

General Terms and Conditions of Sale and Delivery
of
AgriCompact Technologies GmbH, Bingen / Rhein („AgriCompact“)
(09 December 2014)

I. Scope of Application

These General Terms and Conditions of Sale and Delivery (“GTC”) are only applicable vis-à-vis business persons (within the meaning of Sec. 14 German Civil Code, or “GCC”). They constitute both at present and in the future an integral part of all of AgriCompact’s offers and supply contracts. Conflicting conditions of purchase shall not apply, even if AgriCompact has not expressly contradicted them. Agreements deviating from these GTC must be made in writing. This requirement as to written form may only be waived in writing.

II. Offers and Orders

1. AgriCompact’s offers may at any time prior to acceptance be changed in relation to price, quantity, delivery periods and the capability of supply. Likewise, technical specifications and other details contained in offers, brochures and other information shall not be initially binding, unless expressly designated as binding.
2. Orders placed by the purchaser shall only be binding for AgriCompact if confirmed in writing. The content of AgriCompact’s order confirmation shall be authoritative for the contractual relationship. Amendments, additions or ancillary agreements which are made orally, by telephone, by telex, fax or by electronic transmission shall only be binding if confirmed in writing by AgriCompact.
3. Information within the meaning of para. 1 above as well as those given in public statements by AgriCompact, by the manufacturer or its servants or agents (Sec. 434 (1)(3) GCC) shall only become an integrating part of the technical specifications if explicit reference is made thereto in these GTC.

III. Invoicing

1. AgriCompact’s prices are expressed in EURO and – unless agreed otherwise – ex works Bingen / Rhein (Germany), including packaging, plus value added tax in the statutory amount prevailing from time to time as shown separately in the supply invoice.
2. Deliveries will be invoiced at the sales prices applicable on the day of the delivery, unless otherwise confirmed by AgriCompact.
3. Measurements, weights and number of items as ascertained by AgriCompact or by the warehouse in charge of delivery will be taken as the basis for the invoicing.

IV. Payment

1. Where no time for payment has been agreed, AgriCompact’s invoices shall be payable upon receipt by the purchaser on the payment conditions set out in the invoices; otherwise upon the expiration of the agreed period for payment. Payment shall be made in cash or by bank transfer into one of AgriCompact’s accounts as indicated on the invoices. Payments shall be deemed to have been effected only when AgriCompact is definitely able to dispose freely over the money. Other forms of payment require an agreement in writing to that effect. Any costs arising therefrom on either side shall be borne by the purchaser. The deduction of cash discount is only permissible if specifically agreed in writing.
2. If the purchaser is in default of payment, AgriCompact will charge interest in an amount of 8 percentage points above the base interest rate of the European Central Bank per year. AgriCompact reserves the right to claim damages for default beyond that amount.
3. If payment obligations are not met within 10 days after falling due and receipt of AgriCompact’s reminder, all of AgriCompact’s claims arising from AgriCompact’s business relationship shall become immediately due for payment. Furthermore, AgriCompact shall be entitled to refuse performance of outstanding delivery obligations. The same shall apply if a bill of exchange or check received by AgriCompact which is due for payment is not honored upon presentation.
4. If after AgriCompact’s confirmation of the supply transaction doubts arise regarding the solvency and credit-worthiness of the purchaser as a result of unfavorable credit reports, protests of bills of exchange or checks, unsuccessful enforcement measures or the like, AgriCompact shall be entitled to require payment in advance or other security for AgriCompact’s performance under the contract. The same shall apply if the purchaser is in default with payment of a debt due to AgriCompact. If payment is not made or security not provided within 12 working days following a request to that effect, AgriCompact shall be entitled to rescind all pending supply contracts.
5. A right to set off against AgriCompact’s claims, or a right of retention may only be asserted or claimed by the purchaser on the basis of counterclaims which have been judicially determined and which have become final and legally binding, or which have not been disputed by AgriCompact, notwithstanding any counterclaims the purchaser may have pursuant to chapter VII of these GTC in case AgriCompact’s supply is defective.

V. Delivery

1. The confirmation of delivery dates commits AgriCompact only to use best efforts to meet the same. Even the insertion of a calendar date in the delivery confirmation note does not constitute a fixed date transaction or a transaction to be performed by a date determinable by reference to the calendar. AgriCompact shall only be deemed to be in default after a reminder is issued following the expiration of the agreed period for delivery.
2. The period for delivery shall begin on the date of dispatch of the order confirmation and shall be deemed to have been met when the goods have left the works/warehouse by the end of the same or, where dispatch is not possible or it has been agreed that the goods be collected, the recipient has been notified of the availability for collection.
3. If the purchaser can reasonably be expected to accept partial deliveries, these may be made and invoiced.

VI. Complaints

1. Immediately after their receipt, the purchaser has to examine the supplied goods for defects and completeness. Complaints on account of defective or incomplete deliveries will only be considered if they are notified immediately, at the latest, however, within 12 working days following receipt of the goods. Complaints must be made in writing enclosing documentation, samples and control dockets, stating the invoice number and date. Following the expiration of this period, the goods shall be deemed to be approved as in flawless condition. Sales representatives, travelling salesmen and other agents are not entitled to receive complaints.
2. In the case of hidden defects, the complaint must be made in the aforementioned form immediately after discovery of the defect. The statutory periods of limitation remain unaffected hereby. The purchaser shall bear the burden of proof as for the existence of a hidden defect.
3. The purchaser shall make the rejected goods available for examination. They may only be returned to AgriCompact with AgriCompact’s express approval.

VII. Defects in goods

1. The purchaser shall not be entitled to derive any rights from defects in the goods where the defects do not affect the value or suitability of the goods for the purpose that was perceivable to AgriCompact, or which impair such value or suitability to an insignificant extent only.
2. If a defect of the goods is manifest at the time when the risk passes, AgriCompact shall be entitled and obliged to make subsequent performance. The subsequent performance shall at AgriCompact’s option be made either by repair or replacement delivery. The costs of the subsequent performance, in particular transportation, travel, labor and material costs shall be borne by AgriCompact. Should these costs amount to more than 50 % of the value of the delivery, AgriCompact shall be entitled to refuse subsequent performance.
3. Should the subsequent performance be unsuccessful, not be carried out within a reasonable time limit set by the purchaser, or be refused, the purchaser shall at his option be entitled to rescind the contract, to demand a reduction in the purchase price corresponding to the diminished value or – subject to the following paragraphs – to claim damages in lieu of performance.
4. Should damage be caused by a defect, AgriCompact’s liability shall be in accordance with the statutory provisions in the case of personal injury, if the damage falls under the Product Liability Act or results from willful intent or gross negligence.
5. Should the damage result from the culpable breach of a fundamental duty under the contract, AgriCompact is liable according to statutory provisions. A fundamental duty is such duty the performance of which the purchaser relied on and may rely on in the orderly performance of the contract. For the rest AgriCompact shall be liable only for the typical damage under that type of contract.
6. Further-reaching claims of the purchaser either in contract or in tort are excluded. Accordingly, AgriCompact shall, in particular, not be liable for damage which has not arisen on the delivered object itself or for loss of profit or other economic loss on the part of the purchaser.
7. Sec. 478 GCC remains unaffected by above para. 1 to 6.

VIII. Other liability for damages

1. The provisions of above clause VII, para. 4 to 6 shall also apply to claims for damages on account of other breaches of duty.
2. In the case of a breach of a pre-contractual duty or a hindrance to performance already existing when the contract was entered into (Secs. 311 (2), 311a GCC), AgriCompact’s liability for damages shall be limited to the “negative interest” (i.e. to put the purchaser

into the situation in which he would have been, had the contract never been made).

3. As for AgriCompact's liability in tort, the provisions of clause VII para. 4 to 6 above shall apply mutatis mutandis.

4. Whenever AgriCompact's liability is excluded or limited, the same shall be the case of the personal liability of AgriCompact's staff, employees, personnel, representatives, servants and agents.

IX. Limitation periods

1. The right of the purchaser to claim subsequent performance shall, subject to Secs. 438 (1)(2), 479, 634a (1)(2) GCC, be statute-barred one year after delivery of the goods. Consequently, the right to rescind the contract or to reduce the purchase price according to statutory provisions is excluded.

2. With regard to claims under the German Product Liability Act, in cases of willful intent or gross negligence, in cases of injury to life, body or health which are caused by AgriCompact's negligent breach of duty or an intentional or negligent breach of duty by a legal representative or agent of AgriCompact as well as in case of breach of fundamental contractual obligations, the statutory periods of limitation shall apply (clause VII para.5).

X. Delayed delivery

Should it not be possible to comply with the agreed delivery period as a result of circumstances beyond AgriCompact's control, either in relation to AgriCompact or in relation to AgriCompact's suppliers, the delivery period shall be reasonably extended. In such case, AgriCompact shall notify the purchaser immediately. Should the impeding circumstances continue after one month of the expiration of the agreed delivery period, either party may rescind the contract. Further-reaching claims on account of exceeding the delivery period for reasons for which AgriCompact is not responsible, are excluded.

XI. Force Majeure; Frustration

Acts of God of whatever nature, such as war, state of emergency or riots, interruption of operations or traffic, fire damage, flooding or other natural occurrences, lack of manpower, energy, raw materials or supplies, strikes, lockouts, interruptions in dispatch, decrees from authorities and/or other impediments which AgriCompact is not responsible for and which make performance impossible, or which delay performance or make it considerably more difficult, shall entitle AgriCompact to postpone delivery for the duration of the impediment or to rescind the contract, either in whole or in part, without becoming liable to the purchaser for damages as a result thereof. Circumstances for which AgriCompact cannot be held liable shall include those arising during any period in which AgriCompact is in default in delivery.

XII. Dispatch

1. Risk (destruction, loss or damage to the goods) shall pass to the purchaser upon delivery of the goods to AgriCompact's carrier, regardless of who bears the freight costs, but no later than the point in time when the goods leave the works or warehouse. Where the goods are ready for dispatch and the dispatch or collection of the goods is delayed for reasons for which AgriCompact is not responsible, risk shall pass to the purchaser upon his receipt of the notification that the goods are ready for dispatch.

2. The route and method of dispatch shall be agreed with the purchaser.

XIII. Retention of Title

1. AgriCompact reserves title to the goods supplied by AgriCompact until all of AgriCompact's claims against the purchaser arising out of the business relationship, including future claims arising from contracts concluded simultaneously or later, have been settled. The same shall apply if claims have been included in a current account and a balance has been drawn and accepted.

2. The purchaser shall be entitled to sell or process the goods in the ordinary course of its business. Any processing carried out by him shall be made on AgriCompact's behalf, without AgriCompact becoming in any way liable as a result thereof. In the case of processing, composition or commingling of the goods under retention of title with other goods, AgriCompact shall acquire a co-ownership share in the new product; in the case of processing, in the ratio of the value of the goods under retention of title (=gross invoice amount including ancillary costs and taxes) to the value of the new item; in the case of composition or commingling in the ratio of the value of the goods under retention of title to the value of the other goods.

3. The purchaser hereby assigns to AgriCompact all claims which it acquires against a customer or third parties from the re-sale of the goods. It shall continue to remain authorized to collect such receivables even after the assignment. AgriCompact's capacity to collect the receivables remains unaffected hereby. However, AgriCompact shall not exercise such right so long as the purchaser properly complies with its payment and other obligations. Upon

request, the purchaser shall hand over to AgriCompact the receivables assigned and the documents pertaining thereto and shall notify the debtors of the assignment.

4. In the case of breach of contractual obligations on the part of the purchaser, in particular in case of delay in payment, AgriCompact shall be entitled to rescind the contract and repossess the goods. For the purpose of repossession of the goods, the purchaser hereby irrevocably grants AgriCompact the right to enter upon its business and storage premises without hindrance and to take the goods away.

5. The purchaser may so long as the retention of title exists neither transfer by way of security nor pledge the goods or the products produced from the same without AgriCompact's consent. The conclusion of financing contracts (e.g. leasing) which comprise the transfer of AgriCompact's rights of retention require AgriCompact's prior written consent unless the financing institute is bound by contractual obligation to pay to AgriCompact directly the portion of the purchase price to which AgriCompact is entitled.

6. In the case of levy of execution or other interference by third parties, the purchaser shall immediately notify AgriCompact in writing. It has to refrain from making agreements with its customers which might impair AgriCompact's rights.

7. AgriCompact will release the securities to which AgriCompact is entitled to the extent that the realizable value of the securities exceeds the secured claims by more than 10 % or their appraisal value exceeds the secured claims by more than 50 %. AgriCompact will select the items to be released.

XIV. Advice in relation to technical application

The application, use and processing of the purchased goods lie exclusively in the area of responsibility of the purchaser. AgriCompact provides advice in relation to technical application to the best of its knowledge and belief on the basis of AgriCompact's research work and experience. All details and information provided in this respect concerning the suitability and application of AgriCompact's products are of a non-binding character and do not release the purchaser from its own duty to perform examinations and tests.

XV. Place of performance; Court with competent jurisdiction; Severability clause

1. The place of performance for deliveries shall be Bingen / Rhein, Germany, regardless of the respective place of dispatch. The term of delivery is "ex works" (EXW – INCOTERMS 2010), unless the order confirmation states a different delivery term.

2. Where the purchaser is a businessman, the court venue for all present and future claims arising from the business relationship, including claims from the issue of bills of exchange or cheques, shall be Bingen / Rhein (Germany). This venue is non-exclusive.

3. Should individual provisions of these GTC be invalid, either in whole or in part, the validity of the remaining clauses or their valid parts shall not be affected thereby.

XVI. Applicable Law

All contracts concluded with AgriCompact shall be governed by the laws of the Federal Republic of Germany.