

Arsol Aromatics GmbH General Terms and Conditions of Sale and Delivery

I. SCOPE

All current and future legal relations between Arsol Aromatics GmbH (AA) and the buyer relevant to the delivery or sale of AA products shall be subject to the following terms unless the AA confirmation of order contains divergent conditions. Conflicting general business terms and conditions of the buyer are expressly superseded herewith. Whichever version of the INCOTERMS of the International Chamber of Commerce in Paris that is valid at the time of delivery and performance shall supplement the present terms.

II. CONCLUSION OF CONTRACT

1. Quotes are without engagement and subject to change without notice. Dates and deadlines shall be binding on AA only if agreed in writing.
2. AA reserves ownership and trademark rights to product specifications, analyses, and other AA documentation; these may be made available to third parties only with prior written permission from AA, and may not be used by the customer for any other purpose.

III. PRICES

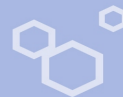
1. Unless the order confirmation provides otherwise, prices quotes shall be ex works, exclusive of packaging. Legal value-added tax is not included in the price; it shall be indicated separately in the invoice at the rate valid on the day of invoicing.
2. AA reserves the right to modify prices if, following the conclusion of the contract, cost increases occur, especially as a result of wage agreements or price increases for materials. These shall be documented for the buyer on request. This term shall apply in addition to any other relevant terms of the order confirmation.

IV. PAYMENTS

1. Unless the order confirmation provides otherwise, the purchase price shall be due net (without deductions) within 30 days from the date of invoice. Deduction of a cash discount shall be subject to prior written agreement.
2. Payment instructions, checks and bills of exchange shall be accepted only following special agreement and only on account of performance and with any collection and discounting fees being charged to the payer.
3. The deferral of the purchase price or the grant of a credit period may be revoked following payments being delayed or if there are serious suspicions that there has been a substantial deterioration in the financial circumstances of the buyer.
4. In the event of payment being delayed, AA shall be entitled to charge interest of at least 8 % over the current base rate of the European Central Bank on any outstanding payment. AA reserves the right to furnish proof to substantiate its claim for higher damages.

V. DELIVERY

1. Delivery shall take place on the date laid down by AA in the order confirmation. AA shall not be liable for delivery dates for which no binding agreement exists. Acts of God, strikes, lawful lockouts, public unrest, official measures and other events for which AA is not responsible and that are unforeseeable, unavoidable and serious shall release AA from its liability to perform for the duration of the disruption and for the extent of the latter's effects. This shall also apply if such events affect subcontractors. Nor shall AA be held responsible for the events described above if they occur during the course of an ongoing default. In serious cases AA will inform the buyer of the beginning and end of such impediments as quickly as possible.
2. AA shall be entitled to make partial deliveries to the extent that this can be considered acceptable for the buyer. Excess or short shipments of up to 10% of the contractually agreed quantity shall be deemed to be in fulfilment of contract. In every case, however, the invoice shall be made out taking into account the quantity shipped as determined by AA. If a customer carries out measurements on delivery, deviations of up to 0.5% of the quantity shipped shall be considered to be in fulfilment of contract and shall not entitle the customer to make any deductions from the invoice. The weight and volume indications made by the delivery agent as well as any statements regarding adequate packing and loading shall be deemed to be correct upon takeover of the goods by the carrier or shipper. Checks like weighing by the shipper shall be carried out only at the request and at the cost of the buyer.
3. Transport and performance risks shall transfer to the buyer, unless the order confirmation provides otherwise, when AA hands over the goods to the carrier or shipper. The buyer shall be bound to safeguard any rights against third parties, particularly firms charged with the carriage of the goods.
4. The definitive delivery quantity shall be the weight or volume in litres/15°C as determined by the delivery agent through land storage tank measurement, weighing, or filling meter or as defined by the customs office, respectively.
5. The buyer shall be responsible for the use of the goods for the intended purpose as permitted by law and under customs regulations, as well as for ensuring that, in the case of untaxed deliveries, the fiscal addressee possesses the necessary customs authorization. The buyer shall be fully liable for any mineral oil taxes and customs duties payable by us arising from the unintended utilization of the goods or the fact that a customs authorization has not been obtained. This liability shall apply to domestic deliveries, shipments to other EU states and exports to third countries.



6. In the absence of special instructions from the buyer, AA shall determine the method and route of transport. AA shall not be held responsible for selecting the most appropriate mode of transport. To the extent that special transport requirements of the customer entail additional costs, those costs shall be to the account of the buyer – even for carriage paid deliveries.
7. AA is not bound to examine the suitability and holding capacity of the containers provided by the buyer.

VI. ACCEPTANCE

The buyer shall be responsible for accepting the goods offered to him without delay. AA shall inform the buyer in good time of the time at which delivery is to be accepted so as to enable the buyer to take the usual suitable measures. The buyer shall cooperate to facilitate acceptance and inform AA immediately of any impediments to delivery.

VII. WITHDRAWAL AND COMPENSATION IN LIEU OF PERFORMANCE

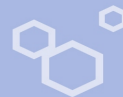
1. If AA should fail to fulfil an obligation when due or not fulfil it in line with the terms of the contract (“violation of obligation”), the buyer shall be entitled to withdraw from the contract or to claim damages in lieu of performance only if:
 - a) The violation of obligation by AA is not inconsiderable;
 - b) The buyer requests AA in writing to provide performance within a reasonable deadline of at least 21 days; and
 - c) AA did not perform within that deadline.Para 323, Sect. 2 to 6; Para 326, Sect. 5 of the German civil Code [BGB], as well as Para 281, Sect. 2 to 5 shall remain unaffected. When setting a deadline, especially the performance for which the deadline is being set due is to be clearly defined (qualified deadline).
2. Should AA still fail to perform or fail to perform according to the contractual terms within the deadline set by the customer, AA may request the buyer to declare within a reasonable period of time whether he still requires performance. Until a decision has been reached by the buyer AA shall not be liable for performance.

VIII. CLAIMS ARISING FROM DEFECTS

1. Claims arising from defects made by the buyer require him to have duly fulfilled his obligation under Para 377 of the German Commercial Code [HGB] to examine the goods and to have reported errors to AA without delay and in writing at the latest within 8 days of receipt of the goods and in the case of concealed material defects within 8 days of discovery.
2. AA will meet its obligations to perform according to the principles of a responsible businessman. For a period of 12 months beginning with delivery it shall be liable for the object of the contract to be free from defects. The legal statutes of limitations shall apply in cases of malicious concealment of defects.
3. Oral statements relating to the condition of the goods shall require confirmation in writing to become effective. Any samples and analytical data provided constitute information about the state of the goods which is not binding in any way.
4. Claims by the buyer for defects shall be excluded if the material defects are of a minor nature. Such is the case, in particular, if the value or the suitability for the usual use is only immaterially impaired. If the objects of the contract are defective, AA initially may opt for either a replacement delivery or for the defect to be remedied. AA shall not be bound to remedy a defect if the costs entailed for AA are disproportionate.
5. Should supplemental fulfilment have failed, be refused or be unacceptable, or if the buyer had set a deadline for supplemental fulfilment by AA that has passed, or if the setting of a deadline is unneeded, the buyer shall be entitled to demand a reduction or to withdraw from the contract. The right to claim damages or compensation for futile expenditures shall remain unaffected.

IX. LIABILITY

1. Liability by AA – for whatever legal reason – shall arise only if the damage was caused by culpable violation of a significant contractual obligation in a manner that might jeopardise the fulfilment of the purpose of the contract, or if the damage is due to gross negligence or malice by AA.
2. Should AA be liable for a violation of a significant contractual obligation in the absence of gross negligence or malice, liability for damages shall be limited to the extent that AA typically had to expect upon conclusion of the contract based on the circumstances known to AA at that time. Here the foreseeable damage which may typically be expected shall amount to the value of the goods delivered under the terms of the contractual relationship.
3. AA shall not be liable for any indirect damage, accompanying damage, consequential damage or purely financial loss or for loss of profits. In any event claims for damages shall be limited to a maximum of 50,000 € per claim.
4. Claims for damages under product liability law or arising from the acceptance of a guarantee or arising from injuries to life, limb, and health shall remain unaffected.
5. Any information, recommendation and advice is provided without guarantee. AA shall be liable for issuing official permits only where a guarantee has been assumed in writing.



X. SECURITIES

1. Until payment in full of all receivables has been made, including any future receivables due from the buyer AA shall remain the owner of the delivered goods (termed reserve goods hereinafter). As long as the buyer duly fulfils his obligations towards AA, particularly through punctual action, he shall be entitled to dispose of the reserve goods in the regular course of business. The pledging or assignment of such goods as security by the buyer shall be excluded. The buyer is bound to treat the delivered goods with due care during the period of reservation of title; he is bound in particular to adequately insure them on his own account for their value before use against damage by fire, water, and theft.
2. Ownership by AA shall also extend to new products resulting from the processing of such reserve goods. Any processing or use of such reserve goods shall be considered to have occurred on behalf of AA. In the course of the processing, combining, or mixing of such reserve goods with goods belonging to third parties, AA shall acquire title or part title, respectively, in the new products proportionate to the share in the invoice value of the reserve goods compared to the other goods used.
3. Any claims arising from the disposal of the reserve goods shall be assigned herewith by the buyer to AA together with any secondary claims to secure all claims of AA. In the disposal of goods in which AA has a share of title the assignment shall be limited to the share of the claim that corresponds to said title. If such reserved goods are used for the production of goods or services, claims relating to the relevant legal transaction and amounting to the level of the invoice value of the reserve goods used shall transfer to AA by way of security. If reserve goods are disposed of together with other goods for an all-inclusive price the assignment of claims shall be limited to the invoiced value of the reserve goods.
4. Future claims for damages– in particular also against insurance firms – relating to the goods supplied by AA shall be ceded by the buyer to AA as security upon conclusion of the sale.
5. The buyer shall be entitled to collection of the assigned receivables. The right of AA itself to collect receivables shall remain unaffected hereby. However, AA is bound not to collect any receivables as long as the buyer meets his payment obligations from the proceeds, does not fall behind in his payments and, in particular, as long as no application for opening insolvency proceedings has been submitted or payments have been suspended. If such should be the case, AA is entitled to demand that the buyer informs AA of the assigned receivables and the relevant debtors and provides all the information needed for collection, provides the relevant documents and informs the third parties of the assignment. If the value of the securities intended for AA exceeds the receivables to be secured by more than 10 %, AA shall be bound to release the former at the request of the buyer, while AA has the right of selection.
6. The buyer shall immediately report to AA any demands by third parties on the reserve goods and on the receivables assigned to AA, and shall provide any information required for AA to safeguard its rights. The buyer shall be liable for any loss incurred by AA to the extent that the third party is not in a position to defray the court and out-of-court costs of legal action according to the terms of Para 771 German code of civil procedure [ZPO].

XI. OFFSETTING, WITHHOLDING, AND ASSIGNMENT

1. The buyer is entitled to offset or withhold only to the extent of amounts being payable and of counterclaims being uncontested or legally enforceable. Furthermore, the buyer is entitled to execute a lien only to the extent of his counterclaim being founded on the same contractual relationship.
2. Assignment of claims against AA shall be admissible only with the consent of the latter.

XII. PLACE OF PERFORMANCE

The place of performance is Gelsenkirchen.

XIII. FINAL CONDITION

1. All agreements between AA and the buyer for the fulfilment of this contract must be in writing. This also applies to any waiver of the requirement for a written form.
2. Should one or several of the above terms become invalid the validity of the remaining terms shall be unaffected. The invalid term shall be replaced by a valid one that approaches the desired economic purpose as closely as possible.
3. The laws of the Federal Republic of Germany shall apply to all business transactions with AA with the exclusion of the regulations of international private law and of the UN agreement relating to contracts for the international purchase of goods.
4. The venue is Gelsenkirchen. AA is also entitled to take legal action at the headquarters of the buyer.