

BASF HUNGÁRIA KFT'S GENERAL CONDITIONS OF SALE

1. Scope of application

All supplies and the services to be provided by BASF Hungária Kft. shall be provided exclusively on the basis of these General Conditions of Sale. References made by Buyer to his general terms and conditions shall not apply to the services provided by BASF Hungária Kft. The present General Conditions of Sale shall also apply to all future business. Deviations from these General Conditions of Sale require the explicit written approval of BASF Hungária Kft.

2. Offer and acceptance

The quotations of BASF Hungária Kft. are not binding offers but must be seen as invitations to Buyer to submit a binding offer. The contract is concluded by Buyer's order (offer) and the acceptance of BASF Hungária Kft. In case the acceptance differs from the offer, such acceptance constitutes a new non-binding offer of BASF Hungária Kft.

3. Product quality, specimens and samples; guarantees

3.1 Unless otherwise agreed, the quality of the goods is exclusively determined by BASF Hungária Kft's product specifications.

Identified uses under the European Chemicals Regulation REACH relevant for the goods shall neither represent an agreement on the corresponding contractual quality of the goods nor the designated use under this contract.

3.2 The properties of specimens and samples are binding only insofar as they have been explicitly agreed by the Parties to define the quality of the goods.

3.3 Quality and shelf-life data as well as other data constitute a guarantee only if they have been agreed and designated as such by the Parties.

4. Support services

Any advice rendered by BASF Hungária Kft. is given to the best of his knowledge. Advice and information with respect to suitability and application of the goods is not binding and shall not relieve Buyer from undertaking his own investigations and tests with regards to the suitability of the goods supplied for the processes and purposes he intends to use them for.

5. Prices

If the prices or terms of payment of BASF Hungária Kft. are generally altered between the date of contract and delivery, BASF Hungária Kft. may apply the price or the terms of payment in effect on the date of delivery. In the event of a price increase, Buyer is entitled to withdraw from the contract by giving notice to BASF Hungária Kft. within 14 days after notification of the price increase.

6. Delivery

Delivery shall be effected in accordance with the trade terms set out in the individual contract, for which the version of the INCOTERMS in force on the date the contract is concluded is applicable.

7. Damage in transit

Notice of claims arising out of damage in transit must be lodged by Buyer directly with the carrier within the period specified in the contract of carriage and BASF Hungária Kft. shall be provided with a copy thereof.

8. Compliance with legal requirements

8.1 Unless specifically agreed otherwise, Buyer is responsible for compliance with all laws and regulations regarding import, transport, storage and use of the goods.

8.2 Buyer assures that in the course of the business relationship with the BASF Hungária Kft. (including any use of contractual goods and their packaging) he will abide by any and all applicable legal requirements (including all tax and foreign currency regulations).

9. Delay in payment

9.1 Failure to pay the purchase price by the due date constitutes a fundamental breach of contractual obligations.

9.2 In the event of a default in payment by the Buyer, BASF Hungária Kft. is entitled to charge interest on the amount outstanding at the rate of 8 percentage points above the base interest rate of the Hungarian National Bank in effect at the first date of the calendar semester concerned by the delay, or, if invoiced in any other currency, at the rate of 8 percentage points above the discount rate of the main banking institution of the country of the invoiced currency, or if there is no such rate, at the rate 8 percentage points above the money market interest rate.

10. Buyer's rights regarding defective goods

10.1 BASF Hungária Kft. must be notified of any defects that can be discovered during routine inspection within four weeks of receipt of the goods; other defects must be reported within four weeks after they are discovered. Notification must be in writing and must precisely describe the nature and extent of the defects.

10.2 If the goods are defective and Buyer has duly notified BASF Hungária Kft. in accordance with Clause 10.1, Buyer has the statutory rights to the following extent:

- BASF Hungária Kft. initially has the right to choose whether to remedy the defect or supply Buyer with non-defective replacement goods (subsequent performance).
- BASF Hungária Kft. may make two attempts at subsequent performance. Should these fail or cause unreasonable inconvenience to Buyer, Buyer may either withdraw from the contract or demand a reduction in the purchase price.
- With regard to claims for compensation, including compensation for unproductive expenditure on a defect, Clause 11 applies.

10.3 Buyer's claims for defective goods are subject to a period of limitation of one year from receipt of the goods.

In the following cases the legal periods of limitation apply instead of the one-year period:

- liability for wilful misconduct,
- fraudulent concealment of a defect,
- claims against BASF relating to the defectiveness of goods that when applied to a building in the ordinary manner caused it to be defective,
- claims for damage to life, body and health caused by BASF's negligent breach of duty, or by wilful or negligent breach of duty on the part of BASF's legal representative or vicarious agent,
- claims for other damage caused by BASF's grossly negligent breach of duty, or by wilful or grossly negligent breach of duty on the part of BASF's legal representative or vicarious agent,
- in the event of a Buyer's recourse claim based on consumer goods purchasing regulations.

11. Liability

11.1 BASF Hungária Kft. shall be generally liable for damages in accordance with the applicable provisions of the Hungarian law.

11.2 BASF Hungária Kft. is not liable to Buyer in case of impossibility or delay in the performance of its supply obligations if the impossibility or the delay is due to orderly compliance of regulatory and legal obligations in connection with the European Chemicals Regulation REACH being triggered by Buyer.

12. Set off

Buyer may only set off claims from BASF Hungária Kft. against an undisputed or adjudicated counterclaim.

13. Security

If there are reasonable doubts as to Buyer's ability to pay, especially if payments are in arrears, BASF Hungária Kft. may, subject to further claims, revoke credit periods and make further deliveries dependent on advance payments or other security.

14. Retention of title

14.1 The goods shall remain the property of the BASF Hungária Kft. until the purchase price has been paid in full. BASF Hungária Kft. is entitled to register the retention of title in the national credit security register.

14.2 In the event of late payment by Buyer, BASF Hungária Kft. is entitled, without rescinding the sales agreement and without granting a period of grace, to demand the temporary surrender of the goods owned by BASF Hungária Kft. at Buyer's expense.

14.3 If the value of securities exceeds the claims BASF Hungária Kft. has against the Buyer by more than 15 per cent, then on demand by the Buyer, BASF Hungária Kft. shall release securities to this extent as selected by him.

15. Force majeure

To the extent any incident or circumstances beyond BASF Hungária Kft.'s control (including natural occurrences, war, strikes, lock-outs, shortages of raw materials and energy, obstruction of transportation, breakdown of manufacturing equipment, fire, explosion, acts of government), reduces the availability of goods from the plant from which BASF Hungária Kft. receives the goods such that BASF Hungária Kft. cannot fulfil its obligations under this contract (taking into account on a pro rata basis other supply obligations), BASF Hungária Kft. shall (i) be relieved from his obligations under this contract to the extent BASF Hungária Kft. is prevented from performing such obligations and (ii) have no obligation to procure goods from other sources. The first sentence does also apply to the extent such incident or circumstance renders the contractual performance commercially impractical for BASF Hungária Kft. over a long period or occurs with suppliers of BASF Hungária Kft. If the aforementioned occurrences last for a period of more than 3 months, BASF Hungária Kft. is entitled to withdraw from the contract without the Buyer having any right to compensation.

16. Place of payment

Regardless of the place of delivery of goods or documents, the place of payment shall be BASF Hungária Kft's seat.

17. Communication

Any notice or other communication required to be received by a party is only effective at the moment it reaches this party. If a time limit has to be observed, the notice or other communication has to reach the recipient party within such time limit.

18. Jurisdiction, Applicable Law

The courts of Hungary shall have exclusive jurisdiction to settle all disputes arising from or connected to the contract or its subject matter. Applicable material law and procedural law shall be the law of Hungary.

19. Contract language

If these General Conditions of Sale are made known to Buyer in another language than Hungarian, this is merely done for Buyer's convenience. In case of differences of interpretation, the Hungarian version shall be binding.

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