

GENERAL TERMS AND CONDITIONS | As per: December 2019

KANSAI HELIOS Germany GmbH

I. Scope

(1) The following General Terms and Conditions (hereafter: terms and conditions) apply to all business operations (sales, delivery, etc.) of KANSAI HELIOS Germany GmbH (hereafter also: distributor). Additional or differing agreements must be confirmed in writing by KANSAI HELIOS Germany GmbH. By placing their order, clients agree to oblige these terms and conditions.

(2) Distributor's terms and conditions shall prevail over possible clients' terms and conditions and apply exclusively, also if the distributor does not contest clients' terms and conditions. Contract performance does not constitute agreement to terms and conditions that differ from those of the distributor.

(3) If a provision of these terms and conditions is wholly or partially invalid, it shall not affect the remainder of the terms and conditions. The invalid provision shall be replaced by a provision that most closely approximates the economic purpose of the invalid provision. Ambiguities in interpreting these terms and conditions and the contract are to be clarified so that those contents deemed agreed that usually apply in comparable cases.

(4) Declarations and agreements of our field staff are only binding after written confirmation of KANSAI HELIOS Germany GmbH.

II. Offer and Order

(1) Offers are subject to change with regard to price, quantity, delivery and delivery time if not explicitly marked as binding.

(2) Order changes (not cancellations) are accepted by the distributor if feasible. Changes to the order are effective only upon written confirmation.

III. Purchase Price

(1) The purchase price is the list price valid of the day of delivery/partial delivery of the distributor, or the price from the respective offer. The following provisions apply to differing price agreements: The distributor reserves the right to adapt prices accordingly if labor costs or other costs (such as materials, energy, transport, external labor, financing, etc.) necessary for operating performance change, and are outside of the distributor's sphere of influence between the time of order confirmation and the day of delivery.

(2) The basis for price calculations is always the weight in kilogram or the measure in liters at the point of dispatch.

(3) Distributor's prices do not include value-added tax (VAT) unless otherwise stated. The applicable VAT is added at billing.

IV. Delivery

(1) Our delivery period is generally subject to change. Precise delivery time (time period) can only be decided when all delivery details, especially place and transport, are settled. If operationally necessary, the distributor can adapt delivery time. Declaration of or agreement to exact delivery time does not constitute a business deal.

(2) If the stated delivery period is exceeded for more than 14 days, the client may withdraw from the contract after setting a 14-day extension period in writing.

(3) Unforeseen obstacles to delivery (strike, suspension of operation, non-delivery of materials, shortage of raw materials, interventions of government, traffic blockage, etc. or cases of acts of force majeure) authorize the distributor to extend delivery period adequately at his discretion or withdraw from the contract in part or completely.

(4) The distributor is free to decide how to deliver to the client. Special transport requests of the client are considered where possible and the client bears possibly resulting, additional cost from that request.

(5) If paid products are not claimed by the client by the end of the subscription period, or if a previous delivery has not been paid properly, the distributor may withdraw from the contract without an extension period with regard to the unclaimed products.

V. Transportation Cost and Transfer of Risk

(1) In principle, all prices are calculated and displayed Ex Works (EXW INCOTERMS 2010), hence freight paid, unless otherwise stipulated by individual terms pursuant to the contract or offer. Excluding the agreement INCOTERMS 2010 in the contract or offer, the following holds for the bearing of risks: If the distributor delivers personally, the risk shall pass at the point of destination (unloaded); the distributor is not obligated to unload. If the transport is conducted by any carrier (i.e. train or truck), the risk passes onto the client as soon as the products are loaded onto the carrier.

(2) In case of pick up by the client or by a carrier commissioned by the client, Ex Works (EXW Incoterms 2010) applies.

VI. Terms of Payment

(1) The purchasing price is due within 30 days of billing. Cash discount deductions are only granted within the scope and require written form.

(2) If the client delays payment, the legal interest rate applies following Article 288 of the German Civil Code (BGB) at 5% above the base rate. The leading base rate for the next half year is the one that applied on the last calendar day of a half-year.

(3) Aside from the interest rates listed in (2), the distributor may hold the client liable for all damages caused by the delay of payment.

VII. Warranty

(1) The delivery is meant for further handling within the client's business. Overdelivery or shortshipment up to 10% of the ordered amount is permitted.

(2) The product must be inspected immediately after delivery. Found defects shall be reported to the distributor without delay, at the latest within 5 days of delivery, with regard to the kind and scope of the defect. Hidden defects shall be reported without delay after their discovery. If this notification of defect is not performed or not performed in a timely manner, the product is considered accepted. Warranty enforcement or claims of damages as well as avoidance on account of defects are excluded in these cases.

(3) Irrespective of cases for which the law provides the right to repudiation of contract, the distributor may choose how to fulfil warranty claims: by correction, change or price reduction. The client (receiver) must always have proof of the defect at the time of delivery.

(4) The production follows the information given in the offer or the product specifications. Distributor's consultation with regard to professional application and usage of the product is always only specific to the particular product and nonbinding – also with regard to possible proprietary rights of third parties – and does not relieve the client from proper inspection of the products to their usability for intended processes and purposes. This applies specifically to mixtures with substances such as thinners, hardeners, additives or other components that have not been ordered from KANSAI HELIOS Germany GmbH. The distributor does not resume liability or warranty for nonspecific usage of the product.

VIII. Damages

Damage claims against the distributor in cases of slight negligence and plain gross negligence are excluded; this does not apply in case of injury to persons. The burden of proof for gross negligence is on the aggrieved party. Damage claims lapse after six months from knowledge of damage and its author, in any case within three years after service or delivery. Liability claims are limited to typically foreseeable defects, however, at the highest the billing amount.

IX. Product Liability

Possible recourse claims against the distributor by the contracting party or a third party under the title of "product liability" as defined by the Product Liability Act are excluded. This does not apply if the entitled claimant presents proof as to the mistake being caused in the sphere or by gross negligence of the distributor.

X. Prohibition of Assignment, Setoff and Retention

- (1) Claims against the distributor may not be assigned without explicit written consent.
- (2) A setoff of distributor's claims with other setoffs is always prohibited in any form.
- (3) Justified reclamations do not allow for the client to retain the entire or a part of the invoice amount.

XI. Reservation of Proprietary Rights

- (1) The product remains the property of KANSAI HELIOS Germany GmbH before full payment, and the product shall be marked as being the property of the distributor.
- (2) The client may command the product within proper business operations. The client is bound to forbearance with regard to impawning the product under reservation of title or its transfer of ownership against collateral. The distributor shall be notified immediately of bailment on the part of other creditors. The purchase price claim is deemed assigned at that point and the distributor may inform third party debtors of this assignment. Upon request, the client shall disclose names and addresses of buyers to the distributor as well as stock and number of claims resulting from resale. The client

shall inform the potential buyers of those assignments of claims.

- (3) The clients (their temporary trustees, executors of settlements, liquidators) are obligated to grant the distributor access to his product and the goods made from those products in any case of delayed payment and especially in case of bankruptcy. Furthermore, the client is obligated to grant the distributor access to the books and to make available all necessary information relevant to distributor's claims of segregation.

XII. Packaging / Returnable Packaging

Packaging lent to the client shall be returned within one month from billing date; in cases of return from abroad packaging shall be returned properly and emptied within two months from billing date, freight paid. Packaging may not be used for other purposes or for other products. They are exclusively intended for transporting the delivered products. Labels may not be removed.

XIII. Place of Performance, Jurisdiction and Choice of Law

- (1) Place of performance for delivery and payment is the KANSAI HELIOS Germany GmbH's registered business address in Buchholz-Mendt.
- (2) For decisions on legal disputes resulting from this contract, the substantively competent court is also locally competent. The distributor reserves the right to initiate legal proceedings at the general place of jurisdiction of the contracting party.
- (3) German Substantive Law applies. Application of United Nations Convention on Contracts for the International Sale of Goods is excluded.

XIV. Supply Limitation

The Supplier complies with the international sanction laws and regulations issued by the European Union ("EU"), the United States ("US"), and the United Nations ("UN"), where applicable (as well as any applicable local laws and regulations). The Customer acknowledges this obligation and confirms that no Supplier products purchased herein will be used in relation with, or provided to, a Sanctioned Entity or a Sanctioned Country (as defined below) to the best of the Customer's knowledge. Furthermore, the Supplier undertakes no obligation to make any delivery under this Agreement if the Supplier has knowledge of, or reason to believe there is, any involvement between the Customer or his customers and any person (natural, corporate or governmental) listed in the USA, UK, EU, UN or local sanctions lists ("Sanctioned Entity"), or any involvement by or nexus with Cuba, Sudan, Iran or Myanmar, Syria, or North Korea, or any of their governmental agencies ("Sanctioned Country").