

General Standard Terms and Conditions

by PVP Triptis GmbH

applying to Business Transactions with Commercial Enterprises

1. General

1.2. With respect to all contractual obligations entered into by PVP Triptis GmbH (hereinafter referred to as “**PVP**”) the following order is applicable:

- the individual contractual agreements of the parties involved;
- the General Standard Terms and Conditions herein;
- the German Civil Code.

1.2. Conflicting General Standard Terms and Conditions of the Customer shall not become part of any contractual agreement. This applies also in cases where the conflicting General Standard Terms and Conditions of the Customer have not been explicitly contradicted by PVP. Differing conditions, individual arrangements, contracts and/or agreements are only binding if set up in writing. In these cases the General Standard Terms and Conditions of PVP shall be applicable additionally.

2. Offer and Conclusion of Contract

2.1. The general product documentations of PVP as well as technical specifications and statements and information contained in pricelists – electronically or otherwise available – are only binding if specifically referred to in the contract. This also applies to statements by or vis-à-vis representatives or employees of PVP which shall only become effective after written confirmation. The same is applicable for supplementary changes of and amendments to the contractual obligations.

2.2. The Customer is bound by his purchase order addressed to PVP for two weeks. Such an order can be accepted by PVP only within these two weeks by transmission of a confirmation of order or by such action as the fulfilment of the contractual obligation within the same period of time.

3. Prices

3.1. Unless otherwise agreed to PVP prices are quoted ex works. Costs of packaging are not included in the price. Prices quoted in contracts or in orders do not include VAT. VAT shall be itemized separately in the invoice in its legal amount on the day of invoicing.

- 3.2. Unless otherwise agreed to with the Customer in writing payments resulting from contractual obligations shall be due within 14 days after the date of invoicing without any discounts. Payments are only then considered made after the remuneration agreed to in the contract has been credited to one of the accounts listed on the invoice. In the case of payment by cheque, payment is considered to be effected only after the cheque has been cashed by the bank it was drawn upon.
- 3.3. In the event that the delivery time agreed to is in excess of 4 months counted from the date of the contract or that delivery has been delayed in excess of 4 months after the conclusion of the contract out of reasons only the Customer is responsible for or which fall entirely into the Customer's sphere of risks, then PVP is entitled to calculate prices as valid on the date of delivery. For the increase to become effective a prior announcement of 4 weeks is required. In the case of a price increase of more than 5% of the price initially agreed upon, the Customer is entitled to withdraw from the contract. However, this right of cancellation is forfeited if not exercised within a period of 2 weeks starting from the date on which the announcement of the price increase has been made.
- 3.4. In the event of his failure to meet the deadline set forth in Clause 3.2 or that of a different date of payment as shown on the invoice, the Customer shall be considered in default of payment without any further notice necessary. PVP is entitled to demand interest on arrears commencing after due date in the amount of 8% above base interest rate. PVP reserves the right to provide proof of higher damages. Furthermore, in the event of a default of payment on part of the Customer, PVP is entitled to withhold all further contractual obligations until such date as – at the choice of PVP – the Customer has made payment or furnished security in the form of an absolute, irrevocable and unlimited guarantee (guarantor primarily liable) provided by a major German bank or savings bank (Sparkasse).
- 3.5. In case that the Customer does not meet payments when due although he has received a written reminder setting a deadline, PVP is entitled to cancel the contract and demand payment of damages including indemnification for profits lost in accordance with German civil law. PVP is entitled to activate subclause 8.4 as prescribed hereafter.
- 3.6. In the event that the Customer should become unable to perform economically, particularly when entering the state of insolvency or on account of legitimate doubts in his continuing credit standing, PVP is entitled to claim all debts not yet due arising from the business relationship with the Customer. Advance payments in respect to future obligations may be demanded by PVP.
- 3.7. The Customer is entitled to offset debits against credits only in the event that his counterclaims are acknowledged by a final court judgement or by PVP itself or are otherwise uncontested. This also applies in the event that formal complaints or counterclaims have been lodged by the Customer. The right of retaining a lien may only be exercised by the Customer if his counterclaim should originate from the same contractual relationship.

4. Delivery Time and Time of Performance

- 4.1. Target dates and time limits are not binding unless explicitly agreed to in writing. In this case the Customer may grant PVP a further adequate time limit in which to perform. Should this deadline be inadequate, PVP shall be required to contradict without delay and name another adequate time limit.
- 4.2. PVP takes responsibility for the punctual performance of its obligations only as far as it receives all necessary supplies and other performances on time, or inasmuch as the Customer fulfils his obligations correctly and in good time. So far as third-party supplies should not be received on time, PVP shall not take responsibility for its punctual performance only in case that a substitute delivery by a third-party supplier has not been possible.
- 4.3. In cases of force majeure time limits and target dates shall be postponed for the duration of the impediment to performance. Cases of force majeure are, i.e. strikes, lockouts, natural disasters or similar unforeseeable occurrences. The aforementioned also applies if these circumstances occur to subcontractors engaged and/or otherwise consulted by PVP for the completion of a contract, unless another subcontractor could have been engaged in time. PVP shall also not be held responsible in the case that the circumstances mentioned before are taking place while in default of its own obligations.
- 4.4. In the case of an impediment as described before, suspension of the cause leading to an impediment of performance shall be considered taking effect 3 working days after the impeding event ended. The Customer shall be notified by PVP without delay and in writing – at the latest within one week - of the existing impediment and its causes. So far as PVP is not responsible for the impediment, and the impediment is lasting for a period of more than 4 months, PVP shall be entitled to a cancellation of the contract as a whole or in parts thereof, without liability for damages. In the event of a cancellation, PVP shall indemnify the Customer *quid pro quo*.
- 4.5. In the event that PVP culpably fails to keep a time limit expressly agreed to, the Customer has to grant PVP an adequate period of grace starting from the day PVP receives a written notice of default or according to the calendar. After the unsuccessful expiration of the grace period the Customer is entitled to void the contract.
- 4.6. In the event of a fixed-date purchase, PVP's liability is based on German Civil Law. The same principles apply in case that the Customer is entitled to claim a loss of interest in completing the deal on grounds that PVP is in default of delivery. In these cases PVP's liability is limited to the foreseeable damage of a typical kind, unless the default PVP is responsible of is in consequence of an intentional and grossly negligent violation of the contract, in which case PVP shall also be held accountable for any failure of its representatives or agents.

Likewise PVP's liability under German Civil Law also takes effect in the event of a default of delivery, if this default is the consequence of an intentional and grossly negligent violation of the contract for which PVP is responsible, in which case PVP shall also be held accountable for any failure by its

representatives or agents. In the event that the default of delivery is not caused by an intentional or grossly negligent violation of the contract for which PVP is responsible, PVP's liability is limited to the foreseeable damage of a typical kind.

- 4.7. In the event that the default of delivery for which PVP has to take responsibility is caused by a culpable violation of an essential contractual obligation, PVP's liability is based on German Civil Law; however, liability is limited to the foreseeable damage of a typical kind.

In the event that the default of delivery by PVP is caused by a culpable violation of a nonessential contractual obligation, the Customer is entitled to demand lump-sum compensation in the amount of 3% of the value of the delivery, however at the most a total of 15% of the delivery value calculated on each completed week in which PVP is in default.

- 4.8. Any further liability in respect of a default of delivery on the part of PVP is hereby excluded, notwithstanding any further legal claims and rights the Customer might have in addition to the claim for damages caused by PVP's default of delivery.
- 4.9. PVP is entitled at any time to perform by part deliveries or by deliveries in successive instalments if this is not considered unreasonable to the Customer.
- 4.10. In the event of the Customer's default of accepting the delivery of goods, PVP is entitled to demand indemnification for the damage incurred and for possible additional expenses. The same applies in the case of the Customer's culpable violation of any duty of cooperation. In the event that the Customer has legally entered into default in accepting the goods or into debtor's delay the risks of accidental deterioration and accidental destruction of the goods pass onto the Customer.

5. Passage of Risks – Shipping /Packing and Packaging

- 5.1. Shipping and forwarding take effect uninsured and on the Customer's risk. With respect to mode and route of dispatch PVP shall make an effort to take the requests and interests of the Customer into consideration; extra costs hereby incurred – cases of transport at no charge to the Customer included – shall be charged to the Customer.
- 5.2. Following the Regulations governing packing and packaging (Verpackungsordnung) transport and other packaging materials are not taken back by PVP. Disposal of packaging materials has to be taken care of by the Customer at his own expense.
- 5.3. In the case that shipment of products is delayed due to the Customer's request or on account of the Customer's fault, storage of the products shall be arranged by PVP at the Customer's risk and expense. In this event giving notice of the readiness for shipment equals the actual shipping.

5.4. Shipment can be insured by PVP at the Customer's expense if so desired.

6. Warranty and Risk

6.1. Warranty claims by the Customer shall only be considered if the Customer has duly fulfilled his duties of examination and procedures of complaint as prescribed by law.

6.2. In the event of a defective product for which PVP is to be held responsible, compensation delivery of products by PVP is required excluding the Customer's rights to cancel the contract or to demand price reductions, unless PVP is entitled to refuse compensation delivery of products under existing law. It is the Customer's obligation to grant PVP an adequate time limit for rectifying its performance.

6.3. It is PVP's choice to rectify its performance either by correcting its faults or by compensation delivery of products. All costs necessary for the correction of its faults, specifically for transport, roads, labour and for materials, have to be borne by PVP, with the exception of costs resulting from the shipment of the merchandise purchased to a different location than the stipulated place of performance.

6.4. In the event that the corrections of faults is a failure or that PVP is not willing or in a position to correct its faults, or any of these measures should be delayed beyond an adequate time limit for reasons that are PVP's responsibility, then it is the Customer's right to cancel the contract or demand a reduction of the purchase price.

6.5. Claims for damages with respect to products being defective may be brought forward by the Purchasing Party only if compensation delivery of products has failed or was refused by PVP, notwithstanding the Purchasing Party's rights to claim further damages according to the conditions following hereafter.

6.6. Warranty claims by the Purchasing Party are struck by the Statute of Limitations one year after delivery of products to the Purchasing Party, unless the defect had been maliciously silenced by PVP. In this case provisions of the civil law apply.

6.7. PVP's liability for damages is unlimited in accordance with the provisions of law governing liability for damages of life, body and health resulting from negligent or intentional neglect of responsibilities by PVP, its legal representatives or agents as well as damages based on liabilities according to the German Product Liability Code. Liability of PVP for damages not governed by sentence 1 above resulting from a negligent and intentional violation of the contract as well as intention to deceive on the part of PVP, its legal representatives or agents, is based on the provisions of the law. However, in this case, liability is limited to the foreseeable, typically occurring damage,

unless actions by PVP, its legal representatives or agents have been executed with intention.

- 6.8. PVP is also liable for damages caused by negligence, inasmuch as such negligence concerns a violation of contractual obligations the observation of which are considered of essential importance to the purpose of the contract (Primary Obligations). However, PVP is only legally liable in so far as the damages are related to the contract in a typical manner and foreseeable.
- 6.9. A more comprehensive liability especially for damages including loss of business or regarding other economic losses is excluded regardless of the legal nature of the claims. This includes claims for damages arising from criminal offences or claims for compensation of unnecessary expenses instead of the contractual performance. So far as the liability of PVP is excluded or limited such exclusion or limitation also applies to the personal liability of its legal representatives or agents.
- 6.10. Claims for damages by the Purchasing Party regarding defective products are struck by the Statute of Limitations one year after delivery of the products. The aforementioned does not apply in the case of an injury to the life, the body or the health caused by PVP, its legal representatives or agents, or in the case that PVP or its legal representatives have acted with intent or gross negligence, or in the case that their common agents have acted with intent.

7. Reservation of Ownership and Intellectual Property

- 7.1. The products delivered by PVP remain under extended reservation of ownership (Conditional Commodity). PVP reserves the right of ownership regarding all contractual performances - as far as legally permissible – until satisfaction on all claims is obtained, including on all liabilities on current accounts, which PVP may be entitled to vis-à-vis the Purchasing Party now or in future.
- 7.2. The Purchasing Party has to handle all Conditional Commodity with care and is obliged to insure such products at his own expense against risks of fire, water and theft adequately for its reinstatement value.
- 7.3. In the event of a violation of the contract by the Purchasing Party, especially in the case of payment delayed, PVP is entitled to repossess the merchandise after demand for payment has been issued, and the Contractual Partner is obliged to return the products.
- 7.4. The enforcement of the right of ownership being under reservation, the repossession of products as well as the seizure of the contractual performance by PVP are to be construed as withdrawal from the contract, unless an explicit declaration to the contrary has been made by PVP in writing.
- 7.5. Processing or reconstruction of the contractual performance by the Purchasing Party is always carried out on behalf of PVP. In the event that the contractual performances are processed together with products not belonging to PVP, the ownership of such new product is acquired by PVP as a joint ownership in

proportions of the values of the contractual performances to the other processed objects at the time of processing. The Customer is to safeguard the joint property on behalf of PVP.

- 7.6. In the event that the contractual performance is mixed inseparable together with other objects not belonging to PVP, the ownership of such new product is acquired by PVP as a joint ownership in proportion of the values of the contractual performance to the other mixed objects. Also in these cases the joint property shall be safeguarded by the contractual partner.
- 7.7. The contractual performance may not be pledged nor put in pawn by the Purchasing Party. In the event of attachments, seizures or other dispositions by Third Parties, PVP has to be informed immediately and given all information, documents and data necessary for the safeguarding of such rights by PVP. Law Enforcement Officers or Third Parties are to be informed of PVP's ownership rights.
- 7.8. Unless the Purchasing Party is in default of payment, the Purchasing Party is entitled to dispose of or to make use of the Contractual Commodity in orderly and appropriate business transactions. In order to protect the contract value of goods under reservation of ownership, the Purchasing Party hereby assigns to PVP all possible claims arising from the resale of such goods or from any other statutory right (Insurance or Tort) regarding such conditional commodity. The assignment of a claim as security is effected to its fullest extent. PVP herewith accepts the assignment. In the event that the Purchasing Party entertains a current account with such follow-up Buyer, the assignment also covers the positive balance on current account of the Purchasing Party in relationship to the Third Party up to the amount of the purchase price.

The Purchasing Party is hereby authorized until revoked to collect all debts assigned to PVP on its own account and in its own name. Such authorization for collection of assigned debts can be revoked at any time that the Purchasing Party does not meet its payments as prescribed.

PVP is obliged to release all securities pledged to itself in case the realizable value of these securities exceeds the secured claims by more than 10%. It is PVP's task to select the securities to be released.

8. Term and Notice to Terminate

- 8.1. Contracts on the basis of these General Standard Terms and Conditions (hereafter called "GSTC") become effective with their signing. They are terminated after full completion of the reciprocal performances.
- 8.2. Notwithstanding the rights of both parties to give notice for cause and termination without notice, the contractual relationship may be terminated by both parties according to the provisions of the individual contract and these GSTC. In particular, PVP is entitled to give notice for the causes named hereafter as follows:
 - Discontinuation of payments by the Purchasing Party;

- Filing of a petition for Insolvency Procedures into the assets of the Purchasing Party (including the opening of private insolvency procedures);
- Voluntary liquidation of the Purchasing Party;
- Default in accepting delivery of the goods on part of the Purchasing Party;
- In the event of failing to cooperate;
- Use of the contractual performance contrary to the contract;
- In the event of the destruction of confidence by the contracting party.

8.2. The notice of termination given hereunder shall be in writing and sent by registered mail. In this case such notice shall be deemed to be received if the service to deliver in person has been futile and the Purchasing Party has received a notice of such service.

8.3. In the event of a notice to terminate on the basis of these GSTC, PVP is entitled to the remuneration as agreed to. However, PVP has to credit against costs saved on account of the termination of the contract or against profits gained by the employment of its workers for different purposes or which profits PVP willfully neglects to make.

In so far as PVP has to set off expenditures against costs saved, it shall be deemed satisfactory proof of such savings by PVP if the difference between the expected and actual operational data shall be documented on behalf of PVP by an independent tax advisor or equally competent tax expert on the basis of estimated figures which have been extracted from the company's books in a credible manner. In deviation from the aforementioned, PVP is entitled to deduct cost savings at a flat rate charge of 60% of the costs saved reflecting the remuneration proportionally to the nonperformance. It is up to the Customer to prove that the actual costs saved by giving notice of termination exceeds the flat rate agreed upon. Not to be effected is PVP's obligation to offset any substitute earnings on account of the employment of its workers for different purposes.

8.4. All provisions mentioned in sub clauses 8.1 – 8.4. are also activated on rescission of a contract or on account of different grounds for cancellation.

8.5. Any provisions herein which according to their meaning and purpose are normally deemed valid beyond the regular term of contract shall also stay in force in case of a termination by notice.

9. Secrecy, Data Protection and Loyalty

9.1.1. Each party hereto undertakes with the other to perform and observe a conduct of loyalty. In particular they have to refrain from hiring away any employees of the Contracting Party.

9.1.2. The Contracting Parties hereby warrant and undertake to safeguard any data and information gathered directly, indirectly or in any other way from each other, also after termination of the contract, and to make use of such information only in the spirit of the contract either orally, written or in any other way. This also applies for any data or information which were not specified or transmitted as confidential, as far as such data and information are to be

considered confidential. This does not apply if such data and information at the time of their publication are already public knowledge and accessible to each Third Party or in case that such data and information are transmitted by such Third Party which is not obliged to maintain secrecy, or in case that these data and information have to be made public by binding law, or, further, in case these data and information have to be referred to the Legal or Tax Advisors of each Party for the purpose of consultation.

- 9.3. The Contracting Parties undertake to ensure that all their employees and/or Third Parties employed in the fulfillment of the contractual performance shall also comply with this obligation to secrecy.
- 9.4. The Contracting Parties waive their right to claim any damages resulting from unauthorized Third Parties illegally obtaining knowledge of data and information of the respective Contracting Party, unless the act of obtaining such knowledge has been facilitated by a violation of contract on the part of the Contracting Party.
- 9.5. Provisions of the law, especially legal provisions governing data protection are not withstanding.
- 9.6. Drawings, technical documents or other technical data and information concerning the subject matter of a contract passed to the other Party either before or after conclusion of the contract shall remain the property of the submitting Party. Without the prior consent of the submitting party these documents may only be used for the purpose agreed to. Without the prior consent of the submitting Party they may not be used for different purposes, copied, reproduced, passed on to Third Parties or made public.

10. Miscellaneous

- 10.1. The Customer hereby warrants and undertakes that utilization of the contractual performance made by himself or his contractual partner shall not infringe on public or otherwise binding law.

In the event and insofar that any behavior of the Customer not conforming to the contract shall lead to claims against PVP, the Customer is obliged to indemnify PVP of these claims. In the event of claims arising from any such behavior of the Customer which is not conforming to the contract, PVP is entitled to prohibit the utilization of the contractual performance by the Customer until a final solution is reached.

- 10.2. Any transfer of rights and duties by the Customer to a Third Party, which are based on the provisions herein require the prior consent of PVP.
- 10.3. A contract based on these GSTC is bound exclusively by the laws of the Federal Republic of Germany. The place of jurisdiction shall be PVP's place of business, unless the Customer is a legal person under public law or a public law special fund. PVP is as well entitled to take the Customer to court at the Customer's place of business.

- 10.4. Any changes and amendments to a contract based on these GSTC as well s of these GSTC themselves are required in writing. This also applies to the written form requirement.
- 10.5. Following the provisions of the Federal Data Protection Law the Customer is hereby advised that data regarding the transaction of business shall be saved and dealt with by means of Electronic Data Processing.
- 10.6. In the event that any provisions of this agreement are invalid or should in future become invalid, such invalidity shall not affect the remaining provisions of this agreement. In place of any invalid provision such effective provision is deemed to be agreed upon as from the beginning which, according to its spirit and purpose of these GSTC and its legal content corresponds to the invalid provision or comes near it.

In the case of loopholes such provisions are deemed to be agreed upon as from the beginning which are equivalent to such meaning and which should have been agreed upon reasonably according to the spirit and purpose of these GSTC if they should have considered this loophole.

Unless otherwise specified in the confirmation of order, the place of fulfillment of a contract is equivalent to the place of business of PVP.