

Kröner-Stärke GmbH General Conditions of Sale (10/2017)

Delivery:

Unless otherwise agreed upon, we deliver ex the Ibbenbüren-Bocketal plant or from the distribution center, and the Purchaser is responsible for the shipping costs. The Purchaser bears the transportation risks even if the goods are shipped freight paid [free of charge]. At the location selected by us, the goods are measured, weighed or counted to determine the quantity of the goods corresponding to the price. If the Purchaser is in default in accepting delivery, we can rescind the Sales Agreement without giving a grace period and we can demand damages or require prior payment before delivery. If we are late in our delivery, the Purchaser agrees to extend the delivery date by four weeks. No claims may be brought regarding late delivery before this extension date. If the Seller, through no fault of its own, is temporarily prevented from delivering goods by the agreed-upon date or within the agreed-upon extension period, because of Acts of God and interruptions in operations of the Seller or its suppliers or failure to receive supplies, agreed-upon delivery dates are extended for the time period that the disturbances exist. If these disturbances result in a delay in performance of more than four months, the Purchaser may cancel the contract.

Notice of Defects:

Notice of defects is to be given to us (not our agents) in writing, with an exact description of the reasons, immediately after the goods are received. We cannot acknowledge defects if it is not possible for us to inspect the rejected goods. Notices of defects can be based on the results of an analysis of samples of goods if we are able to review this analysis with a control sample which is sealed and properly handled. No objection can be raised if there are small deviations, usual in the trade, in the quality, color or weight of the goods.

Material Defects:

The statute of limitation under the law for the Purchaser to bring a claim for material defects is two years after the delivery of the goods. Deviating from that, the statute of limitations is one year if the Purchaser is a public law entity, a special fund under public law, or an entrepreneur who is engaged in his commercial business or is self-employed when entering into the contract. The Purchaser can only demand a new delivery if there is a material defect in the goods. If this subsequent delivery is also defective, the Purchaser has a right to a reduction in the purchase price or recession of the sale/contract. The Purchaser also has a right to bring claims for fraudulent concealment of a defect or for the breach of a warranty for the quality of the goods.

Liability:

In case under the law we are held responsible for damages that were caused by a slight degree of negligence, we would be liable only for the failure to fulfill contractual obligations. Our liability is limited to the typical damages which can be foreseen at the time the contract is entered into. This limitation is not applicable if there is injury to life, body or health. Also we would be liable under the Product Liability Law, regardless of our fault, if there were fraudulent concealment of a defect or a breach of a warranty or if the risk of procurement was assumed. Our statutory agents, vicarious agents and personnel may not be held personally liable for any damages caused by their slight degree of negligence.

Price:

Our prices are stated in EURO plus the applicable value added tax and include the cost of packing or handling in bulk in a tanker truck, generally from the Ibbenbüren-Bocketal plant or the distribution center, unless otherwise agreed upon. Risk transfers to the Purchaser upon shipment of the goods. After the contract is entered into, if new public fees are imposed or if they are increased, if the costs for transportation, raw material or production increase because of statutory provisions or administrative directives, then a corresponding increase in the purchase price will be negotiated. This will also occur if other circumstances which were not foreseeable by us at the time that the price was agreed upon change our calculations so significantly that it seems justified to raise the purchase price accordingly.

Payment:

The invoice will be dated as of the date of the delivery or the date when the goods are made available and is to be paid immediately upon receipt unless there is an agreement otherwise. No deductions of any type are allowed (i.e., for postage, discount, wire transfer or insurance fees), unless this is specifically permitted in another agreement. If payment is not made when due, we reserve the right to calculate the usual rate of interest on the amount of the payment in arrears, after giving notice. If necessary, the usual bank fees and interest on bank loans will be charged. We are not obligated to make any further deliveries arising from current contracts before amounts due including interest are paid in full. Payment is to be made without regard to currency fluctuations.

Payments are always applied to the oldest debt due including any interest charged on arrears. It is not permitted to set off the debt with disputed counterclaims or to withhold invoiced amounts due. Checks or negotiable instruments will be accepted on account of performance but are not considered payment until after they have cleared. The Purchaser bears the cost of charges for discount, collection, and other matters. In general drafts may not have a term of more than three months. If we learn subsequently something detrimental about the circumstances of the Purchaser or one of his co-obligors, which leads one to conclude that his creditworthiness is negatively affected, we have the right to change the delivery and payment conditions.

Reservation of Title:

The goods remain our property until all of the Seller's claims arising out of the purchase agreement are settled. If the Purchaser is a public law entity, a special fund under public law, or an entrepreneur who is engaged in his commercial business or is self-employed, the security interest remains in effect for the Seller's claims against the Purchaser arising out of the current business dealings, until the settlement of the claims connected to the sale. The Seller is obligated to waive the right to the reservation of title if requested by the Purchaser if there is no dispute that the Purchaser has fulfilled all of the obligations connected to the goods and if there is an appropriate security for the remaining obligations in the current business dealings.

The Purchaser can sell the goods as part of his regular business activity. The Purchaser assigns to us immediately the claims arising out of further sales to third parties in the amount of any outstanding obligations to us, without any additional documentation being needed for this. The Purchaser agrees to inform his customer of the assignment at any time at our request. The proceeds will be collected in trust for us, held separately and kept available and

is to be paid to us immediately when it becomes due. The Purchaser is to inform us of any pledge or security interest in these goods for the benefit of third parties.

The Purchaser has the right to treat, mingle or process the goods in the regular course of business before full payment is made. The Purchaser will treat and process the delivered goods on our behalf, without us assuming any liabilities. We are to be considered the producer of the finished goods as well as goods in the treated and processed stages. If the treatment or processing is carried out with goods that belong to the Purchaser or a third party, then we become the co-owners of the resulting goods. The Purchaser agrees to hold the goods in safe custody for us jointly. The Purchaser has the right to sell, transfer and deliver the new manufactured goods if this is usual in his regular course of business. Regarding the claims arising out of the sale or transfer, the provisions of the paragraph above are applicable.

We agree to release the security interest under the above provisions at our option to the extent that its value, taking into account the value added by the Purchaser, exceeds the claims to be secured by 10%.

Validity under the Law:

The applicable law is the German Civil Code and the German Commercial Code, even if the Purchaser is domiciled in a foreign country. The UN Convention on Contracts for the International Sale of Goods and the Uniform Law on the Formation of Contracts for the International Sale of Goods are not applicable. If individual provisions above are invalid for whatever reason, the validity of the remaining provisions will not be affected.

Place of Performance and Jurisdiction:

For both contractual parties, the place of performance for delivery and payment is Ibbenbüren, and the court for Ibbenbüren has exclusive jurisdiction.