## General Terms & Conditions of R-Biopharm AG (Date of Issue: October 2010)

### I. General Provisions

These General Terms & Conditions only are valid for entrepreneurs, legal entities under public law or public-law special assets (legal entities according to § 310 I German Civil Code ("Bürgerliches Gesetzbuch" - "BGB"). We deliver according to these General Terms & Conditions exclusively. They are deemed to have been acknowledged with the placing of an order or the receipt of the goods and shall also apply to all future business relationships, even if they are not explicitly agreed upon again. Deviating Terms and Conditions are not binding for us, even if we do not object to them explicitly.

## II. Orders and Offer Documents

Our offers are subject to alteration. Decisive for the scope of our delivery obligation are our offer in writing respectively our written order confirmation. Deliverable are only the products which are contained in our current applicable price lists.

## III. Prices and Conditions of Payment / Withdrawal in case of default

- 1. Purchase price is the price stated by us or if no price has been stated the price which is contained in our price list, which is in effect on the day of the order. The prices stated by us - unless otherwise stipulated in writing - are including packing and shipping costs, excluding VAT. The deduction of cash discounts shall not be granted. A small-quantity surcharge in the amount of 10 Euros can be charged for deliveries with a product value of up to 300 Euros (small quantity).
- 2. Payment obligations resulting from the delivery of goods are to be fulfilled within thirty (30) days of the invoice date by bank transfer exclusively and shall be deemed to have been effected only to the extent, to which we can dispose of them freely at a bank. For checks and bills of exchange, a processing fee of 30 Euros shall be charged; discounting and expenses shall be for the account of the Buyer.
- 3. The Buyer shall only be entitled to set-off with a counter-claim which is undisputed or has been determined by a final verdict. A right of retention the Buyer does only have as far as it is resulting from the same contractual relationship.
- 4. Should the Buyer be in default with due payments entirely or partly, the regulations of the statutory law are applicable. Interest in the amount of 8% above the basic interest rate (as it is published by the German Federal Bank) shall be due. We are reserving the right to claim any exceeding damage for delay.
- 5. In case of withdrawal, we are entitled at the expense of the Buyer to let the goods, which have been delivered by us, mark, store separately and collect. The Buyer - already yet - is declaring his consent that the persons who are commissioned with the collection are entitled to access the premises, on which the goods are, and enter them by car for this purpose.
- 6. In case of our withdrawal, we are not obliged to further deliveries any more, also regarding further future deliveries.

# IV. Retention of Title

- 1. We shall retain title to the goods delivered by us, until all the claims, to which we are entitled on whatever legal grounds arising from our business relationship with the Buyer, have been fully satisfied. Upon the Buyer's request, we shall be obligated to release the securities in so far as their realizable value exceeds our claims by more than 10%. We reserve the right to select the items of collateral to be released.
- 2. The Buyer undertakes to only sell the goods, which are subject to retention, in his ordinary course of business, according to his usual terms and conditions of business and only as long as he is not in default with his payments. He is entitled to resell the goods, which are subject to retention, only on the condition that a transfer of the receivables, resulting from such a resale, to us takes place. He is not be entitled to dispose of the goods, which are subject to retention, in any another way (such as e. g. collateral assignment, pledging, leasing, lending, etc.). The Buyer is obligated to immediately notify us of any seizure or other interference by a third party, together with handing over of the documents which are necessary for an intervention.

- 1. Our delivery times are generally only approximate and not binding.
- 2. Uncontrollable incidents, for which we are not responsible, e. g. natural VIII. Burden of Proof / Export / Effectiveness phenomena, war, orders of the authorities, embargo, unexpected delays in the delivery of essential components and other materials ("Force Majeure"), shall prolong the delivery time reasonably. This also applies, if these incidents occur during a delay in delivery or at a sub-supplier. However, the delivery time shall be prolonged by a maximum period of two (2) months. Should we also not be able to deliver after this time, then the Buyer as well as we themselves are entitled to withdraw from the contract. Any claims of damages of the Buyer for this reason are excluded. Should we withdraw from the contract, we shall immediately refund the Buyer any and all payments possibly rendered for not yet delivered goods
- 3. Should the Buyer despite reminder not fulfill his payment obligations resulting IX. Applicable Law and Place of Jurisdiction from existing contracts, we shall only supply on advance payment from then on.
- We are entitled to partial deliveries to a reasonable extent; here each partial delivery can be invoiced separately. In case of order on call, the call-off has to take place at least two (2) calendar weeks prior to the desired delivery date.

# VI. Shipment and Passing of Risk

- 1. Dispatch ex works or distribution warehouse shall be carried out at the expense of the Buyer. Shipping route and mode of dispatch shall be determined by us. We shall only be obligated to obtain a transport insurance, if explicitly instructed to do so by the Buyer in writing; the Buyer shall bear the costs for this insurance.
- 2. The passing of risk to the Buyer takes place as soon as the goods have been handed over to the haulage contractor respectively leave our factory or

distribution warehouse for the purpose of dispatch; this also is valid, if we - by way of exception - organize additional services, e. g. carriage prepaid shipping, delivery to the premises of the Buyer, or similar. In particular we are not liable for alteration or deterioration of the goods during transport or resulting from improper storage. Should we have notified the Buyer that the goods are ready for dispatch or collection, the risk passes on to the Buyer, if he does not have the goods delivered or collect them, despite of us having set him a reasonable period of time for doing so; regarding that, the passing of risk takes place at the beginning of the day which follows the day, on which the deadline has expired.

### VII. Warranty / Liability

- 1. It is precondition for the execution of claims based on a defect, that the Buyer has performed his responsibilities to examine and complain according to § 377 of the German Commercial Code ("Handelsgesetzbuch" -"HGB") correctly and completely.
- We are liable for faultlessness of the goods corresponding to the state of the art. Features of samples and specimens as well as any statements regarding the condition of the goods, shall only be considered as an agreement on quality, if they explicitly have been agreed upon as determining the condition of the goods. Otherwise they are non-binding and do not free the Buyer from an own inspection of the goods concerning their suitability for his purposes. We neither grant guarantees with the content of a liability without fault nor any other kind of guarantees for quality and durability in the legal sense.
- 3. We are not liable for damages as far as they have been caused by improper storage of our products and/or their application contrary to the prescriptions - e. g. application after expiry of their shelf life or contrary to the direction for use - or as far as they have been caused by the Buyer in any other way.
- 4. The exceeding of use-by dates after the delivery does not entitle the Buyer to claims of any kind, but is deemed to be the usual condition. This is not the case, if the period between the date of delivery and the use-by date is less than four (4) calendar weeks.
- 5. We shall only be liable for damages, as far as we attributable have caused them by intent or gross negligence (disregard for the due care and attention to a very coarse extent); except in case of violation of essential contractual obligations (obligations, whose fulfillment enables the proper execution of the contract at all and on whose observance the contractual partner may rely regularly). In this lastmentioned case we are liable for each negligence with the restriction that - in case of violation of essential contractual duties by slight negligence - our liability is limited to the damage which typically is predictable.
- 6. Should we not have violated any essential contractual obligations in the sense mentioned before, we are not liable in cases of slight negligence. Unaffected by any limitation of liability contained in these General Terms & Conditions stay: Liability for intent, malice, initial inability, gross negligence, liability resulting from a guarantee (which, however, we generally not grant), bodily harms and other cases of legally compelling liability - in these cases the statutory law is valid (under exclusion of the Terms and Conditions of our contractual partner).
- 7. The regulations of this clause Warranty/Liability are valid for our contractual liability as well as liability resulting from tort (unaffected thereby stays the action for possession in case of tort, after statutory limitation has taken place, § 852 German Civil Code ("Bürgerliches Gesetzbuch" -BGB")).
- As far as our lability is excluded or limited, this shall also apply to the personal liability of our representatives, employees and vicarious agents and our liability
- 9. As far as there is a defect of the goods, for which we are liable, the Buyer has to grant us the opportunity to execute subsequent performance within a term of generally two (2) calendar weeks, before the assertion of his further rights. In case that subsequent performance fails twice, in case of our refusal, or if subsequent performance is impossible, is delayed unreasonably or unreasonable for the Buyer due to other reasons, the Buyer may - according to his choice - execute his further legal rights, namely rescission or reduction of the purchase price and (regarding defects for which we are liable) claim of possibly occurred damages or compensation for possible futile expenditure, by which our liability is limited according to the preceding regulations.

- With none of the stipulations of these General Terms & Conditions an alteration of the burden of proof is intended.
- We are not liable for the correctness of information regarding foreign-trade which we provide to our best conscience; it is the Buyer's responsibility to assess the compliance with foreign-trade regulations with regard to our products himself.
- 3. Should any of the regulations of our General Terms & Conditions be ineffective and/or incomplete, the validity of the other regulations shall remain unaffected thereby.

- 1. The contractual relationship shall be governed by the laws of the Federal Republic of Germany, which shall be applicable supplementary. The UN-convention on contracts regarding the International Sale of Goods (CISG) shall not apply.
- 2. Exclusive Place of Jurisdiction is Darmstadt (Germany). However, we are entitled to file a lawsuit against the Buyer also at any other court, which does have jurisdiction regarding him according to the general regulations.