

**Euro OTC Pharma GmbH**

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General Terms and Conditions (GTC)

These General Terms and Conditions govern the contractual relationships between Euro OTC Pharma GmbH and its customers in accordance with the laws of the Federal Republic of Germany.

1. Scope of application

1.1 These General Terms and Conditions (GTC) shall apply to all deliveries of Euro OTC Pharma GmbH when selling to entrepreneurs. Contracts under these GTC are concluded exclusively with entrepreneurs (hereinafter: „Buyer“). An entrepreneur within the meaning of § 14 of the German Civil Code (BGB) of the Federal Republic of Germany is a natural or legal person or a partnership with legal capacity which, when concluding a legal transaction, acts in the exercise of its commercial or independent professional activity.

1.2 The GTC apply in particular to contracts for the sale and/or delivery of movable goods („Goods“), regardless of whether we manufacture the Goods ourselves or purchase them from suppliers. Unless otherwise agreed, the GTC in the version valid at the time of the Buyer's order or, in any case, in the version last notified to the Buyer in text form shall also apply as a framework agreement for similar future contracts without our having to refer to them again in each individual case.

1.3 Our General Terms and Conditions shall apply exclusively. Deviating, conflicting or supplementary general terms and conditions of the Buyer shall only become part of the contract if and to the extent that we have expressly consented to their application. This requirement of consent shall apply in any case, for example even if we carry out the delivery to the buyer without reservation in the knowledge of the buyer's GTC.

1.4 Individual agreements made with the Buyer in individual cases (including collateral agreements, supplements and amendments) shall in any case take precedence over these GTC. Subject to proof to the contrary, a written contract or our written confirmation shall be authoritative for the content of such agreements.

1.5 Legally relevant declarations and notifications to be made to us by the Buyer after conclusion of the contract (e.g. setting of deadlines, notifications of defects, declaration of withdrawal or reduction) must be in writing to be effective.

1.6 References to the applicability of statutory provisions are for clarification purposes only. Therefore, even without such clarification, the statutory provisions shall apply insofar as they are not directly amended or expressly excluded in these GTC.

2. Conclusion of contract

2.1 Our offers are subject to change and non-binding. This shall also apply if we have provided the Buyer with catalogues, advertisements, technical documentation (e.g. details of contents, drawings, plans, calculations, references to standards), other product descriptions or documents - also in electronic form - to which we reserve property rights and copyrights. These may not be made accessible to third parties; this applies in particular to such written documents which are designated as „confidential“. Any disclosure to third parties requires our express written consent.

2.2 By placing an order, the buyer makes a declaration of intent in the form of a binding offer. Unless otherwise stated in the order, we shall be entitled to accept this contractual offer within a period of up to 4 weeks after its receipt by us. Acceptance may be declared either in text form (e.g. by order confirmation) or by delivery of the goods to the buyer.

3. Delivery Periods and Delay in Delivery

3.1 The delivery period is binding if it is agreed individually or stated by us upon acceptance of the order. A delivery period specified by us shall only be set in motion after complete clarification of all issues relevant to the processing of the order, namely after receipt of all documents to be provided by the Buyer, necessary approvals and releases, in particular of any import regulations.

3.2 If we are unable to meet binding delivery deadlines for reasons for which we are not responsible (non-availability of the service), we shall inform the purchaser of this without delay and at the same time inform him of the expected new delivery deadline. The delivery of excess or short quantities is permissible in partial deliveries of up to 10%. If the service is also not available within the new delivery period, we shall be entitled to withdraw from the contract in whole or in part; we shall immediately refund any consideration already paid by the buyer.

3.3 Delivery periods or dates are always subject to timely and sufficient deliveries to us. If, despite the conclusion of a congruent hedging transaction, delivery difficulties occur for which we are not responsible, we reserve the right to withdraw from the contract.

3.4 Failure to meet a delivery deadline shall only entitle the buyer to withdraw from the contract without setting a deadline if it was expressly pointed out by the buyer at the latest at the time of conclusion of the contract that performance thereafter no longer makes sense for the buyer and performance thereafter no longer constitutes fulfilment of the contract (absolute firm deal).

3.5 In the event of non-compliance with a delivery deadline, the buyer shall set us a reasonable grace period for delivery. The buyer shall only be entitled to withdraw from the contract after the fruitless expiry of this period. Points 3.4. and 3.6. of these GTC remain unaffected.

3.6 We are not responsible for delays in performance due to force majeure (e.g. strike, lockout, official orders, general disruptions in telecommunications) and circumstances within the sphere of responsibility of the buyer (e.g. failure to provide cooperation services on time, delays by third parties attributable to the buyer, etc.). In this case, we are entitled to make up for the performance of the affected services for the duration of the impediment plus a reasonable start-up period, but within a maximum of four months. We shall notify the Buyer immediately of any delays in performance due to force majeure.

3.7 If we culpably default in delivery, our liability for damages shall be limited to the damage foreseeable and typically occurring at the time of conclusion of the contract, but not more than 20% of the net purchase price. The above limitation shall not apply in the event of gross negligence or intent or damage to body, life and health.

4. Delivery, transfer of risk, acceptance, default of acceptance

4.1 Unless otherwise agreed in individual cases, delivery shall be made from our registered office, which is also the place of performance for the delivery and any subsequent performance. Unless otherwise agreed, we shall be entitled to determine the type of shipment (in particular transport company, shipping route, packaging) ourselves.

4.2 The risk of accidental loss and accidental deterioration of the goods shall pass to the buyer at the latest upon handover. In the case of sale by delivery to a place other than the place of performance, however, the risk of

accidental loss and accidental deterioration of the goods as well as the risk of delay shall pass to the buyer upon delivery of the goods to the forwarding agent, the carrier or any other person or institution designated to carry out the shipment.

4.3 If the shipment is delayed due to circumstances for which the buyer is responsible, the risk shall pass to the buyer from the day of readiness for shipment.

4.4 If acceptance has been agreed, this shall be decisive for the transfer of risk. In all other respects, the statutory provisions of the law on contracts for work and services shall also apply mutatis mutandis to an agreed acceptance. The handover or acceptance shall be deemed equivalent if the buyer is in default of acceptance.

4.5 If the buyer does not accept the goods at the agreed time or if acceptance is not possible at the agreed time due to the buyer's fault, the buyer shall be in default of acceptance. He shall bear the costs of the additional expenses incurred as a result. We reserve the right to set a reasonable period of grace for acceptance. Should the second acceptance also fail, we shall be entitled to withdraw from the contract. In such a case, we reserve the right to claim a lump-sum compensation of 10% of the net purchase price; we reserve the right to claim further damages. The buyer is entitled to prove that no or only minor damage has been incurred.

5. Prices and terms of payment

5.1 Prices quoted are net prices and, unless otherwise agreed, are exclusive of the costs of shipping, packaging and insurance. Reductions for postage, bank transfer or similar charges shall not be recognized.

5.2 Any increases in price or other price components occurring between the conclusion of the contract and delivery which are beyond our control, such as currency compensation, levies, customs duties, etc., may be charged to the buyer accordingly.

5.3 The buyer is obliged to pay sales tax, if applicable, in accordance with the national regulations of the country of destination, insofar as taxable sales are concerned. The buyer is solely responsible for the taxation of the goods upon importation into the country of destination.

5.4 The purchase price is due within 14 days from the date of delivery, unless otherwise agreed.

5.5 We reserve the right to deliver to new customers only against full payment in advance. We shall declare a corresponding reservation at the latest with the order confirmation. The same shall apply in the event that a buyer in a previous delivery relationship has only made payment after the second reminder.

5.6 We reserve the right to adjust our prices accordingly even after the conclusion of the contract if the circumstances relevant for the determination of the price change, in particular costs for delivery, material, wages or due to currency fluctuations or other unforeseen events. In the event of price increases or price reductions, we will prove the reasons for these to the buyer on request. In the event of a price increase of more than 10% after the conclusion of the contract, the buyer shall have the right to withdraw from the contract if he declares his withdrawal in writing within 7 days of being notified of the price change.

6. Invoicing, interest, offsetting prohibition

6.1 Invoicing shall take place after dispatch of the goods or, in the case of imported goods, at the time of arrival at the European sea or airport or at the time the goods are made available.

6.2 Upon expiry of the payment deadline (clause 5.4), the buyer shall be in default.

6.3 In the case of contracts with merchants, we are entitled to charge the buyer interest on the due date at a rate of 9 percentage points above the base interest rate from the due date. The assertion of further damage caused by default is not excluded.

6.4 In the event of default in payment by the Buyer, we shall charge a flat-rate default fee in accordance with § 288 para. 5 BGB (German Civil Code) in the amount of 40.00 euros.

6.5 In the event of default in payment by the buyer or in the event of imminent insolvency or other significant deterioration in the financial circumstances of the buyer, we may withdraw from the contract after setting a reason-

able period of grace for outstanding deliveries from any current contract, with the payment period ceasing to apply.

6.6 In the event of default in payment, we reserve the right to claim liquidated damages in the amount of 10% of the net purchase price. We reserve the right to assert further damage caused by default. The buyer shall be entitled to prove that no or only minor damage has been incurred.

6.7 The buyer may only set off claims against our claims with counterclaims that have been legally established or recognized by us. Furthermore, the exercise of rights of retention is only permissible under corresponding conditions due to counterclaims resulting directly from the same contractual relationship

7. Warranty and notice of defects

7.1 The warranty period for new goods and spare parts is one year and begins with the date of delivery of the item. Liability for defects is excluded for used goods. The rights arising from §§ 478, 479 BGB remain unaffected. The reduction of the warranty period to one year or the exclusion in the case of used goods shall not apply if the obligation to pay compensation is based on injury to life, limb or health due to a defect for which we are responsible or our grossly negligent or wilful conduct or that of our vicarious agents. In this respect, the statutory limitation periods shall apply. Notwithstanding the foregoing, we shall be liable under the Product Liability Act.

7.2 If the buyer demands supplementary performance, we may choose to remedy the defect or to deliver or re-manufacture the defect-free subject matter of the contract. The buyer shall give us the time and opportunity required for the subsequent performance owed, in particular to hand over the goods complained about for inspection purposes. In the event of a replacement delivery, the buyer shall return the defective item to us in accordance with the statutory provisions.

7.3 We are entitled to make the subsequent performance owed dependent on the buyer paying the purchase price due. However, the buyer is entitled to retain a reasonable part of the purchase price in relation to the defect.

7.4 Customary commercial, product and raw material as well as minor, technical, physical and chemical unavoidable deviations with regard to quality, colour, weight, odour or physical-chemical key figures cannot be objected to.

7.5 Samples and specimens shall only be regarded as approximate illustrative pieces for quality, dimensions and colour.

7.6 Only the direct purchaser shall be entitled to warranty claims against us. An assignment of warranty claims is excluded.

7.7 The buyer is obliged to inspect the delivered goods immediately after delivery or handover and, if a defect becomes apparent, to notify us immediately. If the buyer fails to notify us, the goods shall be deemed to have been approved, unless the defect was not recognisable during the inspection. If such a defect is discovered later, the notification must be made immediately after discovery; otherwise the goods shall be deemed to have been approved also in view of this defect. The foregoing shall not apply insofar as we have fraudulently concealed the defect or have assumed a corresponding guarantee. If we enter into negotiations regarding a complaint, this shall in no way constitute a waiver of the objection of late, insufficient or unfounded notification of defects.

7.8 The validity of § 377 HGB remains unaffected.

7.9 Should the product inspection after notification of defects reveal that the notification of defects is obviously unfounded, the Buyer may be obliged to pay compensation for expenses in the amount of a lump sum of 100.00 euros; both contracting parties are at liberty to provide evidence of lower or higher expenses in the individual case.

8. Retention of title

8.1 We reserve title to the goods delivered until full payment of all claims arising from the business relationship with the buyer.

8.2 The goods subject to retention of title may neither be pledged to third parties nor assigned as security before full payment of the secured claims. The buyer must inform us immediately in writing if an application is made to open insolvency proceedings or if third parties (e.g. seizures) have access to the goods belonging to us.

8.3 In the event of conduct by the buyer in breach of contract, in particular in the event of non-payment of the purchase price due, we shall be entitled to withdraw from the contract in accordance with the statutory provisions or/ and to demand surrender of the goods on the basis of the retention of title. The demand for return does not at the same time include the declaration of withdrawal; we are rather entitled to demand only the return of the goods and to reserve the right of withdrawal. If the buyer does not pay the purchase price due, we may only assert these rights if we have previously set the buyer a reasonable deadline for payment without success or if setting such a deadline is dispensable according to the statutory provisions.

8.4 Until revoked in accordance with (c) below, the Buyer is authorised to resell and/or process the goods subject to retention of title in the ordinary course of business. In this case, the following provisions shall apply in addition.

(a) The retention of title extends to the products resulting from the processing, mixing or combining of our goods at their full value, whereby we are deemed to be the manufacturer. If, in the event of processing, mixing or combining with goods of third parties, their right of ownership remains, we shall acquire co-ownership in proportion to the invoice values of the processed, mixed or combined goods. Otherwise, the same shall apply to the resulting product as to the goods delivered under retention of title.

(b) The Buyer hereby assigns to us by way of security the claims against third parties arising from the resale of the goods or the product in total or in the amount of our possible co-ownership share in accordance with the above paragraph. We accept the assignment. The obligations of the buyer stated in clause 8.2 shall also apply in respect of the assigned claims.

(c) The buyer remains authorised to collect the claim in addition to us. We undertake not to collect the claim as long as the buyer meets his payment obligations towards us, there is no deficiency in his ability to pay and we do not assert the retention of title by exercising a right pursuant to clause 8.3. If this is the case, however, we may demand that the buyer informs us of the assigned claims and their debtors, provides all information necessary for collection, hands over the relevant documents and informs the debtors (third parties) of the assignment. Furthermore, in this case we are entitled to revoke the buyer's authorisation to further sell and process the goods subject to retention of title.

(d) If the realisable value of the securities exceeds our claims by more than 10%, we shall release securities of our choice at the buyer's request.

9. Limitation of liability, consequential harm caused by a defect

9.1 We shall only be liable for simple negligence in the event of a breach of an obligation the fulfilment of which is a prerequisite for the proper performance of the contract and on the observance of which the Buyer has regularly relied and could also have relied and the culpable non-fulfilment of

which jeopardises the achievement of the purpose of the contract (cardinal obligation or material contractual obligation). Otherwise, liability is excluded in the case of simple negligence. In addition, we shall be liable without limitation for damages if we are guilty of intent or gross negligence.

9.2 Insofar as we are liable for simple negligence pursuant to clause 9.1, the liability for damages shall be limited to the damage foreseeable and typically occurring at the time of the conclusion of the contract.

9.3 Liability for consequential damage, i.e. damage that does not occur to the purchased item itself but to other legal assets due to a defect, is excluded. Liability for consequential harm caused by a defect shall be unrestricted only if we are guilty of intent or gross negligence or in the cases of clause 9.4. The obligation to give notice of defects pursuant to section 7.7 shall also apply to consequential damages.

9.4 The aforementioned exclusions and limitations of liability shall not apply if a guarantee has been given for the quality of the goods or services or a defect has been fraudulently concealed. Furthermore, we shall be liable without limitation for damage to life, body and health of the buyer.

9.5 The aforementioned exclusions of liability shall also apply to non-contractual claims for damages, the breach of ancillary contractual obligations, incorrect advice as well as for damages which occurred before or at the time of the conclusion of the contract.

9.6 Insofar as liability for us is excluded or limited, this shall also apply to the liability of the legal representatives and/or vicarious agents.

10. Applicable law, choice of law

10.1 The concluded contracts are subject to the law of the Federal Republic of Germany.

10.2 The provisions of the UN Convention on Contracts for the International Sale of Goods and private international law shall not apply.

11. Contractual language, written form, severability clause

11.1 The contractual language is German.

11.2 Amendments or supplements to this contract must be made in writing. This also applies to amendments to this written form clause.

11.3 If any of the foregoing provisions is invalid in whole or in part due to statutory provisions, regulations or changes in the law, all other provisions shall remain unaffected thereby and shall continue to apply in full to the extent permitted by law.

12. Jurisdiction agreement

If the buyer is a merchant, a legal entity under public law or a special fund under public law, the place of jurisdiction shall be Dortmund, Germany.

13. Place of performance

The joint place of performance of the parties is Bönen, Germany.