

General Terms and Conditions of Stepan GmbH

1. Scope of application

- 1.1. These General Terms and Conditions apply to all contracts and business relationships between Stepan GmbH (hereinafter referred to as “Vendor”) and its customers, including future transactions, unless the contractual parties have expressly agreed otherwise in writing.
- 1.2. Different general terms and conditions, or general terms and conditions which contradict or supplement these General Terms and Conditions, are not part of the contract (even if there was knowledge of them), unless it is expressly agreed that they should apply.

2. Offer

Offers made by the Vendor are non-binding. If prices or conditions are subject to unilateral change, the buyer is entitled to withdraw from the contract within 5 working days of receiving the relevant notice. Otherwise, the buyer is deemed to have accepted the changes.

3. Conclusion of the contract

The contract is deemed to have been concluded if the Vendor sends a written order confirmation after receiving the delivery order.

4. Prices

- 4.1. The prices are stated ex store of the Vendor, exclusive of VAT. Packaging which is put on by the wholesaler or which is billed by the factory will be calculated for separately. Delivery, unloading, loading and returning the packaging must be regulated in a separate agreement, unless separate regulations apply to such returns.
- 4.2. If the Vendor’s purchase prices and costs change after the contract has been concluded, the Vendor is entitled to adjust its prices to match the costs at the point of delivery; however, the Vendor must provide proof of this to the buyer.

- 4.3. With regard to repair orders, the services which are recognised as being necessary and expedient will be rendered and billed according to expenses incurred. This also applies to performance and additional performance which only turn out to be necessary and expedient in the course of executing the order; the entity placing the order does not have to be notified of this. In the event that a repair is uneconomical, the entity placing the order must consent to continuing the repair work.
- 4.4. However, if an offer for repair work or appraisal is requested and this would necessitate taking the object apart to examine the individual parts, all costs incurred for this (including any costs of dismantling the object as well as costs of delegating staff) must be compensated, even if the order is never placed.

5. Delivery

- 5.1. The deadline for delivery begins to run on one of the following dates, at the latest:
- a) the date of the order confirmation,
 - b) the date when all the technical and commercial requirements to which the buyer is subject have been fulfilled,
 - c) the date on which the Vendor receives a down payment to be made before the goods are delivered, or on which a letter of credit is opened.
- 5.2. The Vendor is entitled to make (and bill for) either partial or complete deliveries, unless complete delivery has been agreed.
- 5.3. The obligation to comply with the agreed delivery deadline applies subject to unforeseeable circumstances or circumstances which are outside the parties' control, such as forces majeure, war or warlike events, interventions by state authorities, energy shortages or labour conflicts. The aforementioned circumstances also entitle the Vendor to extend the delivery deadline if they occur at sub-suppliers or other sub-companies.
- 5.4. If it is not possible to ship a good which is ready for shipping and the Vendor is not to blame for this, or if the buyer does not want the goods to be shipped, or the goods are not accepted, the Vendor may put the goods into storage at the buyer's expense; the goods are thus deemed to have been delivered. This does not change the agreed payment conditions.

6. Small shipments, spare parts and repairs

With regard to orders with a value of less than € 100 (plus the respective statutory VAT), a small shipment surcharge of € 25 (plus the respective statutory VAT) will be charged and the delivery only made in return for cash on delivery. Similarly, spare parts will only be delivered and repairs only done in return for cash on delivery.

7. Transfer of risk

- 7.1. If it is agreed that goods will be sold ex works of the manufacturer or ex store of the Vendor, risk transfers from the Vendor to the buyer when the goods are made available to the buyer. The Vendor must notify the buyer of the time as of which the goods are at the buyer's disposal. This notification must be made in such a timely manner that the buyer can take the measures which are usually necessary.
- 7.2. If the sale should be agreed with "carriage paid to..." or "paid to...", the risk transfers from the Vendor to the buyer when the goods are accepted by the first freight carrier (rail, post, carrier).

8. Payment

- 8.1. Payment falls due promptly upon the invoice being issued.
- 8.2. The payment is deemed to have been made on the day when the Vendor can dispose over the invoiced amount without loss.
- 8.3. In the event of a delay in payment, and without prejudice to the right to enforce further damage, default interest will be charged at the same rate that banks usually charge on overdraft facilities.
In case of delay, and in addition to the default interest, the buyer must pay the fees for intervention which are charged by a credit protection agency or lawyer for each expedient legal action.
- 8.4. If payment is delayed for a period of more than 14 days, or if insolvency occurs, any special discounts, rebates and boni which have been granted will lapse and must be paid back.
- 8.5. The special discounts and boni will be activated and settled when all the invoices relating to this billing period have been paid.
- 8.6. If the buyer delays with payment of an invoice, all its liabilities towards the Vendor fall due for payment immediately. Subject to setting a subsequent period for performance of 10 days, a delay in payment gives rise to a right to withdraw from any contracts which are running, even if they have already been partially fulfilled; this does not result in the buyer acquiring any rights against the Vendor.
- 8.7. Unless the buyer expressly says that it does not wish to have invoices sent in electronic form, the buyer is deemed to have agreed to invoices being sent in electronic form.

9. Retention of title

- 9.1. The goods delivered remain the property of the Vendor until all outstanding claims under the existing business relationship have been satisfied in full.
- 9.2. The buyer may only sell the goods subject to this retention of title within the scope of the ordinary course of business. The buyer will assign any claims arising from selling the goods subject to this retention of title to the Vendor when they arise to secure the Vendor's claims.
- 9.3. If the goods subject to this retention of title are sold together with goods which have not been delivered by the Vendor, the related claims are only deemed to have been assigned to the extent of a corresponding partial amount of the amount billed for the goods delivered. The buyer is authorised to collect the assigned claims for as long as it fulfils its payment obligations towards the Vendor in a timely manner. At the request of the Vendor, the buyer must disclose the identity of its customer, who must be notified of the assignment. The amounts so collected by the buyer will be deemed to be held on trust for the Vendor in the buyer's books and clearly marked for everyone to see until the purchase price has been paid. The buyer must notify any third party access to the goods subject to retention of title or to the assigned claims without delay and comply with all form requirements (labelling and similar) for maintaining retention of the Vendor's title.

10. Guarantees

- 10.1. The Vendor must remedy each defect which impairs functionality and which can be traced back to a cause which occurred prior to the risk transfer according to the following provisions, provided that this defect relates to an error in the construction, material or design. The presumption of defectiveness pursuant to section 924 Austrian Civil Code (ABGB) does not apply.
- 10.2. The guarantee period for moveable property is one year, unless special guarantee periods have been agreed for individual delivered objects. The guarantee period begins to run when the risk transfers.
- 10.3. The buyer must make a complaint about defects in goods which are immediately apparent without delay after receiving such goods; it must make a complaint about other defects by means of a letter sent by registered post within a week of finding such defects. With regard to delivery by post, rail or freight carrier, a record of damage must be made immediately. The Vendor is released from liability if defects are not notified in a timely manner, or if there is independent interference with the good.

- 10.4. The buyer does not have any guarantee claims against the Vendor if one of the buyer's contractual partners who is a consumer enforces guarantee claims against the buyer; section 933b ABGB does not apply.
- 10.5. If goods which have been subject to a complaint are returned to the Vendor, the Vendor must, in its own discretion, either remedy the defect, deliver substitute goods which are free of defects, or provide an appropriate credit note; whichever method the Vendor chooses, it must be completed within an appropriate deadline.
- 10.6. The Vendor may make a substitute delivery which replaces the buyer's claim to withdraw from the contract or to a reduction in price. With regard to goods which are sold subject to a factory guarantee, the buyer is only liable to the extent that the relevant supplier factory pays compensation.
- 10.7. If it transpires that goods which have been returned are not defective, the Vendor may charge the shipment costs as well as an appropriate fee for checking the goods returned. Defects in partial deliveries do not give rise to the right to withdraw from the entire contract or other orders; they only give rise to the right to withdraw from the part of the performance which is defective.
- 10.8. The costs of transport from the location of the buyer to that of the Vendor must be borne by the Vendor, provided that the mode of transport chosen was cost efficient or the Vendor's instructions were complied with.
- 10.9. The guarantee obligations relating to the part of the delivery which was not affected by defects are not extended by works which must be conducted as a consequence of guarantee claims and the delivery.

11. Limitations on liability

- 11.1. The Vendor has no liability whatsoever for slight negligence. Furthermore, the buyer does not have any claim to compensation for consequential damage from defects, consequential damage to goods that do not form the subject matter of the contract; nor does it have any claims to lost profits, unless the Vendor acted intentionally or with gross negligence. The limitation on liability to cases of intentional or grossly negligent conduct does not apply to claims under the Austrian Product Liability Act.
- 11.2. Claims of the buyer against the Vendor for damages are limited to the net value of the respective order.
- 11.3. The above limitations on liability do not apply to personal injury and damage to health which can be attributed to the Vendor or in the event of the buyer's death.

- 11.4. The Vendor is not liable for defects which relate to materials provided by the buyer or to a construction which the buyer has either requested or described in more detail.
- 11.5. The Vendor is only liable for defects which arise under the operative conditions set out in the contract and during the proper use of the goods delivered. In particular, the Vendor is not liable for defects caused by circumstances arising after risk has transferred, such as defects due to bad maintenance, improper assembly, defective repairs by the buyer or modifications which have made without the Vendor's written consent. The Vendor is not liable for normal wear and tear.
- 11.6. Furthermore, the Vendor has no liability for property damage which the delivered goods cause after the delivery has been made, provided that the delivered goods are in the buyer's possession. The Vendor does not accept any liability for damage to the goods manufactured by the buyer or to goods which incorporate a good manufactured by the buyer.
- 11.7. Claims against the Vendor for damages become time-barred six months after the damage and the entity which caused the damage have become known.

12. Withdrawal from the contract

- 12.1. If the Vendor delays with a delivery, the buyer is only entitled to withdraw from the contract after a subsequent period (which is as long as the original period for delivery) has expired.
- 12.2. The Vendor may refuse delivery until the buyer has paid the purchase price or provided collateral to secure the claim, if payment is jeopardised because of the buyer's poor financial situation and the Vendor was not aware of this circumstance at the time when the contract was concluded. If the buyer fails to make payment or provide collateral to secure the claim to payment within a reasonable period according to this requirement, the Vendor may withdraw from the contract. Furthermore, it can withdraw from the contract if the extension of the delivery deadline due to the circumstances stated in Clause 5.3 is more than half the originally agreed delivery deadline, but at least 6 months.
- 12.3. The withdrawal can also be declared for the abovementioned reasons with regard to a part of delivery or performance which is still outstanding.
- 12.4. Without prejudice to any of the Vendor's claims (in particular, but not limited to, claims to damages and lost profit), any performance already rendered (or parts thereof) must be billed and paid for pursuant to the contract in the event of a withdrawal. This also applies if the buyer has not yet accepted the delivery or performance as well as to preparatory work done by the Vendor. The Vendor may elect to have the delivered goods returned instead.

13. Returned goods

With regard to returning goods, an agreement must be concluded on the return and the buyer must state the relevant invoice and delivery note numbers as well as the date. Returns of specialised products will not be accepted. Returns must be delivered free of charge.

14. Goods subject to protection

Plans, sketches and other technical documents, as well as models, catalogues, prospectuses, diagrams and similar remain the intellectual property of the Vendor at all times, and are protected by the relevant provisions of law concerning reproduction, imitation, competition and so on. The Vendor may request that these documents are returned if the contract is not concluded.

15. Venue, applicable law, place of fulfilment

- 15.1. The venue for all disputes which arise either directly or indirectly from the contract is the Austrian court with territorial jurisdiction for the location of the Vendor's registered office. However, the Vendor may call upon another court which is competent for the buyer.
- 15.2. The material provisions of Austrian law apply. UN Sales Law does not apply. The language of the contract is German.
- 15.3. If, for whatever reason, one of the above provisions is ineffective or void or is declared non-binding, this does not affect the remaining provisions. In such cases, both parties to the contract agree to work towards replacing the ineffective provision with a valid agreement whose content comes as close as possible to the economic purpose of the ineffective provisions.
- 15.4. With regard to delivery and payment, the Vendor's registered office is deemed the place of fulfilment - even if the handover/transfer occurs at another location pursuant to a separate agreement.