

General Conditions of Purchase
of
Agrichema Schüttguttechnik GmbH & Co. KG

I. Scope of Applicability

1. All orders by Agrichema Schüttguttechnik GmbH & Co. KG – hereinafter called „customer“ - will exclusively be placed on the basis of the following conditions of purchase. These conditions will also apply to all future business relations, even if not expressly agreed again.
2. Confirmations of orders by the supplier with reference to its general terms and conditions of sale are hereby expressly rejected.

II. Offers

1. Any offers by the supplier are free of charge and not binding upon the customer.
2. The customer is entitled to accept the seller's offers within a time limit of two weeks.
3. Any technical documents, drawings and specifications transferred to the supplier by the customer for tendering or manufacturing purposes, remain the property of the customer and have to be returned to the customer immediately if no contract is concluded. The supplier engages not to disclose the cited documents to third parties without the customer's prior written consent.

III. Delivery, Time of Delivery, Compliance Money

1. Quality, quantity and classification of deliveries must be in conformity with the customer's order or delivery classification.
2. Any change with regard to the delivery items requires the customer's express prior consent.
3. The supplier is obligated to comply exactly with the customer's technical specifications and the relevant legal, governmental and other regulations; these include in particular accident prevention rules, DIN-, ISO-, EN- and CE-standards as well as the established technology and engineering standards, etc.
4. Any delivery shall be made within the due time of delivery. If the supplier is liable for an exceeding of the time of delivery as provided for by contract, the customer shall be entitled to demand compliance money in the amount of 0.3 % of the order value per day, however, in total not more than 8 % of the order value. If the customer accepts the delivery despite the exceeding of the time of delivery, he is entitled to demand compliance money if the customer reserved himself the right to assertion at the acceptance.

IV. Prices, Terms of Payment

1. The prices shown in the order of the customer and confirmed by the supplier shall be binding during the running of the respective contract. The supplier shall not concede to the customer prices which are less favourable than prices conceded to other clients for comparable contracts for delivery.
2. The customer shall pay the consideration the supplier is entitled to within fourteen days less 3 % cash discount or net within thirty days after receipt of the properly made out invoice or of the delivery, if the date of reception of the delivery is later than the date of the reception of the invoice. If the invoice is not properly made out, the term commences with the reception of the properly made out invoice.

V. Shipment, Passage of Risk, Passage of Title to Property, Warehousing

1. The customer reserves himself to determine the shipping route and the mode of dispatch as well as the means of transport and the packing type. Delivery has to be performed freight prepaid, free of packing, carriage and warehouse charges or other cost of transport.
2. Risk passes to the customer as soon as the delivery items are at the work premises of the customer. This shall even apply if the customer itself collects the delivery items or has them collected.
3. Title of ownership of the delivery items passes to the customer upon its obtaining possession.
4. The supplier engages to maintain an adequate stock of the delivery items in order to ensure that the customer can be supplied without delay and continuously.

VI. Discharge of the Obligation to Take Delivery (Force Majeure, and the Like)

1. Force majeure or other extraordinary circumstances – among other things, natural disasters, riots, governmental measures, breaks in transport, strikes, lockout and other measures in connection with labour disputes as well as other disturbances occurring with the customer or with outside suppliers of the customer leading to stoppage of or a cut down in the customer's production or to a reduction in consumption – shall discharge the customer of its obligation to take delivery for the duration and within the scope of the impact of such events. The supplier shall in these cases have neither a right to receive the consideration nor any right to compensation in damages. In the case of inability to dispatch or take delivery, the supplier has to store the goods properly upon request of the customer until delivery is taken by or on behalf of the customer at its expense and risk.

VII. Warranty

1. The statutory limitation period shall commence with the passing of risk and shall be suspended as of the time a notice of defect is given.
2. The customer shall check the supplied goods within a reasonable period of time for deviations from quality and quantity. A notice of complaint shall be deemed given in due time if received by the supplier within five working days following upon customer's receipt of goods.
3. If the supplied goods are defective, the customer is entitled to claim subsequent performance or to rescind from the contract and to claim damages or reimbursement of futile expenses, or to reduce the purchase price and claim reimbursement of futile expenses. The reimbursement shall comprise, among alia, compensations to third parties, costs for legal defences, costs for installation and dismantling, recall costs, handling fee for the settlement of damages. The supplier will hold the customer harmless from third party claims for damages.
4. The supplier shall provide for or maintain, as the case may be, insurance coverage for product liability with an amount covered being adequate for the respective order and provide evidence for the existence of such insurance coverage upon first request.
5. The supplier shall bear the costs necessary for the subsequent performance, in particular costs of transport, work and material and toll fees.
6. Should payment be effected prior to the ascertainment of defects does neither constitute an acknowledgement of the correctness of the invoice and/or the absence of defects nor an acceptance of the goods.
7. The supplier shall send within 24 hours a competent employee, being an authorised representative, for ascertaining the damage and its causes and for participation in tests.

8. In the event of occurrence of a material defect within the legal period, it is considered that the delivery item had already been defective in the moment of passage of the risk, unless this presumption is not compatible with the nature of the delivery item or the defect.

VIII. Third party's rights

1. The supplier guarantees that the delivery items are free of third party's rights, and in particular that there are no property rights or national or international industrial property rights nor other ancillary copyrights of third parties which could be violated by the fact of production and sale to the customer or by the utilisation of the delivery items by the customer.
2. The supplier shall discharge the customer of all obligations and damages the customer may incur by reason of use or respectively violation of foreign industrial property rights which he did not know.
3. In the event that third parties assert industrial property rights, the customer is entitled to refuse the reception of the delivery items until clarification of the rights, or to place the delivery items already received once again at the supplier's disposal at the expense of the supplier and to withhold payment.

IX. Guarantee of the quality standard

The customer is entitled to supervise the quality standard provided for in the contract. The customer's collaborators and/or mandatories may enter the production premises of the supplier after prior announcement during normal business hours.

X. Assignment, Netting

1. Any assignment of the supplier's rights against the customer requires the prior written consent of the customer.
2. The supplier shall only be entitled to netting if its counterclaim is due and payable and not disputed, or if it is an enforceable title.

XI. Business Secrets, Advertising

1. The supplier shall treat the orders and all associated commercial and technical details - for example technical documents, drawings etc. - as business or trade secrets and shall engage any sub-contractor to treat the mentioned information as business or trade secrets. This shall not apply to technical or commercial know-how of the customer which has become public without any violation of the contract by the supplier.
2. The supplier may only refer to its business relationship with the customer in its advertising or vis-à-vis third parties with the prior written consent of the customer.
3. Any technical documents, drawings and specifications transferred to the supplier by the customer for tendering or manufacturing purposes, remain the property of the customer and have to be returned to the customer immediately upon his demand.
4. For any case of violation of the provisions under section 1 to 3, the supplier shall pay for each infringement a contractual penalty of EUR 10,000.00 to the customer, several infringements will not be considered as one continuous infringement.

XI. Place of Performance, Applicable Law, Place of Jurisdiction

1. The place of performance for all claims arising from the contractual relationship is D-55444 Waldlaubersheim.
2. The laws of the Federal Republic of Germany and the INCOTERMS in their current version shall govern the present terms and conditions of purchase as well as all other legal relations between the supplier and the customer, with the exclusion of the Uniform Law of the International Sale of Goods.
3. The place of jurisdiction for all legal disputes arising directly or indirectly from the contracts concluded with the customer, their materialisation or their interpretation is Bad Kreuznach. The customer shall also be entitled to file a suit at the supplier's place of general jurisdiction.

XIII. Partial Invalidity

In case any of the provisions of these conditions of purchase or any provision within the context of other agreements should be or become ineffective, this shall not affect the validity of the other provisions or arrangements.