

# General Terms and Conditions of Sale

## 1. Exclusive Application and Acceptance of our General Terms and Conditions of Sale

All of our supplies, services and offers are exclusively subject to these General Terms and Conditions of Sale. We hereby expressly object to any general terms and conditions of the purchaser or to any other provisions by the purchaser or to any agreements that differ from our General Terms and Conditions of Sale. Any terms and conditions inconsistent with our General Terms and Conditions of Sale are to be considered binding only if expressly accepted by us in writing. Silence on the part of the purchaser upon receipt of these General Terms and Conditions of Sale is to be regarded as consent even if the purchaser applies deferring terms and conditions to his order.

## 2. Offers and Orders

2.1 All our offers are without engagement and without obligation. This includes offers on our website [www.sedochemicals.de](http://www.sedochemicals.de).

2.2 Declarations of acceptance as well as order placements, even if made online, only come into effect upon our confirmation. The order may be confirmed in writing or via fax, e-mail or PDF-file. In case of doubt the content of the contract is controlled by our written order confirmation exclusively.

2.3 Our sales representatives are not authorized to conclude or make any oral subsidiary agreements, promises or guarantees which go beyond the scope of the written contract. All product information and technical details published on our website [www.sedochemicals.de](http://www.sedochemicals.de) are neither to be understood as statements of composition nor to be interpreted as guarantees, except if a corresponding agreement or guarantee is expressly made in individual cases.

2.4 We reserve all copyrights relating to data sheets that may be attached to our shipments. They may not be disclosed to any third party without our prior consent.

## 3. Prices

3.1 Unless otherwise provided for, we consider the prices included in our offers binding only for a period of 60 days after the date of the offer. In any other event, the prices in our order confirmation apply.

3.2 Unless otherwise agreed upon, prices include packaging and loading at the stock in Fürstenwalde (FCA stock Fürstenwalde). The goods are shipped on pallets (up to 1,000 kg per unit) or in rolls (up to 30 kg per roll).

3.3 Shipping, insurance, any tariffs and other expenses including costs for papers necessary to import the goods into the country of destination are to be carried by the purchaser.

## 4. Time Limits for Delivery and Services

4.1 Specific Dates and Time Periods for Delivery are to be regarded as binding only, if they have been agreed upon in writing and expressly determined as binding. In any other event, our dates and time limits for delivery are non-committal. This also applies to dates for delivery that may be provided for on our website [www.sedochemicals.de](http://www.sedochemicals.de) in the event of an online order.

4.2 Any delays in delivery as well as delays in services due to an act of God and due to events, which do not only temporarily complicate shipment or render shipment impossible, such as strikes, lock-outs, administrative acts and others, including events targeted at our distributors or their sub-distributors, do not fall within our responsibility, even if specific time limits and dates have been agreed upon. We have the right to prolong the time for shipment and/or services for the time of the interference plus a reasonable start up time, or to rescind the contract fully or in part with regard to the unperformed parts of the contract. The purchaser is not entitled to raise any claims against us related thereto whatsoever.

4.3 In the event the time period of the interference exceeds 3 months, the purchaser, upon expiration of a reasonable extension of time may rescind the contract with regard to its unperformed parts. In case the time period for delivery is prolonged or that we are released from our obligation, the purchaser is not entitled to claim any damages related thereto. The purchaser may only rely upon the aforementioned facts if he promptly notifies us accordingly.

4.4 Provided that we are responsible for the non-compliance with specified time limits and dates or are in default of performance, the purchaser may demand an indemnification for default of ½ % of the net invoice value for each complete week of the default period, the total not exceeding the maximum amount of 5 % of the invoice value of the delayed shipments and performances. Rights and damages in excess thereof are excluded unless default was caused by at least gross negligence on our side.

4.5 We may deny delivery if it becomes cognizable after the conclusion of the contract, that our right to payment is endangered by the purchaser's insufficient financial capacity. Purchaser is not entitled to any rights related thereto whatsoever.

4.6 Compliance with our delivery and service obligations is conditioned upon timely and proper performance of the purchaser's duties. If the purchaser is in default of acceptance, we have the right to claim damages resulting from such default. At the time the purchaser is in default of acceptance, the risk of an incidental deterioration or an incidental loss passes onto the purchaser.

## 5. Passing of the Risk

The risk passes onto the purchaser once the goods have been delivered to the carrier for shipment or have left the production site for the purpose of shipment. This rule applies also, if we ship the goods with our own vehicles or if we bear the costs of shipment. If, upon the purchaser's request, shipment is delayed, the risk passes onto the purchaser upon notification of our readiness to deliver.

## 6. Examination, Processing, Warranties

6.1 The products are delivered according to the respective technical standards without defects with regard to manufacture and material.

6.2 The purchaser has a duty to examine the delivered products without delay – if necessary by sample processing – to determine whether the delivered goods are free of defects.

6.3 The purchaser has to give written notice of a defect without delay but not later than 1 week after receipt of the delivered goods. Defects which cannot be discovered within that period of time, even though the goods have been thoroughly examined, must be promptly communicated in writing after their discovery. Any complaint must be accompanied by a sample of the objected product(s) and a copy of the bill of lading.

6.4 The purchaser loses his right to raise claim for breach of warranty if he does not comply with his obligations to duly perform the contract, including but not limited to his duty to promptly examine the goods. A complaint for obvious defects is excluded, once the delivered goods have been cut up or processed in any other way.

6.5 Minor technically unavoidable deviations in quality, measurements or weight may not be raised as a reason for rejection. This is also the case as to trade customary deviations, except if we have declared in writing that delivery will be made in compliance with a specific pattern. All indicated product gauges only apply if the product is processed promptly / within reasonable period.

6.6 In the event of improper handling, treatment or processing and storage, or not originally packaged product returns or in the event of non-compliance with application instructions on a case per case basis, the purchaser loses any rights with regard to a breach of warranty related to the product. Liability is excluded with regards to fair wear and tear.

6.7 The purchaser bears the risk of a misapplication. If the product which we have delivered as agreed upon is not suited for the intended application, the purchaser, to the extent permitted by law, loses any claims for breach of warranty. This shall not apply, if the suitability for the intended application has expressly been agreed upon.

6.8 In the event of justified defects, the purchaser may demand replacement of the defective goods within 20 days after we have received the goods back. In that case, we carry the costs of the cheapest shipment. In case replacement fails twice, the purchaser has the option to either reduce the purchase price or rescind the contract. The purchaser may not assert any claims in excess thereof. The purchaser may not provide for replacement at our cost without our prior written consent.

6.9 The time limit to raise a claim for breach of warranty expires 1 year after delivery of the products, as far as the law does not provide for a longer indispensable time period. The time periods begin to run on the respective date of delivery/performance.

6.10 Claims for breach of warranty may only be asserted by the direct purchaser; they are not assignable.

## 7. Reservation of Title

7.1 Until all outstanding payments (including outstanding payments resulting from current accounts) which we are entitled to receive from the purchaser now or in the future on what so ever grounds have been made, we are accorded the following securities which we release upon the purchaser's request provided that the value of these securities not only temporarily exceeds the value of the outstanding receivables by substantially more than 20 %.

7.2 We deliver the goods subject to reservation of title. In any event, treatment or processing as well as alteration occur for our benefit as manufacturer without any obligation on our side. In the event that the goods are processed with goods of another origin, which have themselves been delivered under reservation of title with regard to such goods as well as the processing thereof, we acquire a part ownership interest in the new products. Such part ownership is determined by the invoice value of our product in relation to the value of the other goods at the moment of the processing. The purchaser holds our (part) ownership interest without compensation. In the following, goods which we hold a (part) ownership interest in are referred to as "goods subject to reservation of title".

7.3 The purchaser has the right to process and sell goods subject to reservation of title as long as he is not in default of performance. Encumbrances or transfers of goods as security (chattel mortgages) are not permitted. Any accounts receivable from a consecutive sale of goods subjects to reservation of title or for any other reason are assigned to us by the purchaser, at the moment the Purchase Agreement is concluded, as security independent of the fact, whether the goods are sold to one or more recipients without or after having been treated or processed, or combined or blended with other goods. We hereby revocably authorize the purchaser to collect the assigned accounts receivable in his own name for our account. This collection authorization may be revoked if the purchaser does duly comply with his payment obligations.

7.4 In case of a breach of contract by the purchaser – including but not limited to default in payment – we may, without the necessity of specifying an additional time period for performance, rescind the contract and demand that the goods subject to reservation of title are promptly handed over.

7.5 In the event any third party takes hold of the goods subject to reservation of title, especially by means of attachment, the purchaser shall indicate our ownership interest to such third party and make prompt notification to enable us to enforce our ownership interests. In case the third party is unable to reimburse us for the related legal or out of court expenses incurred, the purchaser shall be liable for such reimbursement of expenses.

## 8. Liability

8.1 The right to claim damages shall be excluded regardless of the nature of the breach including torts, unless our legal representatives and officers have acted with intent or gross negligence. We are not liable for gross negligence on the part of our simple agents.

8.2 In the event of a material breach on our side we are liable for any negligence only as far as damages are predictable. Claims for loss of profit, saved expenditures, claims of third parties for damages as well as other indirect and consequential damages may not be asserted, except if we have guaranteed a specific quality to insure the purchaser against such damages.

8.3 The limitations and exclusions of liability set forth in Sections 8.1 and 8.2 neither apply to claims based on fraud nor to our liability for guaranteed quality specifications nor to claims pursuant to the German Product Liability Code (Produkthaftungsgesetz) nor to damages for physical injury.

## 9. Payment

9.1 Goods and services are invoiced at the time the goods are made ready for shipment. An extension of due dates for payment is excluded.

9.2 Unless otherwise agreed upon, our invoices are payable without deduction 30 days after the date of invoice. Discounts are not accorded. We have the right to demand prepayment at any time without having to state the reasons for such demand.

9.3 A payment is to be regarded as occurred only if we can actually dispose of the amount. Payment by regular check or promissory note is only accepted upon prior agreement. Provided that they are accepted as payments, checks and promissory notes are only accepted against reimbursement of all banking discounts and collection expenses which are immediately payable.

9.4 Regardless of any differing stipulations by the purchaser, we have the right to set off payments against prior obligations, and will inform the purchaser of the nature of such occurred set off. If costs and interests have already accrued, we have the right to first account payments for the costs, then for the interest and finally for the principle amount.

9.5 If the purchaser is in default of payment, we have the right, at the time set forth in Section 9.1, to demand as liquidated damages interests at a rate of 8 percentage points over the base rate of the European Central Bank. They are to be reduced, if the purchaser proves a lower loss; we may prove higher damages. Collection fees and costs for the recovery of claims have to be born by the purchaser, if he is in default of payment.

9.6 If we learn about circumstances which raise doubts as to the financial standing of the purchaser, especially if a check or a promissory note cannot be cashed or if the purchaser discontinues payments, we are entitled to call for complete payment, even if we have accepted checks or promissory notes.

9.7 The purchaser, even when claiming a breach of warranty or raising counter-claims, is entitled to set off, hold back or reduce payments only, if such counterclaims have been determined by court decision or are undisputed.

## 10. Miscellaneous

10.1 The place of performance for our delivery obligations and services as well as the place of payment to be effected by the purchaser is Fürstenwalde.

10.2 As long as the purchaser is a commercial trader, administrative agency, or public law trust, the courts in Berlin, Germany, shall have exclusive jurisdiction over all disputes directly or indirectly arising from the parties' contractual relations.

10.3 These General Terms and Conditions of Sale as well as all other legal relations between us and the purchaser are governed by the laws of the Federal Republic of Germany. The regulations of the United Nations Convention on Contracts for the International Sale of Goods (CISG) do not apply.

10.4 Should any term in these terms and conditions or any term within other agreements be invalid or become invalid, all other terms or agreements shall remain unaffected.

10.5 In case of doubt, the German version of the General Terms and Conditions of Sale shall prevail.