pursuant to or arising from the Instructions shall vest in Synthomer. To the extent necessary the customer hereby assigns to Synthomer with goodwill, all of the customer's Intellectual Property Rights according to Condition 15.1 created, composed, arranged or made in any way whatsoever, pursuant to or arising from the Instructions and undertakes to sign all documents and to do all things that may be necessary to record and perfect the transfer of the Intellectual Property Rights contemplated in this Condition 15.6. Synthomer hereby accepts such assignment. The customer undertakes to assist Synthomer to file and prosecute all such copyright, design, patent and trademark applications as may be required by Synthomer from time to time in its sole and absolute discretion.

16. Packaging

16.1 Packaging, owned by Synthomer and provided to the customer for the transport of the goods, shall be returned at the customer's cost to Synthomer's industrial site stated in the order confirmation within 24 hours after delivery.

16.2 If the order confirmation and/or delivery note from Synthomer indicate that the packaging in which the goods were delivered should be returned to Synthomer, the packaging should be emptied and cleaned by the customer and returned to the address stated in the order confirmation and/or delivery note in correct condition free of shipping costs within 3 months after delivery. If the packaging is not returned it shall be billed to the customer on the basis of its replacement value. A fee already paid by or charged to the customer shall not be refunded. The term “packaging” includes casks, barrels, flexible containers, crates, boxes, pallet containers (“IBCs”) or other containers and pallets. With regard to the packages the relevant statutory provisions in the country where the seller has its registered office shall apply.

17. Place of jurisdiction - Place of performance - Miscellaneous

17.1 If the customer is a merchant within the meaning of the HGB, the place of jurisdiction shall be Synthomer's place of business. Synthomer can, however, bring a legal claim before the court with jurisdiction over the customer's place of business.

17.2 The place of performance for payment obligations unless otherwise agreed in writing shall be Synthomer's place of business.

17.3 The customer shall only be entitled to assign, pledge or otherwise dispose of claims to which it is entitled against Synthomer with Synthomer's express written consent. The provision of § 354a Para. 1 HGB remains unaffected.

17.4 If trade clauses in accordance with the International Commercial Terms (INCOTERMS) are agreed between the parties, the INCOTERMS 2010 or the INCOTERMS in its subsequent amendment shall apply for their application and interpretation.

17.5 For all legal relationships between the customer and Synthomer the law of the Federal Republic of Germany shall apply with the exclusion of its principles on conflict of law. The application of the United Nations Convention on the International Sale of Goods (CISG) is excluded.

17.6 These Terms and Conditions shall be used in a variety of languages. In the event of inconsistencies or lack of clarity between the German language and other language versions the German language version of the Terms and Conditions of Sale shall exclusively apply as the binding text for its legal effectiveness and interpretation.

17.7 Should individual provisions of these Terms and Conditions or parts thereof be or become wholly or partially ineffective, unenforceable, invalid or void, the validity of the other provisions of these Terms and Conditions shall remain unaffected. The ineffective, unenforceable, invalid or void provisions shall be replaced by such effective, enforceable or valid provisions which come closest to the economical intent of the Terms and Conditions. The same shall apply if the Terms and Conditions reveal to contain any omissions or unintended gaps.