

GENERAL SALES AND DELIVERY CONDITIONS

1. Scope

All deliveries and any related services by NITROCHEMIE Aschau GmbH (hereinafter referred to as "**NITROCHEMIE**") are carried out exclusively on the basis of these Sales and Delivery Conditions. References made by the buyer to their general terms and conditions or differing contractual provisions are hereby rejected. Deviations from these Sales and Delivery Conditions shall only be effective if confirmed in writing by NITROCHEMIE.

2. Offer and acceptance

All offers made by NITROCHEMIE are not binding, unless expressly stated otherwise. The contract becomes effective through the buyer's order and the acceptance by NITROCHEMIE. The buyer is bound to its purchase order for a period of six weeks. An order is deemed accepted if it has been confirmed in writing by NITROCHEMIE or if the product is delivered.

3. Product quality, samples and specimen, warranties

3.1

Unless otherwise agreed, the quality of the products is determined by NITROCHEMIE's product specifications. Identified uses under the European Chemicals Regulation REACH relevant to the products shall neither represent an agreement of a contractual property of a product nor a designated use according to the contract.

3.2

The properties of specimens and samples are binding only insofar as they have been explicitly agreed to define the quality of the products.

3.3

Specifications as to characteristics and wear of products shall only be warranted if agreed and specified as such.

4. Consulting / Other services

If NITROCHEMIE offers consulting services, they shall inform to the best of their knowledge. All information about suitability and application of the goods and/or the services does not release the buyer from conducting its own examinations and tests.

5. Delivery conditions

5.1

Delivery will be carried out according to the agreed trade clause in the single contract, which is governed by the version of the INCOTERMS which was valid at the conclusion of the contract.

5.2

Early deliveries and partial deliveries as well as increasing or reducing agreed delivery quantities for the delivery of full packing containers remain reserved.

5.3

Delays in delivery shall occur only after a written reminder granting a reasonable additional grace period.

5.4

The buyer shall properly dispose of the packing materials, unless their return has been agreed.

6. Transport damage

Any complaints for transport damage must be lodged by the buyer directly with the carrier within the special period laid down for that purpose and NITROCHEMIE shall be provided with a copy thereof.

7. Observation of legal stipulations

Unless specifically agreed otherwise, the buyer is responsible for compliance with statutory and regulatory requirements for the import, transport, storage, and use of the goods.

8. Default of payment/payment

8.1

Failure to pay the purchase price by the due date constitutes a fundamental breach of contractual obligations.

8.2

In the event of a default in payment by the buyer, NITROCHEMIE is entitled to charge interest on the amount outstanding at the rate of 5 percentage points above the central bank discount rate at the time payment is due if the amount is invoiced in EUR, or if invoiced in any other currency, at the rate of 5 percentage points above the central bank discount rate of the country of the invoiced currency at the time the payment is due.

9. Buyer's rights in case of defects

9.1

The buyer or the consignee nominated by the buyer must examine the goods received immediately on their arrival. Defects in the goods which can be found during a proper examination must be reported to NITROCHEMIE immediately after receipt of the goods. Other defects must be notified to NITROCHEMIE immediately after discovery. The notification must be in writing and must precisely describe the nature and extent of the defects.

9.2

If the goods are defective and the buyer has duly notified NITROCHEMIE in accordance with clause 9.1, the buyer may assert its statutory rights, provided that:

- a) NITROCHEMIE has the right to choose whether to remedy the defect or supply the buyer with non-defective replacement goods (supplementary performance).
- b) NITROCHEMIE reserves the right to two attempts at supplementary performance. Should the supplementary performance fail or be unreasonable for the buyer, the buyer has the right to withdraw from the contract or ask for a reduction of the purchase price.
- c) Where a material defect actually exists, NITROCHEMIE must bear all expenses required for the purpose of testing and supplementary performance, in particular transport, workers' travel, work and materials costs (but not costs of dismantling or assembly). However, if the buyer's request for removal of defects turns out to be unjustified, NITROCHEMIE may ask for reimbursement of the incurred costs from the buyer. For compensation claims and claims for fruitless expenditures due to defects, clause 11 shall apply.

9.3

The buyer's claims for defective goods are subject to a period of limitation of one year from receipt of the goods.

Statutory periods of limitation shall apply in lieu of this one-year period in the following cases:

- a) in the case of liability because of intent,
- b) in the case of fraudulent concealment of a defect,
- c) for claims for damages resulting from loss of life, body or health caused by a negligent breach of duty on part of NITROCHEMIE or an intentional or negligent breach of duty by NITROCHEMIE's legal representatives or agents.
- d) for claims for other damages that arise from a grossly negligent breach of duty on part of NITROCHEMIE or from a deliberate or grossly negligent breach of duty on part of NITROCHEMIE's legal representatives or agents, and
- e) in cases in which the buyer seeks recourse pursuant to the regulations governing consumer goods purchases in the case of liability in accordance with the Product Liability Act.

10. Liability / liability limitation

10.1

NITROCHEMIE can generally be held liable for defects according to the legal provisions.

10.2.

In the case of ordinary negligent breach of essential contractual duties, NITROCHEMIE's liability shall be limited, however, to typical, foreseeable damages; in the case of ordinary negligent breach of non-essential contractual duties, NITROCHEMIE's liability is excluded. A breach of essential obligations, i.e. an obligation whose fulfilment is a prerequisite for enabling the proper fulfilment of the contract in the first place and in which the buyer may normally trust, which poses a risk for the purpose of the contract, is considered a significant breach of contractual obligations.

10.3

Liability for any type of consequential damage, in particular lost profit, is excluded in case of ordinary negligent breach.

10.4

The aforementioned limitations of liability shall not apply for damages arising from injury to life, body or health.

11. Offsetting

The buyer may only set off claims from NITROCHEMIE against an undisputed or adjudicated counterclaim or make them the subject matter of any rights of retention.

12. Securities

If there are reasonable doubts as to the buyer's ability to pay, especially in case of default of payment, NITROCHEMIE may, subject to further claims, revoke credit periods, and make further deliveries dependent on advance payments or other securities.

13. Retention of title

13.1 Simple retention of title

NITROCHEMIE reserves title to the goods supplied in any case until the purchase price has been paid in full.

13.2 Extended retention of title

If the buyer has paid the purchase price for the delivered goods, but there are still further liabilities arising from the business relationship with NITROCHEMIE which the buyer has not yet paid in full, NITROCHEMIE furthermore reserves the title to the goods supplied until fulfilment of all buyer obligations.

13.3 Processing clause

In case of processing of the goods delivered by NITROCHEMIE by the buyer, NITROCHEMIE is considered the producer and directly gains ownership of the newly created goods.

If the processing is carried out in combination with other materials, NITROCHEMIE shall immediately have co-ownership of the new goods in ratio of the invoice value of the goods provided by NITROCHEMIE to the invoice value of the other goods.

13.4 Combination and mixture clause

If goods delivered by NITROCHEMIE are combined or mixed with an item of the buyer in such a way that the buyer's item shall be deemed the main item, it is deemed as agreed that the buyer assigns to NITROCHEMIE proportional co-ownership in the main item in ratio of the invoice value of the goods provided by NITROCHEMIE in relation to the invoice value (or, in the absence thereof, to the market value) of the main item. The buyer shall hold the sole title or joint title so resulting in safe custody for NITROCHEMIE at no charge.

13.5 Extended retention of title

The buyer shall have the right to dispose over the goods over which NITROCHEMIE retains title as part of the regular course of business, provided it honours the obligations arising out of the business relations with NITROCHEMIE in a timely manner. Other dispositions, in particular pledges and granting of equitable liens, are not permitted. All claims arising from the sale of goods to which NITROCHEMIE has title are assigned by the buyer at the time of signing the contract with NITROCHEMIE. If NITROCHEMIE has acquired co-ownership in cases of processing, combining or mixing, the assignment shall take place in ratio of the value of the goods provided by NITROCHEMIE under reservation of title in relation to the value of goods with reserved ownership rights by third parties. Recognised net receivables in the amount of our then outstanding debts are already transferred from the buyer to NITROCHEMIE at conclusion of the contract. The buyer remains entitled to collect the accounts receivable assigned to NITROCHEMIE until revocation by NITROCHEMIE. NITROCHEMIE undertakes not to collect the account receivable as long as the buyer complies with its payment obligations to NITROCHEMIE, is not in default of payment, has not filed a petition for the opening of insolvency proceedings, and no other deficiency in its financial capacity exists.

13.6 Right to information/disclosure

Upon request by NITROCHEMIE, the buyer shall provide NITROCHEMIE with all necessary information concerning the stocks of goods over which NITROCHEMIE holds ownership and concerning the claims assigned to NITROCHEMIE. Likewise, on the request of NITROCHEMIE, the buyer shall label goods in its ownership as such and inform their purchasers about the assignment. The buyer shall notify NITROCHEMIE in writing without delay of any and all access by third parties to reserved goods or of receivables which have been assigned to NITROCHEMIE.

13.7 Default of payment

In case of breach of contract by the buyer, in particular in case of non-payment of a sales price due, NITROCHEMIE is entitled to withdraw from the contract under statutory provisions and to demand return of the goods on grounds of the retention of title and the withdrawal. If the buyer does not pay the due sales price, NITROCHEMIE is only entitled to exert these rights if it has unsuccessfully set the buyer a suitable deadline for payment or such a deadline is not required by law.

13.8. Securities approval

If the realised value of the securities exceeds the amount payable to NITROCHEMIE by more than 10 %, NITROCHEMIE shall release securities of its choosing at the buyer's request.

14. Force majeure/non-availability of the service

14.1

To the extent that any incidents or circumstances beyond NITROCHEMIE's control (such as natural events, war, labour disputes, shortages of raw materials and energy, obstruction of transportation, breakdown of manufacturing equipment, damage caused by fire and explosion, acts of government, acts or omissions by governments or legislators) reduce the availability of goods from the plant from which NITROCHEMIE receives the goods with the result that NITROCHEMIE is unable to fulfil its obligations under the terms of this contract (taking into account on a pro rata basis other internal or external supply obligations), NITROCHEMIE (i) shall be relieved of its obligations under the terms of this contract for the duration of the disruption and to the extent of the consequences of such disruption and (ii) shall have no obligation to procure goods from other sources. The same applies to the extent that such incidents or circumstance render the contractual performance commercially useless for NITROCHEMIE over a prolonged period or affect suppliers of NITROCHEMIE. NITROCHEMIE shall inform the buyer immediately of all the aforementioned incidents and circumstances and at the same time indicate the expected, new delivery deadline. If the aforementioned occurrences last for a period of more than 6 months, NITROCHEMIE is entitled to withdraw from the contract.

14.2

In particular, non-availability of the goods pursuant to clause 14.1 shall also be deemed to occur in the event of late self-delivery by NITROCHEMIE's suppliers, if NITROCHEMIE has concluded a congruent hedging transaction, neither NITROCHEMIE nor their suppliers are at fault, or NITROCHEMIE shall not be obliged to perform the procurement.

15. Receipt of declarations

Any notice or other communication required to be received by a party is only effective at the moment it reaches the intended party. If a time limit has to be observed, the declaration has to reach the recipient within such time limit.

16. Place of jurisdiction

The place of jurisdiction shall be Munich (Germany).

17. Applicable law

Applicable law is solely the law of the Federal Republic of Germany with the exclusion of international private law. Application of the UN convention on international purchases is excluded. The place of performance is Aschau am Inn (Germany).

18. Contract language

If the buyer is reading these General Sales and Delivery Conditions in a language other than that in which the contract is concluded (contract language), it is only provided in order to facilitate the comprehension. In case of differences of interpretation, the version in the contract language shall be binding.

as of 17/08/2015