

HAUSER GmbH –TERMS OF PURCHASE

Annex to Outline Agreement (Version 04/2010)

1. Ordering

These General Terms and Conditions of Purchase govern the relationship between the contractor and Hauser GmbH, Am Hartmayrgut 4-6, A-4040 Linz, and its affiliates (= customer) pursuant to Annex A. All orders shall be effected solely on the basis of these Terms and Conditions of Purchase. Deviations from these Terms and Conditions of Purchase shall only be valid if expressly agreed in writing. Orders shall only be deemed legally binding if they are issued on the customer's order forms, together with price and conditions, and signed by the purchasing department of Hauser GmbH or its authorised departments. Orders or supplements made orally or by telephone shall require the explicit written confirmation of the purchasing department of Hauser GmbH or authorised department of affiliated companies.

In the event of contradictions between the bases for the order, the following order of priority shall apply:

- the order form (letter, fax, electronic communication)
- the annexes and integrated order components referred to in the order
- confirmed special agreements
- the General Terms and Conditions of Purchase of Hauser GmbH

Claims arising from orders by Hauser GmbH and its affiliates may not be assigned without the consent of the purchasing department of Hauser GmbH.

2. Acceptance of orders

A copy of the customer's order bearing the legal signature of the contractor shall be sent to the customer by fax or electronic means as confirmation of acceptance of the order no later than 24 hours after issue of the order. Failure to return a copy shall be deemed tacit agreement. Should deviations from the order be announced by the contractor, until explicit acceptance the customer reserves the right to cancel the order free of charge at any time. Should the contractor raise objections to the order, until explicit acceptance of the latter the customer reserves the right to cancel the order free of charge at any time. The order number and other details indicated as mandatory by the customer must be stated in all correspondence relating to the order, as the correspondence cannot be accepted without this data and will be returned unprocessed.

3. Delivery period

All orders placed by the customer shall be considered fixed-date transactions. The contractor shall only be released from the obligation to comply with the agreed delivery period in the event of force majeure to the extent that it is verifiable and can be notified to the customer in writing within 24 hours. Events of force majeure shall be limited to fire, forces of nature, war and riots. If the agreed deadline is not adhered to (except in cases of force majeure) and the customer insists on fulfilment of the contract, the customer shall be entitled to charge a penalty of one half percent of the value of the contract (up to a ceiling of 10%) for each day of delay in the delivery without the need to provide evidence of the resulting damage. In addition, the customer shall retain the right to charge expenses for resulting damages and the cost of substitute performance (e.g. acquisitions from wholesalers and back-up suppliers) to the contractor or to cancel the order and demand compensation for non-performance.

4. Delivery and shipping

The agreed delivery periods, dates and intervals shall be binding. Premature or delayed deliveries will only be accepted after special agreement in writing. Shipment must be by the prescribed mode. In the event of non-compliance the customer shall be entitled to demand full compensation for damages. If no express shipping instructions were issued to the contractor, the most cost-effective means of shipping must be selected. Additional costs for express delivery in order to comply with the deadline shall be borne by the contractor.

5. Price

Unless otherwise specified in the order, the prices shall include packaging and delivery duty paid to the place of destination pursuant to INCOTERMS 2000 and are fixed prices in EUROS for the entire term of the contract. The fixed prices shall include all expenses incurred to the contractor for performance. These shall include in particular all costs for shipping, packaging, insurance, taxes, duties and other charges. The terms and conditions for the main order shall apply to any supplementary orders.

6. Invoices

Unless otherwise specified in the order, invoices for each delivery shall be submitted immediately upon shipment of the goods to the customer. They must contain all the required details (company name, order number, cost centre number, VAT number, consecutive invoice number, company register number, etc.). Until clarified by the contractor, invoices with incomplete details will not be recognised and returned unprocessed.

7. Payment

Unless special arrangements have been made to the contrary, payments will be made upon fulfilment of the order at the place of performance within 30 days with 3% discount or 45 days net after receipt of the invoice. Prematurely submitted invoices will not be accepted. Payment shall not signify recognition of the correctness of the delivery and the waiver of rightful claims ensuing from the fulfilment of the contract, compensation, penalty, warranty or guarantee.

For the contractor

Place, date

Signature

8. Warranty, notice of defects, compensation

The contractor shall assume all liability for execution of deliveries in accordance with the order and compliance with all statutory regulations and technical standards. He shall be liable for consequential damages for a period of 24 months from the date of first use of the goods manufactured by the contractor. Similarly, regardless of fault he shall be liable for the goods and services provided but not manufactured by him. Should the customer become liable under warranty vis-à-vis its end customer due to defective deliveries or services by the contractor, regardless of culpability the customer shall be entitled to demand reimbursement of the costs of remedying these defects. The goods/services shall be accepted upon inspection at the place of usage/employment. The warranty period shall not begin until this point in time. Claims for deficiencies shall be asserted within 14 days of their identification. In the case of liability the customer shall have the right, without prejudice to other legal options and even if the deficiencies are immaterial and remediable, to demand a substitute delivery free of charge, remedy of defects free of charge or a reasonable price reduction, or to have the defects remedied at the expense of the contractor. Goods shall be returned at the expense and risk of the contractor.

9. Declaration of undertaking

The contractor undertakes vis-à-vis the customer to comply with EC Directive No. 1907/2006 of the European Parliament and Council dated 18 December 2006 on the Registration, Evaluation, Authorisation and Restriction of Chemical Substances (REACH) in amendment of EC Directive No. 1999/45 and substitution of EEC Directive No. 793/93 of the Council, EC Directive No. 1488/94 of the Commission, EEC Directive 76/769 of the Council and EEC Directives Nos. 91/155, 93/67, 93/105 and 2000/21 of the Commission in their amended versions (in short REACH Regulation).

In particular, the contractor pledges to ensure that

- all products supplied by him, i.e. including semi-finished products or products within the meaning of Art. 3 REACH Regulation, are delivered in compliance with the applicable chemical regulations, in particular in conformance with the REACH Regulation and the chemical regulations additionally in force in Austria and/or Germany; all obligations regarding the registration, evaluation and authorisation of delivered products are fulfilled;
- his contractual partners adhere to the REACH Regulations and all chemical regulations applicable in Austria and/or Germany, and will require written confirmation of this by no later than 1 December 2008, in particular that pre-registration or registration has been completed pursuant to the REACH Regulation;
- the duty to provide information (incl. the supply chain) in accordance with the REACH Regulation has been fulfilled. Hauser GmbH must be notified without delay of any changes, in particular if pre-registration and/or registration by the contractor and/or contractual partners is not possible, the safety data sheet is modified, changes occur in the marketability of the product, changes occur in the classification and labelling of the product, etc.
- information concerning the product will not be passed on to a third party without the express written consent of Hauser GmbH, unless the contractor is under obligation to do so pursuant to the REACH Regulation.

The contractor must indemnify Hauser GmbH and hold it harmless from claims by the authorities and/or (under private law) by a third party, in particular with regard to possible claims for compensation (in particular loss of profits), administrative penalties, expenses for legal representation, etc.

10. Referral to a third party

The customer's orders may not be referred to a third party without the written consent of the former. Any contravention of this provision will entitle the customer to cancel the order and claim for compensation.

11. Material provisions

All material provided by the customer shall remain the property of the latter and must be stored, marked and managed separately. It may only be used in connection with orders by the customer. The customer must be reimbursed immediately for any decline in value, damage or loss.

12. Patents

The contractor must hold the customer harmless from and indemnify him against any patent disputes resulting from the order and guarantee the customer unrestricted use of the goods and services.

13. Place of performance

The place of performance for goods and services supplied by the contractor shall be the specified destination (place of delivery). The place of performance for all payments shall be the business location of the customer.

14. Court of jurisdiction

The place of jurisdiction shall exclusively be Linz/Österreich. Austrian material law shall apply.

For the customer

Place, date

Signature