

GENERAL TERMS AND CONDITIONS OF PURCHASE

1 Application

- 1.1 The delivery of goods to Chromsystems Instruments & Chemicals GmbH ("Chromsystems") shall be governed exclusively by these General Terms and Conditions of Purchase and the special arrangements entered into by the parties. For the content of any special arrangements the written confirmation by Chromsystems shall be controlling.
- 1.2 Other provisions, in particular the supplier's General Terms and Conditions, shall not apply, irrespective of whether they have been expressly rejected by Chromsystems or not. These General Terms and Conditions of Purchase shall also apply exclusively if Chromsystems, having knowledge of other General Terms and Conditions, effects performance without reservation.

2 Purchase orders

- 2.1 Purchase orders placed by Chromsystems shall be legally binding only if issued in writing by authorized representatives of Chromsystems' purchasing department.
- 2.2 Purchase orders issued by Chromsystems are to be accepted by the supplier within one week. Thereafter, Chromsystems shall no longer be bound by the respective purchase order.
- 2.3 The purchaser shall expressly notify Chromsystems in writing, if the supplier accepts a purchase order issued by Chromsystems on the basis of different terms. In this case the contract shall only come into force upon receipt of written consent from Chromsystems.
- 2.4 No remuneration shall be made nor costs reimbursed in respect of visits or the preparation of cost estimates, project studies or other documentation preparing the conclusion of the contract.

3 Condition of the goods

- 3.1 Delivered goods shall comply with the agreed quality, state of the art, applicable statutory rules and official regulations as well as the rules of professional and trade associations and organizations and satisfy the functions as described.
- 3.2 Delivered goods shall be free from defects of title, in particular patent, copyright or other commercial property rights held by third parties in the member states of the European Union or in the agreed destination country, nor shall patents, copyright or other third party commercial property rights be infringed, especially not as a result of the delivery and use of the goods.

4 Delivery and transfer of risk

- 4.1 Goods shall be delivered at the supplier's expense and risk. Risk shall be transferred upon delivery to the receiving location notified by Chromsystems during business hours.
- 4.2 Shipping shall be at the supplier's risk. The supplier shall bear the risk of the goods being lost, damaged or destroyed up until the time they are delivered. This shall apply even if the shipping is at Chromsystems' behest.
- 4.3 The order numbers and other agreed information shall be provided in full on all dispatch notes, bills of lading or other delivery documents, invoices or other correspondence.
- 4.4 Agreed delivery periods and dates shall be binding. For compliance with delivery periods and dates on the part of the supplier the date the goods were received at the delivery address notified by Chromsystems is decisive. In the event of late delivery, Chromsystems shall be entitled to a contractual penalty of 1 % of the consignment value for each week of the delay but not exceeding 5 % of the consignment value in total. This shall not prejudice Chromsystems' right to claim further damages but the contractual penalty will then be offset accordingly.
- 4.5 Chromsystems shall not accept deliveries prior to the agreed delivery periods or dates. Chromsystems shall reserve the right to return the goods at the supplier's expense and risk. If the goods are not returned, they shall be stored at Chromsystems at the supplier's expense and risk until the agreed delivery periods or dates.
- 4.6 Chromsystems shall accept part deliveries only in case of a special agreement to do so. In this case, the supplier shall be required in each case to state in the delivery documentation exactly what part of the delivery is still outstanding together with its delivery period or date.
- 4.7 In the event that the supplier becomes aware of circumstances according to which the delivery periods or dates cannot be complied with, the supplier shall notify Chromsystems immediately in writing, stating the reasons for the delay as well as its prospective duration. This shall be without prejudice to the agreed delivery periods and dates.

5 Prices and payment terms

- 5.1 The agreed prices are fixed prices plus statutory value-added tax inasmuch as the latter is shown separately on the invoice. Prices also include delivery, packaging and all extras.
- 5.2 Invoices are to be sent in duplicate to the invoice address stated on the purchase order. It is not permitted to send an invoice prior to the goods being dispatched or together with the goods.
- 5.3 Invoices can only be processed by Chromsystems if Chromsystems' purchase order number is exactly depicted. Inaccurate or incomplete invoices shall be deemed not to have been received until they have been corrected or the missing information has been added; in this event, Chromsystems shall notify the supplier within a reasonable period.
- 5.4 Payment shall be within 14 days of delivery of the goods and receipt of the invoice with a 3 % prompt payment discount. Alternatively, at Chromsystems' choice, payment shall be made within 30 days after delivery of the goods and receipt of the invoice.

6 Reservation of title

- 6.1 In the event the supplier has reserved title in delivered goods, this reservation of title shall only apply until payment for the goods and if Chromsystems has not already become the owner of these items through processing, combination or commingling. Chromsystems does not recognize current account and group retention.
- 6.2 Chromsystems shall not assign claims in respect of the resale of goods subject to retention of title in order to secure the receivables due from the purchase price. Chromsystems shall not be obliged to uphold the supplier's rights arising from reservation of title of any kind with respect to third parties.

7 Notice of defects and claims for defects

- 7.1 Chromsystems' responsibility to inspect deliveries shall commence upon delivery of the goods. Chromsystems shall report obvious defects to the supplier within two weeks of the goods being delivered. Chromsystems shall report other defects to the supplier within two weeks of them being discovered.
- 7.2 Chromsystems can also assert statutory claims for defects in regard to guarantees given by the supplier. In case the supplier has assumed a guarantee, strict liability applies.
- 7.3 In the case of epidemic failures (failures of the same type that are found to exist in at least 5 % of the goods delivered) Chromsystems shall be entitled to reject the entire consignment as being defective and assert a statutory claim for defects in respect of the entire consignment.
- 7.4 In derogation from section 438 paragraph 1, item 3 of the German Civil Code the limitation period for claims for defects shall be 36 months from delivery of the goods.
- 7.5 For goods newly delivered in the context of subsequent performance, the limitation period shall recommence from the time the subsequent performance is made unless the subsequent delivery appears minor in terms of scope, duration and cost or Chromsystems is forced to assume from the supplier's behavior that the latter did not see themselves as being obliged to perform this action but only did so as a goodwill gesture or for similar reasons. The same shall apply in the case of rectification where the same defect or consequences of a defective repair are concerned.
- 7.6 In the case of part deliveries, Chromsystems shall be entitled to withdraw from the purchase order if a minimum of two defective part deliveries were made.

8 Schutzrechte

The supplier shall undertake to indemnify Chromsystems and Chromsystems' customers against all third party claims brought in respect of an infringement of patent, copyright or other industrial property rights where such claims are attributable to the supplier's fault. This shall be without prejudice to other claims for defects.

9 Product liability

- 9.1 In the event that claims are brought against Chromsystems as a result of official safety requirements or national or foreign product liability laws and regulations having been infringed by defects in Chromsystems' products where such defects are attributable to the delivery of defective goods, the supplier shall be obliged to indemnify Chromsystems against such claims inasmuch as the damage is attributable to the supplier's area of responsibility or organization and he himself is liable in relation to third parties; this indemnity obligation shall take effect upon first request.

- 9.2 In the event of a product recall involving third parties, the supplier shall be obliged to reimburse Chromsystems the costs associated with the product recall inasmuch as the product recall is attributable to the supplier's area of responsibility or organization. Chromsystems will inform the supplier of the nature and scope of product recall operations and give him the opportunity to respond.

10 Set-off and right of retention

Set-off and exercise of a right of retention by the supplier due to contested counterclaims or counterclaims which are not final or res judicata are excluded. The exercise of any retention right by the supplier is also excluded to the extent that the counterclaims are not based on the same contractual relationship.

11 Assignment

Without Chromsystems' prior written consent, the supplier shall not assign its rights and obligations, neither in part nor in whole. Chromsystems shall be permitted to assign its rights and obligations, notably to affiliated companies within the meaning of section 15 of the German Stock Corporation Act (AktG).

12 Governing law - jurisdiction - language

- 12.1 The applicable law shall be that of the Federal Republic of Germany, excluding the UN Convention on Contracts for the International Sale of Goods (CISG) and the referral rules of the German Law of Conflicts.
- 12.2 The exclusive place of jurisdiction shall be Chromsystems' registered office. Chromsystems shall however also be entitled to sue the supplier at the latter's registered office.
- 12.3 The German version of these General Terms and Conditions of Purchase shall alone be controlling.

13 Severability clause

Should individual provisions of these General Terms and Conditions of Purchase be or become unenforceable, the remaining provisions shall remain enforceable.