

**1 GENERALITY**

The contract becomes valid at the moment the sales contract is sent by seller to buyer. Particulars and instructions become valid only upon seller's written confirmation.

1.1 Our terms of sales apply exclusively; terms of sales set by the purchaser which create an obstacle for or differ from our terms of sale shall not be accepted by us unless we have given our express written consent to their validity. Our terms of sale shall also apply when we carry out the delivery to the purchaser without reservation despite knowing about terms of sales creating an obstacle for or differing from our terms of sales

1.2 All offers made by the seller shall be understood as the call for making a bid.

**2 CLASSIFICATION**

2.1 If a sale is concluded without classification having been made, the purchaser shall be obliged to carry out this classification within 4 weeks after the conclusion of the sale or within a period agreed upon with the seller. If no specific agreement has been made the delivery shall be classified in almost identical monthly amounts over a set period of time, taking into account the general conditions of the specific industry.

2.2 There shall be no obligation for the seller to deliver until the classification has been accepted by the seller in writing

2.3 If the classification is not made on time the seller shall have the right to determine a classification according to the points of view mentioned above, or to cancel the agreement.

**3 DELIVERY**

3.1 The delivery shall take place on the basis of the respective trade agreement, carriage paid from the German border, no customs duties paid or FOB from a European continental port by train or depending on the choice of the seller by other means of transport. Excess costs for express deliveries accelerated fast freight or post deliveries shall be paid for by the purchaser.

3.2 The obligation to delivery shall have been met once the goods have left the factory or intermediate storage, have been handed over to a carrier, or have been made available to the purchaser ready for dispatch.

3.3 The dispatch risk shall always pass to the purchaser, even if the seller organises the dispatch and transport insurance.

3.4 The seller shall not be liable for damage caused by delay, unless it is due to gross negligence or intentional breach of the agreement by the seller or by someone employed by the seller for performing this obligation.

3.5 The seller may free himself from the contract as a whole or in parts if he is unable to make the whole or part of the delivery because he was not supplied on time, because of Acts of God, strike, lockout, war, mobilisation, seizure, export bans or similar circumstances which make it impossible for the seller to deliver on time and for which the seller is not responsible and which are considerably responsible for a timely delivery. The seller shall inform the purchaser of the beginning and the end of such circumstances as soon as possible.

3.6 Unless otherwise agreed between the parties, the purchaser shall be responsible for obtaining all necessary authorisations, documents and other preconditions for importing the goods and paying for them, at his own expenses.

3.7 In addition to these regulations the general rules of trade shall apply. Generally used abbreviations such as FOB, CIF etc. shall apply according to the INCOTERMS issued by the International Chamber of Commerce in Paris in the currently valid form.

**4 PAYMENT, PRICE.**

4.1 Commercial weight (net weight BISFA) is calculated according to the BISFA rules.

4.2 Payment shall take place accordingly to the valid trade and payment agreements with the Federal Republic of Germany.

4.3 Unless otherwise especially agreed, invoices shall be payable without deduction 30 days from the date of the invoice. Payments are not regarded as effected until irrevocable receipt in one of the seller's accounts. Payment transaction fees and charges shall be charged to the Buyer's account. If the payment deadline is exceeded, subject to potential further damage caused by delay, the Seller shall have the right to charge interest at the legally defined rate, without being required to send a reminder. In the event of delay by the Buyer, all outstanding payments in connection with the business relationship shall be due; in the event of agreed instalments the same shall apply if the Buyer is in arrears with two successive instalments.

4.4 Due payment may not be held back or offset if the right to hold back or offset a payment is not based on counter claims which are uncontested, legally established or ripe for judgement. In the case of bankruptcy, debt composition proceedings or any other deterioration of wealth of the seller the prohibition of offsetting or holding back claims shall not apply.

4.5 Should the agreed currency not be the seller's local currency and should the exchange rate of the agreed currency vary from the exchange rate of the seller's local currency at the time of the conclusion of the contract by more than 3%, seller and purchaser both shall have the right to withdraw from that part of the contract for which no delivery has been made yet.

4.6 Should the raw material costs increase by more than 5% between the date of the order confirmation and the delivery date, the seller shall have the right to increase the price accordingly provided the delivery occurs at least 4 months after the order confirmation and the buyer has been immediately informed of the raw material price increase. The sole reference shall be the TECNON price for caprolectam. Shall the buyer postpone the delivery, the seller is allowed to invoice at the price valid at the time the delivery is made.

**5 RESERVATION OF OWNERSHIP RIGHTS**

5.1 The ownership rights shall remain with the seller until the full purchase price has been paid. The purchaser shall have the right to process the goods within the framework of his normal operations and/or sell them. As long as the goods are located on the purchaser's property he shall be obliged to keep them separate from the other goods and to mark them separately as goods belonging to the seller. The purchaser shall insure the goods at his own expense against fire and theft. The seller must be informed immediately of any levies of execution or other seizure attachments.

5.2 If the legal effect of the reservation of ownership rights depends on special registration or any other additional preconditions the purchaser shall be obliged to create these preconditions or to inform and support the seller accordingly.

5.3 If the reservation of ownership rights is not admissible in the recipient country the purchaser shall be obliged to supply an adequate security.

5.4 In isolated cases the seller may agree on payments by letter of credit or ask for a the submission of a bank guarantee upon first request. If the payment is made by letter of credit the valid uniform guidelines and usage for documentary letters of credit issued by the International Chamber of Commerce Paris shall apply.

**6 COMPLAINTS**

6.1 The purchaser shall be obliged to examine the goods immediately to see whether they are free of defects and suitable for their purpose. If the purchaser does not examine the goods, the defect liability of the seller shall not apply. Obvious defects shall be reported within 3 weeks after receipt of the goods, outside Europe within 6 weeks after receipt of the goods, in writing, quoting the delivery date and sending in all receipts, samples, packing slips, packaging information, etc. Hidden defects are to be reported in the same way immediately after discovery.

6.2 In the event of a timely and justified notification of defects, the Seller shall have the right to choose whether to repair the defects or make a new delivery. If the remedy fails, the Buyer shall have the right to choose whether to reduce the compensation according to legal requirements (reduction), or cancel the contract. Objected goods may only be returned with the express consent by the Seller. Once the Buyer, or a customer of the Buyer, has altered or processed the goods, all warranty claims shall be excluded, except the right to reduction in the event that the defects were not noticeable before alteration. The Seller shall be liable for damage which has not occurred on the delivered good itself only in the case of intention or gross negligence as well as culpable injury to life, body and health, regardless of the legal basis. Further claims shall be excluded. This shall not affect the strict liability according to the Product Liability Law.

6.3 The limitation period for warranty claims is 12 months from the transfer of risk.

**7 PRODUCT LIABILITY**

7.1 If the purchaser is responsible for damage to the product he shall be obliged to free us from damages claims by third parties upon first request insofar as the cause lies in his power of control and organisation, especially if it is due to his instructions, and he is liable himself in his rights and duties as to third parties.

**8 TRADEMARK**

8.1 Trade marks with which goods are delivered may not be used by the purchaser for the products made from them without prior written consent:

**9 APPLICATION OF LAW / PLACE OF JURISDICTION / AUTHORITATIVE CONTRACT**

9.1 German law with the express exclusion of the application of harmonised, international purchasing law, shall be applied to this contract.

9.2 The place of jurisdiction for all claims deriving from the contract, including actions on cheques and dishonoured bills, is Neumünster, Germany. However, the seller shall have the right to make his claims at the purchaser's competent courts.

9.3 The German text shall be the only decisive and authoritative text for the interpretation of the above-mentioned terms.