

GENERAL TERMS AND CONDITIONS OF BUSINESS

1. Placement of orders

1.1 In respect of the conclusion, performance and wind-up of contracts concluded with SYNTHON, the optional law shall be replaced exclusively by the conditions of sale, delivery and payment stipulated hereinafter. The said conditions shall be deemed accepted upon placement of orders and shall, therefore, be binding upon both parties. Divergent contractual conditions, if any, shall be valid only if approved of in writing by SYNTHON. The same shall apply to all agreements differing from SYNTHON's order confirmation.

1.2 Placing of orders shall be in writing. The written-form requirement shall also be deemed as having been complied with if the order is placed by telefacsimile or e-mail.

1.3 All offers of SYNTHON shall be subject to alteration, i.e. they shall be but an invitation to Customer to submit a contractual offer. The contract after Customer's placement of order in writing shall not be deemed concluded until after SYNTHON's confirmation of order.

2. Prices

Subject to agreements to the contrary the prices applicable at the time of the contract conclusion shall be deemed agreed. If an interval of more than 4 months is between the conclusion of contract and the term of delivery, SYNTHON's prices applicable at the time of delivery shall be authoritative.

3. Terms of delivery

3.1 Delivery shall be made in accordance with the terms of delivery as scheduled or otherwise as soon as possible under consideration of the prevailing conditions. If stipulated times of delivery are exceeded by no more than 30 days, Customer shall have no right to rescind the contract. The same applies if the time of delivery is exceeded by more than 30 days, if the delay is not SYNTHON's responsibility or if Buyer has not scheduled an adequate grace period for the delivery.

3.2 Deliveries shall be exclusive of costs of shipment according to SYNTHON's discretion unless it has been agreed otherwise with Customer. All deliveries shall be in packing customary in trade practice. If so desired, SYNTHON shall give advice of customary shipment units.

3.3 Subject to agreements to the contrary, shipment shall be at Customer's risk. Complaints, if any, for reasons of an incomplete delivery or externally visible damage to or loss of goods in transit shall be immediately communicated to SYNTHON. Shipments the external appearance of which allows the conclusion that the goods have suffered damage (in transit) shall be accepted under the reserve of compensation claims against the carrier, asserting the damage incurred.

3.4 SYNTHON shall not be liable for force majeure, consequences of strike, interruption of transport and other circumstances that SYNTHON has no power to control.

3.5 SYNTHON shall have the right to make the performance of contracts conditional on the provision of security, rescinding the contract in case inadequate security should be provided. SYNTHON shall be authorized to withhold services to be provided by it if and to the extent that Customer should be in breach of its contractual obligations.

4. Terms of payment

4.1 Unless agreed otherwise, all invoices of SYNTHON shall be due for payment within 30 days from the invoice date. In case of delayed payment

interest on arrears in the amount of 8 percent points above the basic rate of interest pursuant to Article 247 BGB shall be deemed as owed.

4.2 Payments shall not be deemed made until the amount is made available to SYNTHON unconditionally and not subject to defence.

5. Reservation of title

5.1 The goods supplied by SYNTHON, pending full settlement of all claims unsettled at the time of delivery, shall remain SYNTHON's unrestricted property.

5.2 In case of resale, Customer shall assign its purchase price claim including all subsidiary rights to SYNTHON; SYNTHON hereby accepts such assignment. Should any goods supplied by SYNTHON be processed, SYNTHON shall acquire joint property rights in the resultant products in proportion of the value of the reserved merchandise to the material otherwise used by Customer for manufacturing purposes.

6. Notification of defects of quality; Warranty; Liability

6.1 SYNTHON shall warrant that its products are in line with the description set out in its brochures, specifications and test certificates. However, SYNTHON will not assume liability for the fitness of its products for Customer's purported use. Incidentally, SYNTHON will not be liable, except for fatal and physical injury or health risk, unless in case of action with aforethought or gross negligence.

6.2 Customer undertakes to check the merchandise immediately after receipt thereof. In case the inspection reveals apparent defects, Customer shall advise SYNTHON thereof, without delay, or within 30 days after the receipt of goods at the latest, sending a copy of the delivery note or the like. Hidden defects shall be notified within 2 months after the defect could have or actually has been discovered. In case a defect has occurred SYNTHON shall have the right to remedy the same. In case remedial efforts have failed twice, Customer shall be entitled to a rebate or shall be authorized to rescind the contract.

6.3 The period of prescription for claims based on defects shall be one year. Exempted herefrom shall be claims under SYNTHON's warranty or in respect of which SYNTHON is liable because it has wilfully concealed a defective condition of which it had been aware.

7. Place of Performance; Applicable law

The place of performance in respect of the delivery of goods to be supplied by SYNTHON and in respect of the services to be provided by Customer shall be the place of business of SYNTHON. Incidentally, the law of the Federal Republic of Germany shall apply, waiving the rules of the UN Convention on Contracts for the International Sale of Goods and of the German International Private Law.

8. Salvatorian Clause

Should a provision contained in these General Terms and Conditions of Business be or become invalid in whole or in part, the validity of the contracts concluded, incorporating the present General Terms and Conditions of Business, would be left unaffected thereby. The invalid provision, within the scope of existing contract relationships, should then be replaced by a provision coming closest to the economic object pursued by the parties hereto by the invalid provision. The same applies once it has proved that the provisions of these General Terms and Conditions of Business, by inadvertence, contain a gap.