

GENERAL TERMS AND CONDITIONS

Kuncai Europe BV, Linie 506, 7325 DZ, Apeldoorn, Holland

Chamber of Commerce in Apeldoorn Holland number 63147076

Article 1. GENERAL APPLICABILITY

All offers, sales agreements and deliveries shall be governed by these General Terms and Conditions, unless parties agree otherwise in writing.

Article 2. CONCLUSION OF THE AGREEMENT

All offers of seller are without engagement; save proof to the contrary by buyer, seller shall not be bound until the written order acknowledgement has been sent.

Article 3. WEIGHT AND QUANTITY

1. The sizes and/or weights as stated on the invoice submitted by seller shall be decisive for the quantity delivered.
2. If buyer gives satisfactory proof of a deviation by more than 5 percent, the invoice or payment in question shall be adjusted in joint consultation.
3. If seller has to make or has to have others make the product(s) sold especially for buyer, the latter shall be obliged to accept 10 percent undermeasure or overmeasure.

Article 4. DELIVERY

1. Unless another condition of delivery has been agreed upon, delivery shall be effected ex works or ex warehouse stated. The condition of delivery agreed upon shall have the meaning customary in the Netherlands unless for the interpretation of the condition of delivery rules have been given by the International Chamber of Commerce in the latest version of the so-called Incoterms, in which case these rules shall be applicable, without prejudice to the provisions in article 6 (reservation of title).
2. The delivery time agreed upon shall only be an approximation, so that it shall not be regarded as the latest term and seller shall be entitled to deliver at about the time agreed upon. In no case shall buyer be entitled to cancel the agreement wholly or partially on account of delay in the delivery, or to hold seller liable for the consequences of the delayed delivery.

Article 5. TRANSPORT EQUIPMENT AND PACKAGING

1. Road tankers owned or made available by seller shall be emptied immediately upon arrival. In case of delivery in buyer's tanker it should be made available ready for filling at the delivering factory. Rail tankers owned or made available by seller shall be returned free of charge within 24 hours of arrival from the station of destination to the factory of delivery. If the tanker is returned later, rent may be charged (depending on the type of tanker, its capacity, etc.).
2. If loan packaging is made available by seller, the packaging conditions of the Association of the Dutch Chemical Industry (Vereniging van de Nederlandse Chemische Industrie) and of the Confederation of Traders in Chemical Products (Verbond van Handelaren in Chemische Producten) shall be valid.
3. The loading or filling of transport equipment made available by buyer shall be for the risk of buyer - save for malicious intent or gross negligence on the part of seller - even if this is done by seller and/or advice has been provided by him or further activities have been carried out by him in respect of this equipment or packaging. Seller shall be empowered to refuse loading or filling equipment and/or packaging that in his opinion does not meet the demands that in all fairness should be made thereon in respect of safety. In case of such refusal seller shall not be held liable for the consequences that may result from the delay

Article 6. RESERVATION OF TITLE

1. Seller shall reserve title to the product(s) sold until the point of time at which the full amount due by virtue of the agreement has been paid, as well as any amounts due because of non-fulfilment of such agreements, also in those cases where delivery is effected by instalments.
2. In case of a delay in payment by buyer, seller shall be entitled to take back the product(s) sold without any demand for payment, notice of default, or court interference, without prejudice to seller's other rights in respect of a delay in payment.
3. As long as seller has reserved title to the product(s) sold, buyer shall only have the use of the product(s) sold for own treatment or processing for further delivery in the normal conduct of his business.

Article 7. PRICES

Unless otherwise agreed upon, all prices shall be ex works or ex warehouse stated, exclusive of packaging. All prices shall be based on the currency translation rates, import duties and other cost-price-affecting taxes and levies applicable at the moment of conclusion of the agreement. In the event of a change in one or more of these factors before the delivery has been effected according to the delivery time agreed upon, seller shall adjust the price, if necessary, and shall notify buyer thereof in writing.

The latter shall then be entitled to cancel the agreement within five days in writing.

Article 8. PAYMENT

1. Unless otherwise agreed upon, all payments shall be made within 30 days of the date of invoice without any settlement of debts or discount. However, seller shall always be entitled to deviate from the provisions in the preceding clause by demanding payment in cash (including cash on delivery) for every delivery or partial delivery.
2. If after a written demand for payment buyer remains in default to proceed to full payment of the amount due within the term mentioned in the demand for payment, this shall have the following consequences without prejudice to any other rights seller may have:
 - a. any other amounts due by buyer to seller shall be demandable forthwith;
 - b. seller shall be entitled to charge a default interest of 2% per year above the interest rate for promissory notes of the „Nederlandse Bank“;
 - c. without any further notice of default or court interference seller shall be entitled to terminate unilaterally the agreement wholly or partially or to suspend fulfilment thereof wholly or partially by registered letter without being held to pay any compensation;
 - d. all costs incurred by seller both in and out of court, including costs of collection, to effect full or partial payment of the amounts due by buyer shall be for the account of buyer.

Article 9. NON-FULFILMENT

1. If one of the parties does not, not timely or not properly fulfil any obligation (as far as buyer is concerned any obligation other than that of payment), as well as in the event of a bankruptcy petition, bankruptcy, liquidation of the business or a petition or granted petition for a moratorium of one of the parties, the other party shall be entitled - without being held to pay any compensation - to terminate unilaterally the agreement wholly or partially or to suspend its execution wholly or partially by registered letter without any further notice of default and without any court interference, without prejudice to any other rights he may be entitled to use.
2. If any of the events mentioned in the preceding paragraph should happen to buyer, all amounts due by buyer to seller shall be fully demandable forthwith.
3. If any of the events mentioned happen to buyer, seller shall also have the right to demand payment in advance or require a security to be given.

Article 10. FORCE MAJEURE

1. If fulfilment by seller of one or more of his obligations cannot reasonably be required in connection with one or more of the events mentioned below, he shall be entitled to terminate the agreement wholly or partially or to suspend its execution wholly or partially by registered letter without any court interference, without being held to pay any compensation.
2. These events are limiting government measures of any nature whatsoever, epidemics, mobilisation, war, revolution, strikes, seizure, interruption of production; shortage of raw materials, semi-manufactures, auxiliary materials and/or energy; Acts of God, whole or partial default of others whose goods or services must be used, and any other event that cannot reasonably have foreseen by seller and is beyond his control and on whose ground, if such an event or circumstance had been known to him at the time of conclusion of agreement, he would not have concluded the agreement or not under the same terms and conditions.
3. If, however, whole or partial suspension as referred to in the first paragraph should so fundamentally change seller's performance with regard to buyer that acceptance thereof cannot reasonably be required any more of the latter, buyer shall be released from his further take-off obligation.
4. Fulfilment during one or more of the events as referred to in the second paragraph does not affect the right to use in other events the entitlement to suspension or termination.

Article 11. LIABILITY AND CLAIMS

1. Notices by or on behalf of seller concerning the quality, composition, treatment in the widest sense, applicability, properties, etc. of the goods shall only be valid as guaranties, if they have been made in writing and explicitly in the form of a guarantee.
2. Buyer shall be obliged to inspect the goods and packaging as soon as possible to the extent to which this can be required of him in all fairness and/or according to custom. Any deficiencies of the goods and packaging that are found

during this first inspection, as well as the deficiencies that are found to exist later during use or consumption shall be brought to seller's notice immediately after they have been found by buyer. Seller's liability shall be void if buyer fails to meet one of these obligations. In order to limit the damage buyer shall observe seller's instructions with regard to the goods and packaging.

3. Seller's liability due to non-delivery, late delivery or improper delivery shall never exceed the net amount of sale or invoice amount of the goods concerned. Moreover, the liability for damage due to deficiencies of the goods and packaging shall be limited to direct damage to persons or goods.

Article 12. TRADEMARKS AND TRADE NAME

Any goods marketed by seller shall only be offered or traded under trademarks to which he is entitled or with mention of his trade name after his written consent and under conditions to be established by him.

Article 13. TRANSFER OF RIGHTS AND OBLIGATIONS AND TRANSFER OF CONTROL

1. Neither party shall be entitled without prior written consent of the other party to transfer his rights and obligations wholly or partially to a third party or to have the agreement executed wholly or partially by a third party, save seller's right to transfer his claim on buyer for collection.
2. If after conclusion of the agreement the control of all or a significant part of buyer's activities is directly or indirectly transferred to others, seller shall have the right to terminate unilaterally the agreement wholly or partially by registered letter without court interference with a term of notice of 7 days without being held to pay any compensation. However, this right shall be cancelled if seller has not exercised it within 5 days of the date on which he has been notified of the said transfer.

Article 14. HARDSHIP

1. If the circumstances on which the parties have based themselves when the agreement was signed, have changed so materially that as a consequence thereof fulfilment of one or more of its conditions cannot reasonably be required any more of either party, consultation shall take place about premature amendments of the agreement.
2. In case of lack of agreement either party shall have the right to terminate the agreement unilaterally by registered letter with due observance of a term of notice of 1 month. During this term of notice the conditions of the present agreement shall remain in force.

Article 15. APPLICABLE LAW

1. Present Terms and Conditions and the Agreement are exclusively subject to Dutch law.
2. The seller is authorised to declare the Dutch court in the legal district of the buyer competent.

Article 16. INTERPRETATION DISPUTES

In the event of disputes concerning interpretation of these General Terms and Conditions, exclusively the Dutch text will be decisive.

Deposited with the Chamber of Commerce in Apeldoorn.