General Terms and Conditions of Purchase

1. **General**
   a) The following terms and conditions shall apply exclusively to all deliveries and services to those under future contracts, unless expressly agreed otherwise in writing in a particular case. All different terms and conditions in the Seller's offer or acceptance of order (confirmation of order) shall only apply if we have expressly accepted them, even if no objection is raised.
   b) The invalidity of one or more of the following provisions shall not affect the validity of the other terms and conditions.
2. **Conclusion of Contract**
   Contractual arrangements of any kind shall only be legally binding if we have confirmed them in writing.
3. **Passing of Risk, Deliveries, Licenses**
   a) Incoterms as updated from time to time shall apply.
   b) If we cannot take delivery, or if we cannot take delivery within the specified time, of the ordered goods by reason of force majeure (e.g. due to strikes, machinery breakdown, lack of raw material or energy and obstruction of transport routes) or as a result of official import restrictions, we will not be in default until the aforementioned obstruction has ended and we will only be obligated to take delivery after a reasonable, additional period of time has been granted. If, as a result, the execution of the contract becomes unreasonable for one of the parties, it may rescind the contract in this respect. Any damage claims shall be excluded in that case.
   c) The Seller shall be obligated to obtain all official or other approvals or licenses required or useful for export or any other performance of the contract in due time before delivery and to maintain such licenses and approvals.
4. **Liability for Defects**
   a) The Seller assures that by delivering and using the goods no industrial property rights of third parties are infringed and that there are no third-party rights in the goods.
   b) We are entitled to give notices of defects within two weeks of receipt of the goods, in the case of hidden defects within two weeks after we obtained knowledge thereof.
   c) If our checks reveal that the goods are not in conformity with the contract, we will be entitled to separate, put in safe custody, store in a special way or dispose of the goods at the Seller's expense without granting an additional period of time. The costs of the examination and of the aforementioned special measures, including any official charges or fines, etc., shall be borne by the Seller.
5. **Prohibition of Assignment**
   Without our consent, the Seller may not transfer its contractual claims resulting from the business relationship with us to any third party, neither in whole nor in part. The Seller shall not be entitled to effect any set-off or exercise any rights of retention with regard to us. Any restriction of our right of set-off or retention in the Seller's terms and conditions shall not apply.
6. **Governing Law**
   In addition and, in the event of any discrepancies, subordinate to these terms and conditions the General Terms and Conditions of the Association of Companies Involved in Drugs and Chemical Wholesale and Foreign Trade (VDC Drogen- and Chemikalienverein e. V.) for its

trading business, issued in June 1997, which were published in the German Federal Gazette (Bundesanzeiger) No. 139 of 30 July 1997, shall apply with the exception of paragraph 21 (Reservation of title). We only accept the simple reservation of title.

German law shall apply exclusively; the provisions of the UN Sales Convention shall be excluded.

7. Place of Jurisdiction

Place of jurisdiction for both parties shall be Hamburg. However, we are entitled, at our option, to sue the Seller also at the Seller's usual place of jurisdiction. At our option, the courts of law or the arbitration tribunal of the VDC Drogen- and Chemikalienverein e. V. for the trading business according to its regulations in force at the time of conclusion of contract shall have jurisdiction. We shall be obligated to make our choice not later than 7 days after Sellers written request; otherwise the courts of law shall have jurisdiction.