

General Conditions of Purchase of EMS-CHEMIE (North America) Inc.

1. Conclusion of Contract

The supply contract is concluded after we have issued our order in writing and the supplier has confirmed its acceptance in writing within 5 working days. We are committed to our orders by telephone if the order number and the name of the person in our purchasing department are expressly given. Correspondence shall only be made with the purchasing department. Our orders and all corresponding commercial and technical details are to be kept confidential.

2. Prices

The prices stated in our orders are binding fixed prices. Delivery conditions are agreed according to Incoterms rules. Price changes and reserves are only binding if and to the extent that they are expressly accepted by us.

3. Invoicing, payment conditions

A separate invoice is to be prepared for each delivery, giving our order number and our references. Transport and packaging costs are to be shown separately. Invoices are not to be provided together with the delivery but sent separately. Payments and implementation do not mean acceptance of deliveries. Receipt of documents required by us in the order is a condition of payment and payment shall be withheld until supplier provides all requested documents.

4. Delivery dates and deadlines

Delivery dates and deadlines are valid for **arrival of goods at their destination**. All delivery times are binding and must be adhered to by the supplier. If the supplier is aware of a delay, we have to be informed immediately. We have the right, if the required deliveries times/deadlines and any subsequently permitted extensions thereof are not adhered to, to reject later delivery or to withdraw from the contract and recover such damages as arise from non-delivery or late delivery. Possible demurrage charge for deliveries will only be paid from the agreed delivery time onwards and allocated to the party responsible for same.

5. Purchase Units

Purchase units refer to volumes, quantities or pieces depending on the product being purchased. The purchase unit stated in the order must be delivered in full.

6. Acceptance/examination of goods

Our payments are made on the basis of an examination of the goods on their arrival at their point of destination. As a more detailed examination of the goods with regard to quantity and quality is normally only made at a later point in time, our payments do not represent any recognition of quantity and quality. The costs for necessary samples, tests, etc. as a result of deliveries which are not in conformity with the order or are deficient are the supplier's responsibility.

7. Quality

The supplier guarantees delivery in absolute compliance with the contract, the use of good raw materials and excellent condition of the goods, suitable for their intended application. We may retain payment fully or partially until, in case that we demand substitution, the supplier has fulfilled his obligation to deliver conforming goods.

8. Packaging, transport, insurance

Loss of and damage to goods caused by inadequate packaging or their transportation are the responsibility of the supplier if he is responsible for transport (according Incoterms). All goods are to be packed and labeled in accordance with valid law, and the relevant Material Safety Data Sheets are to be sent with the goods.

All packages must contain EMS quality certificate when required by the purchase terms.

9. Shipping information

Each delivery is to be accompanied by documentation showing our order number and references, and description of the goods, along with the net and gross weights and the exact number of units. **Acceptance may be refused if this documentation is missing.** For deliveries by rail the purchasing department needs a copy of the dispatch note with description of the goods our order number, dispatch date and net weight (via fax or email). Unless otherwise stated, send goods to either 2060 Corporate Way, Sumter, South Carolina 29154 or Hodge Warehouse at 2075 Lynette Drive, Sumter, South Carolina 29154.

Any violation of these conditions resulting in additional cost to us shall be paid by the supplier.

10. Protection against Third Party claims

In the case of any claims from third parties, the supplier will assume full responsibility for defense and all damages incurred by us, including our attorneys' fees and costs.

11. Documents/drawings

All documents provided by us to supplier such as drawings, supply, testing and manufacturing regulations, samples and tools are part of our order and bind the supplier on his acceptance of the order. These documents etc. are our property and may not be copied or made known to third parties without our written permission. They are to be returned to us in undamaged condition at our first request or on delivery of the goods.

12. Sub-contacting

The sub-contacting or passing on of our orders to third parties is forbidden unless agreed by us in writing.

13. General conditions of purchase

Our general conditions of purchase are considered part of all contracts and deemed incorporated therein whether or not specifically expressed therein. These conditions of purchase supersede any possible sales conditions of the supplier.

14. Jurisdiction

Supplier consents to the jurisdiction of the State of South Carolina, USA for any and all disputes arising from this contract.