

General Terms and Conditions of Sale and Delivery

1. Validity of terms and conditions

1.1. All offers, business transactions and deliveries of SEPAR CHEMIE GmbH (hereafter referred to as SEPAR CHEMIE) are made exclusively on the basis of these General Terms and Conditions of Sale and Delivery. These therefore also apply to all future contacts, even if not expressly agreed on them again.

1.2. These general sales and delivery conditions of SEPAR CHEMIE apply exclusively. Possibly existing purchase conditions of the buyer do not apply, unless SEPAR CHEMIE would have expressly agreed to their validity.

1.3. Should one or more provisions of these General Terms and Conditions of Sale and Delivery be or become invalid, this shall not affect the validity of the remaining conditions.

2. Conclusion of contract

2.1. The offers of SEPAR CHEMIE are binding for a maximum of one week.

2.2. The employees of SEPAR CHEMIE are not authorised to make verbal subsidiary agreements or to give verbal assurances which go beyond the content of an offer submitted in writing or a contract concluded in writing.

3. Prices

3.1. The prices stated in the offers of SEPAR CHEMIE are net prices. Added to this are value added tax and other compulsory charges, which are levied

at the statutory rate on the day of invoicing and are shown separately in the invoice.

3.2. Unless otherwise agreed, the prices are ex warehouse of SEPAR CHEMIE. They do not include freight, postage, insurance and other shipping costs.

4. Deliveries

4.1. Delivery dates shall only be considered as an approximate indication of the expected delivery time. If a delivery time is determined in days, weeks or months, it shall commence upon receipt of the order confirmation by the buyer. If the delivery time is determined in days, this shall be understood to mean working days.

4.2. Delays of delivery caused by force majeure, strike, non-foreseeable operational break-down, delays in supply through pre-suppliers, transport bottlenecks, lack of raw materials, official measures and other circumstances which are not the responsibility of SEPAR CHEMIE release SEPAR CHEMIE for the duration of their presence of the delivery obligation and justify reasonable change of the delivery dates. In these cases the buyer is entitled to refuse the acceptance of the delayed delivery after expiration of an appropriate deadline extension to be set by him in writing. Beyond this, the purchaser shall not be entitled to any claims against SEPAR CHEMIE in the aforementioned cases.

4.3. In case of delay in performance or impossibility of performance for which SEPAR CHEMIE is responsible, the purchaser's possible claim for damages due to non-performance according to **§§ 280, 281 or § 311a BGB (German Civil Code)** is limited to

the extent that compensation can only be demanded for the foreseeable damage. The preceding limitation of liability does not apply, as far as the reason for the delay of the performance and/or the impossibility of the performance is based on resolution or rough negligence of one of the legal representatives or an executing aide of SEPAR CHEMIE.

4.4. SEPAR CHEMIE is entitled to fulfil the contractual performance in partial deliveries, **as far as this is reasonable for the buyer**. The buyer is obliged to accept and pay for such partial deliveries.

5. Defects and warranty

5.1. Immediately upon arrival at the place of destination incoming deliveries must be carefully and comprehensively inspected by the buyer for completeness and perfect condition in accordance with the information on the delivery note. Any defects or shortages which become apparent during this inspection shall be notified in writing on the receipt of delivery or immediately upon receipt of the goods, if possible by fax, together with supporting documents. Defects which were not recognisable during the incoming inspection must be notified in writing immediately after their discovery.

5.2. In the case of shortages or defective goods SEPAR CHEMIE shall make subsequent or replacement deliveries to the extent necessary to compensate for shortages and to replace defective parts of the delivery as quickly as possible, taking into account the delivery possibilities. The buyer is obliged to accept a partial quantity or the defect-free parts of the delivery and to accept the subsequent or replacement delivery. If a complete or defect-free overall performance of SEPAR CHEMIE is not provided by the

subsequent or replacement delivery, the purchaser shall be entitled, at his discretion, to withdraw from the contract or to demand a corresponding reduction of the purchase price.

5.3. Unless otherwise regulated below, further claims of the buyer - no matter on which legal grounds - are excluded. SEPAR CHEMIE is not responsible therefore for damage, which does not attach to the supplied commodity, in particular SEPAR CHEMIE is not responsible for escaped profit or other financial damages of the buyer. The aforementioned exemption from liability does not apply insofar as the cause of damage is based on intent, gross negligence or on the fact that SEPAR CHEMIE has culpably violated an essential contractual obligation or has caused an injury to life, body or health.

6. Place of fulfilment and transfer of risk

6.1. The place of performance shall be the place of SEPAR CHEMIE's distribution warehouse, irrespective of the destination of the delivery.

6.2. The risk of accidental loss or accidental deterioration of the goods shall pass to the purchaser upon their handover to the purchaser or the carrier. This applies also if SEPAR CHEMIE gives the transport order for the buyer or carries out the transport itself. It is the responsibility of the purchaser to take out insurance covering the aforementioned risk.

6.3. If the purchaser is in default of acceptance, the risk of accidental loss or accidental deterioration of the purchased goods shall pass to the purchaser after the expiry of three working days following dispatch of the notice of readiness for dispatch.

7. Payment

7.1. In the absence of an agreement to the contrary, all invoices are to be settled by the purchaser cashless and without deductions within 30 days of the invoice date. Cash discounts are not permissible.

7.2. SEPAR CHEMIE reserves the right to accept bills of exchange on a case-by-case basis. If necessary, bills of exchange as well as cheques are accepted only under reservation of redemption, bank charges and fees, return debit note and handling costs are debited to the buyer.

7.3. If the buyer is in delay with the settlement of an invoice, all outstanding demands of SEPAR CHEMIE including possible demands from bills of exchange, become due immediately without consideration of the agreed upon dates of payment. In addition SEPAR CHEMIE is entitled, up to the settlement of all outstanding invoices, to postpone the still to be executed deliveries and to demand advance payment for these. The same applies, if circumstances become known to SEPAR CHEMIE, which question the credit-worthiness of the buyer.

7.4. The set-off with counterclaims by the buyer is inadmissible in principle, unless these counterclaims are due and undisputed or bindingly established in court.

7.5. The buyer shall have a possible right of retention at most with regard to such payments which relate to the individual order from which he is making warranty claims or similar.

7.6. SEPAR CHEMIE is entitled to assign claims arising from the business relationship with the buyer at any time.

8. Reservation of title

8.1. All deliveries and services are subject to retention of title. Ownership shall not pass to the purchaser until he has completely fulfilled his obligations to SEPAR CHEMIE under the respective purchase contract. The retention of title shall also remain in force as long as the given bills of exchange or cheques have not been fully honoured.

8.2. In the case of a connection or mixture of the commodity supplied under retention of title with an article belonging to the buyer or a third party SEPAR CHEMIE acquires the proportionate co-ownership of the new article in place of the buyer and/or the third party, namely in proportion of the purchase price of the connected article to the value of the new article.

8.3. In the case of the treatment or processing of the commodity supplied under retention of title SEPAR CHEMIE is manufacturer in the sense of the law, however under exclusion of the assumption of any manufacturer obligations. SEPAR CHEMIE is entitled to the proportionate co-ownership of the new thing in the proportion of the purchase price of the worked on or processed thing to the value of the new thing.

8.4. The buyer is authorised to resell the goods delivered under retention of title in the ordinary course of business. He assigns herewith the first-ranking part of his demands from authorized and unauthorized resale, which corresponds to the invoice price (incl. VAT) of the commodity supplied by SEPAR CHEMIE, in advance to SEPAR CHEMIE. Names and addresses of the buyers as well as the height of the respective demand are to be communicated to SEPAR CHEMIE on first request. The buyer is

authorised to collect the claims assigned to SEPAR CHEMIE as long as he fulfils his payment obligations to SEPAR CHEMIE properly and SEPAR CHEMIE does not revoke this authority for other reasons. SEPAR CHEMIE accepts the advance assignments regulated in this provision.

8.5. Up to a proper utilisation of the goods delivered under reservation of proprietary rights or the new item developed by connection, treatment or processing, the buyer has to store these spatially separated from other things. He carries all costs and expenditures necessary during this time for preservation and is responsible to SEPAR CHEMIE for degradation. The goods are to be sufficiently insured against damage, loss and destruction.

8.6. Any lien or transfer of ownership by way of security of the purchased goods or the new item created is not permitted. Pledges or other impairments of the property of SEPAR CHEMIE by third parties are to be announced by the buyer immediately and to be repelled with the use of suitable means. Provided that SEPAR CHEMIE has cause to protect the rights of the supplied commodity by third party claim in accordance with § 771 ZPO, the buyer is responsible for the judicial and extrajudicial costs developing thereby, as far as the defendant is not able to reimburse.

8.7 For behaviour of the buyer that is contrary to the terms of the contract, in particular for delay of payment, SEPAR CHEMIE is entitled to take back the supplied commodity. In taking back the commodity lies no resignation from the contract, unless, SEPAR CHEMIE would expressly state this.

8.8 SEPAR CHEMIE commits itself to release possibly existing securities at

the buyer's request in so far as the realisable value of these securities exceeds the demand to be secured by more than 20%; the choice, which securities are released in individual cases, is made by SEPAR CHEMIE.

9. Data protection

The data of the customers of SEPAR CHEMIE are - as far as necessary for business and permissible within the framework of the Federal Data Protection Act (§ 28 BDSG) - stored and processed by IT.

10. Liability for fault

10.1 For damages due to culpable breaches of contract or fault in contractual negotiations SEPAR CHEMIE is liable in principle only in case of intent or gross negligence of the legal representatives or vicarious agents. In case of injury of life, body, health or violation of an essential contractual obligation SEPAR CHEMIE is also liable for slight negligence, however, only limited to substitution of the typical foreseeable damage.

10.2 The above limitation of liability also applies to tort claims for damages. It does not apply to claims according to §§ 1, 4 Product Liability Act as well as in case of initial incapacity.

10.3 Insofar as the liability of SEPAR CHEMIE is excluded or limited, this shall also apply to the personal liability of the employees and other vicarious agents of SEPAR CHEMIE.

11. Applicable law

The legal relationship between the contracting parties shall be governed exclusively by German law. The application of the UN Convention on Contracts for the International Sale of Goods is excluded.

12. Place of jurisdiction

Insofar as the contractual partner is a merchant within the meaning of the law, the place of jurisdiction for all mutual claims arising from the contractual relationship shall be Hamburg.

SEPAR CHEMIE GmbH

January 2008