

Anglo Swiss GmbH, Habichthorst 34 - 36, 22459 Hamburg, Germany Phone +49 40 555 866 52, Fax +49 40 555 38 98, Mail: sales@angloswiss.de

Terms and Conditions of Purchase Anglo Swiss GmbH, Hamburg

1.General

Our orders are exclusively governed by the following Terms and Conditions of Purchase. Any additions thereto and any terms and conditions of sale specified by the contractor and differing from the following Terms and Conditions of Purchase shall only be valid if we have expressly acknowledged them in writing. The unconditional acceptance of deliveries, their payment or silence in relation to different terms and conditions of sale that the contractor may have do not mean that we acknowledge such terms and conditions. We shall be under no obligation to reject expressly any differing terms and conditions of the contractor.

In a continual course of business dealings these terms and conditions shall also apply to all future transactions, in as far as nothing to the contrary is expressly agreed.

2.Formation of the contract

We shall remain bound by our purchase order for 14 days. We may also demand changes to the items ordered after the contract has been formed in as far as this is reasonable for the contractor.

3.Transport and passage of risk

The consignment must be delivered to the destination that we specify in our purchase order. If nothing else has been agreed in writing, the costs of shipping and packaging shall be borne by the supplier.

The goods must be delivered packed in as far as this is necessary for transport. The selected means of transport must comply with the applicable terms and conditions of transport and the special requirements for raw materials used in pharmaceuticals or foodstuffs.

The supplier shall bear the risk of transport until the goods have reached the relevant place of performance.

Dispatch notes must be submitted in two copies for each individual consignment immediately after the goods have been dispatched. Each consignment must be accompanied by a delivery note indicating the name of the product, as mentioned in our purchase order, as well as the purchase order and product numbers.

4.Delivery deadlines and delivery periods

The delivery deadlines and delivery periods mentioned in our purchase orders or otherwise agreed are binding. The contractor must notify us immediately of any threat of a delay in delivery, stating the reasons and how long the delay is likely to last. This shall not affect our statutory rights in the case of default.

Part deliveries may only be made if we have expressly agreed to them. In the event that the contractor defaults on part of a delivery, we shall be entitled to enforce our rights to rescind the contract and to claim damages, even for the part of the delivery that the contractor is able to effect, if the part delivery is of no interest to us.

Events of force majeure and hindrances that are not our fault and which make it impossible or considerably more difficult to accept and use the consignment at our plant shall have the effect of delaying our obligation to accept the consignment or, at our choice, shall give us the right to rescind the contract without the contractor being entitled to claim payment or damages if we can no longer be reasonably expected to accept the later delivery or if it is of no interest to us. The contractor must comply with any new arrangements that may become necessary for volumes not yet delivered. This particularly applies if we are forced to take such alternative measures due to the circumstances in the market, in the economy or any other unforeseen circumstances. If we are not able to supply our own customers due to an import ban, an embargo or any boycott, quota setting or any other circumstances in the country of destination which inhibit exports or imports, we have the right to refuse to accept the goods and to refuse to pay for them until the governmental measures have been lifted or to rescind the contract.

5.Prices and terms of payment

The agreed prices must be quoted with free delivery to the place of destination, including packaging and excluding all retrospective claims of any kind. If nothing else is agreed, payment shall be made within 14 days less a 3% cash discount or within 30 days without deductions after the receipt of the goods and the invoice. The period of time allowed for payment shall on no account commence before the agreed delivery date. Set-off shall be deemed equivalent to payment.

Claims under contracts with us may only be assigned if we have given our written consent.



Anglo Swiss GmbH, Habichthorst 34 - 36, 22459 Hamburg, Germany Phone +49 40 555 866 52, Fax +49 40 555 38 98, Mail: sales@angloswiss.de

6.Liability for defects

The contractor gives its assurance that the delivered goods will be free of the rights of third parties. The contractor guarantees that the merchandise to be delivered will be in conformity with the statutory provisions, the contractual terms regarding quality and the warranties regarding the condition of the goods and their durability, and that they will not have any defects as regards quality. The merchandise to be delivered must in particular comply with the applicable statutory guidelines for the pharmaceutical trade and regulations regarding foodstuffs.

Liability for defects shall be based on the statutory provisions. All costs in connection with meeting claims due to defects such as freight, packaging, insurance, public charges, import and export costs, testing, including fees for experts, must be borne by the supplier.

The place of delivery and examination within the meaning of Section 377 of the German Commercial Code (Handelsgesetzbuch HGB) shall be the destination we specify. Any complaint which the supplier receives within a period of two weeks of arrival at the place of destination shall be deemed to have been made in good time. In the case of hidden defects the time limit shall be two weeks as from the date that such defects are discovered.

In the case of a faulty consignment we shall have the right to choose between subsequent improvement and a substitute delivery. In urgent cases we have the right to rectify the defect ourselves or to have it rectified by third parties or cover our requirements by purchasing from third parties. The supplier shall bear the costs in each case.

If the supplier's attempt at subsequent improvement fails, we may rescind the contract and/or claim damages in lieu of performance. The supplier shall have no further right to attempt a subsequent improvement. We have the right to rescind the contract or to claim damages in lieu of performance, in as far as only part of the supplier's services are defective, in relation to this part of the contract or the entire contract, as we may choose.

The statutory provisions apply as regards the limitation period for claims due to defects. In the case of consignments that have been subsequently improved or substitute consignments the limitation period shall recommence on the acceptance of these consignments.

The supplier shall indemnify us against all justified claims made against us by third parties, regardless of the legal grounds, due to a defect regarding quality or defect of title, failure to honour a warranty or other breaches of duty and shall reimburse us for the necessary costs in defending our rights in this respect.

7.Industrial property rights

The contractor guarantees that the delivered goods or their use will not infringe any industrial property rights or any other rights of third parties. In as far as such rights nevertheless exist, the contractor shall compensate us for the resulting damage irrespective of its own knowledge or our knowledge. The limitation period for defects of title is 10 years.

8.Place of performance

The place of performance for the delivery is the place where the risk passes.

The place of performance for payments is Hamburg.

The place of jurisdiction for all disputes with merchants or persons who have no general domestic place of jurisdiction is Hamburg. This contract is governed by German law.

These conditions have been translated from German into English. In the event of any conflict or inconsistency between the English and the German versions, the German original shall prevail. Owing to the nature of translations, only the German version shall be deemed authoritative.

© Anglo Swiss GmbH, 2005