

Novoselect Gesellschaft zur Entwicklung, Produktion und zum Vertrieb von Kosmetika, Pharmaka und Nahrungsergänzungsmittel mbH

General terms of business

I. Preamble

Individual contractual agreements shall take precedence over the general terms of business. If any provision of this contract or any part of such provision is or becomes invalid or unenforceable, the other provisions shall not be affected thereby. The invalid or unenforceable provision shall be replaced by a valid and enforceable provision, the effect of which comes as close as possible to the intended effect of the invalid or unenforceable provision. Purchase conditions shall be considered valid for all purchase transactions with our company, even if not referred to in later contracts.

General terms of the purchaser shall only be valid if brought to our attention in time and if not in disagreement with terms agreed in individual contracts or the following provisions. General conditions of the purchaser require prior written consent of Novoselect GmbH.

II. Orders

All orders made by customers require written order confirmation, unless the order is a cash transaction. Deviations of the ordered or supplied products due to technical improvements are subject to change without notice.

III. Delivery dates

Delivery dates given by Novoselect GmbH shall not be binding unless confirmed by our company in writing.

IV. Liability for defects

The purchaser shall be obliged to examine the goods immediately after receipt and to report existing defects without delay (i.e. until the second working day following receipt) at the latest.

Defects reported late, thus violating the above obligation, shall not be considered by Novoselect GmbH and shall be excluded from warranty.

Return of goods required in case of a defect shall be only performed following prior consent of Novoselect GmbH. Return of goods without prior consent shall not be accepted. In such a case, the purchaser shall pay for the expenses of the return.

In case of a legitimate complaint, the purchaser shall be entitled first to claim supplementation of its performance. Novoselect GmbH reserves its right to decide independently whether the defects shall be remedied or the defective product shall be replaced.

In addition, Novoselect GmbH reserves its right to decide independently again in case of a second supplementation of performance when the first supplementation of performance failed.

Only if the second supplementation of performance will fail, the purchaser shall have the right to withdraw from the contract or to reduce the purchase price.

The purchaser shall only have the right to claim compensation or replacement of vain expenses in cases of gross negligence or intentional infringement of the duty to supply faultless goods. He shall prove the damage on the merits and in terms of amount.

The period of warranty for new and used goods is one year from receipt. The purchaser shall be liable in any case to prove that the defect was already present at receipt.

Should the shipment be incomplete or wrong, or in case of infringement of accessory obligations within the responsibilities of Novoselect GmbH, the purchaser shall give in writing a reasonable extension for delivery of the due goods or remedy of the breach of duty. Novoselect GmbH will supply later in case of insignificant shortfall, so far as reasonable. Otherwise, Novoselect GmbH will credit for the missing goods.

V. General liability of the supplier in case of infringement

Notwithstanding the regulations on warranty and other special regulations laid down in these terms, the following shall apply in cases of infringement by Novoselect GmbH:

The purchaser shall grant an adequate period of time for supplementation of performance of three weeks or more. Only after expiry of this period, the purchaser shall be granted to withdraw from the contract and/or to claim compensation.

The purchaser shall only claim compensation, also in case of late shipment, in case of gross or intentional infringement by Novoselect GmbH. Compensation of performance and damage due to late delivery shall be limited to negative interest; compensation due to not provided or not provided as owing shall be limited to the amount of the purchase price. Compensation in place of performance when the duty of performance is excluded shall be excluded.

Should the purchaser alone or predominantly be responsible for the conditions that would entitle him to withdraw from the contract, or when the conditions entitling to withdrawal will occur during delayed acceptance of the purchaser, withdrawal shall be excluded.

VI. Exclusion of procurement risk and warranty

Novoselect GmbH shall not be liable for procurement risk with respect to not immediately available products.

No warranty shall be accepted if not fixed in a written agreement between supplier and purchaser.

VII. Prices

Prices are calculated ex works in EURO plus applicable VAT.

VIII. Invoicing/payment

All shipments shall be paid net cash. Any discount requires prior written agreement.

When the credit period will be exceeded, interest shall be paid 8% higher than the current base rate of German Central Bank (Deutsche Bundesbank) in addition to the invoiced amount.

IX. Reservation of proprietary rights

All goods supplied by Novoselect GmbH shall remain its property until payment of the purchase price and complete settlement of all responsibilities arising from the business relationship (extended reservation of proprietary rights). Should the goods be processed by the purchaser, the reservation of proprietary rights shall extend to the complete new object.

Any disposition of goods under reservation of property rights shall be only admissible within the regular business of the purchaser. In no case, the goods may be transferred to third parties for provision of security within regular business.

Should the goods be sold in regular business, they shall be replaced by the paid sales price. Already now, the purchaser cedes claims arising from potential sale. The purchaser shall be entitled to collect these charges as long as he will fulfill his financial obligations towards Novoselect GmbH. Under consideration of the extended reservation of property rights (advance cession of the purchase price claim), any cession to third parties, in particular banks, is contrary to the contract and therefore shall be inadmissible. Novoselect GmbH shall be entitled at any time to examine the sales documents of the purchaser and to notify his customers about the cession.

If the receivables of the purchaser arising from the resale will be entered into an open account, the purchaser will also cede the claims to his customer arising from the open account Novoselect GmbH.

The cession shall amount to the sum calculated by Novoselect GmbH for the resold goods under reservation.

Should the goods be seized at the purchaser's site, Novoselect GmbH shall be immediately notified by a copy of the compulsory execution protocol and a declaration in lieu of an oath that the seized goods are the goods delivered by Novoselect GmbH under reservation of property rights.

Should the value of the securities according to the above clauses of this paragraph exceed the claims of the securities

for more than 20% for a foreseeable period of time, the purchaser shall be entitled to claim for the release of securities by Novoselect GmbH to an amount adequate to the sum higher than the securities.

The assertion of the rights of Novoselect GmbH arising from the reservation of rights shall not release the purchaser from his contractual obligations. The value of the goods at the time of taking back shall be only credited to the existing claim.

The assertion of the reservation of property rights by Novoselect GmbH shall only be considered also a cancellation if previously declared in writing by Novoselect GmbH.

X. Place of performance and jurisdiction

Place of performance shall be the location of the supplier.

The place of jurisdiction shall comply with legal requirements. If the purchaser is a registered trader, place of jurisdiction shall also be the location of Novoselect GmbH.

All privities between purchaser and Novoselect GmbH shall be covered by the law of the Federal Republic of Germany.

General terms of business of Novoselect GmbH

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