

GENERAL CONDITIONS OF SALE AND SUPPLY

OF

FROMATECH INGREDIENTS BV AND INNOGREDIENTS INTERNATIONAL BV

Article 1 – Definitions and applicability

1. These general conditions of sale and supply (referred to below as the 'general conditions') apply to all offers by and orders from the private limited companies Fromatech Ingrediënts BV ('Fromatech') and Innogredients International BV ('Innogredients'), both with their registered office and a place of business at Industriestraat 15, 6135 KE Sittard, The Netherlands. Fromatech and Innogredients are referred to together as 'the seller'.
2. These general conditions have been lodged with the Maastricht Chamber of Commerce under number 14019715 (Fromatech) and number 52732665 (Innogredients) and can be consulted and downloaded on the websites www.fromatech.com and www.innogredients.com.
3. References in these general conditions to 'the other party' shall mean any natural or legal person wishing to enter into an agreement with the seller and any party for whose account the products are supplied.
4. The other party may not derive any rights for the future from any terms agreed in writing departing from these general conditions.
5. If the other party makes use of standard purchase conditions, these shall not apply if they conflict with any terms in the present general conditions unless the seller has expressly declared itself in agreement with those conditions.
6. These conditions apply to all countries. The Dutch version is definitive.

Article 2 – Offers and confirmations of sale

1. All offers are without obligation unless the contrary is expressly agreed in writing.
2. The seller has not entered into an obligation until it has confirmed an agreement in writing.
3. If the other party does not make any claim within ten days of the date of the confirmation of sale, it will be deemed to agree to the contents of the confirmation and to these general conditions.

Article 3 – Requirements for materials or goods

1. The other party must notify the seller in writing of any special requirements applying to the materials or products before the agreement is made. Unless any special requirements have been stated when ordering and expressly accepted by the seller in writing, the seller's selection must be accepted.
2. With regard to dimensions and quantities the seller reserves the right to rely on such deviations as are usual or acceptable in the marketplace.
3. Special terms departing from the conditions set out in this Article shall only be binding if they have been agreed in writing and shall only apply to the agreements to which they relate.

Article 4 – Supply, purchase and risk

1. The seller undertakes to supply and the other party undertakes to purchase the relevant goods.
2. Supply and purchase shall both take place ex works or at the business location in accordance with the most recent version of Incoterms 2010, unless otherwise agreed. Any assistance from the seller in loading any vehicle shall be at the other party's expense and risk.
3. If supply is not ex works and no particular method of transportation has been agreed, the seller shall determine the transportation method and the goods shall be deemed to have been supplied
 - a. where transportation involves a professional haulier:
on handing over the products to the haulier;
 - b. where transportation involves a vehicle belonging to the seller:

- on delivering or attempting to deliver the products to the house or warehouse of the other party or to the delivery address designated by the other party in advance in writing.
4. Unless otherwise agreed in writing, the transportation costs shall be borne by the other party.
 5. The risks of transportation shall be borne by the other party in all cases, even if the seller bears the costs of or carries out the transportation itself.
 6. The risk of the goods purchased shall pass to the other party as soon as the goods have been supplied within the meaning of Article 4(2) of these general conditions.
 7. If a particular time period has been agreed for the transportation of the goods sold and the agreed time period is exceeded, the seller shall not be obliged to pay compensation for any resulting losses.
 8. The seller shall always be entitled to perform the agreement in parts.
 9. The other party shall be under an obligation to purchase the goods within the time agreed. If it does not do so, the seller shall be entitled, at its option and without any requirement for prior notice of default, to demand payment for the part not purchased or to regard the agreement as having been dissolved, without prejudice to its right to full compensation for the losses suffered by it. In the former case the products shall be deemed to have been purchased by the other party ex works and thereafter to have been stored at that party's expense and risk and in return for reimbursement of the seller for all costs incurred as a result. If a time period as referred to in this provision has not been agreed, the seller shall be entitled to take the measures described above if the purchase of the products bought has not been carried out within four months of the confirmation of sale.
 10. If the other party is liable to pay any sum in advance or to make available any information, instructions or materials needed for performance of the agreement, the time for delivery shall not begin to run until the payment or the information, instructions and/or materials have been received in full.

Article 5 – Security

1. The seller shall at all times be entitled to demand the provision of security by the other party for the other party's performance of its obligations before the seller carries out the supply or continues a supply already begun.
2. Security may be demanded, at the seller's option, in the form of a mortgage interest and/or right of pledge and/or bank guarantee.
3. If the other party refuses to provide the security demanded, the seller shall be entitled, after giving written notice of default, to regard the agreement as having been dissolved, without itself being obliged to pay any compensation and without prejudice to its right to demand full compensation for the losses suffered by it.

Article 6 – Force majeure

1. In the event of *force majeure*, the seller shall be entitled, at its option, to amend the time period for supply, or to cancel the agreement to the extent that it has not already been performed, without being under any obligation to pay compensation.
2. In these general conditions *force majeure* shall mean any circumstance outside the seller's control, even if this was foreseen when the agreement was made, which permanently or temporarily prevents the performance of the agreement, as well as (to the extent not included in that definition) war, the threat of war, civil war, riots, industrial strikes or lock-outs in the business of the seller, an associated undertaking or undertakings providing logistical services, transport problems, fire, storm, flooding and/or resulting losses, disruptions to the delivery of raw materials and/or semi-manufactured products required by the seller and other serious disruptions affecting the seller or its supplier.
3. With regard to agreements made despite the existence or the foreseeability of circumstances as referred to in Article 6(2), the seller remains entitled to rely on *force majeure* if there is any change in or exacerbation of those circumstances or any new or additional circumstance as described above in Article 6(2).

Article 7 – Prices

1. All prices are exclusive of the turnover tax applicable at the time when the agreement is made. If the other party is receiving supplies free of VAT and/or duty at its request, the other party shall be responsible for ensuring that it has the required permissions and will indemnify the seller in full for any later levy of VAT and/or excise duty or any other charges imposed by the authorities.
2. The prices agreed shall be ex works or at the seller's business premises, unless otherwise agreed in writing.
3. To the extent that the price agreed between the seller and the other party takes account of the costs of transportation, insurance and similar borne by the seller, these shall be based on the rates known to the seller at the time of entering into the agreement and on normal circumstances. Any increase in these costs, addition of new costs, duties or taxes, howsoever named, as well as any costs caused by changes to the normal circumstances, shall be borne by the other party.
4. If the other party has negotiated price discounts for a defined period in connection with the supply of significant quantities, these discounts shall only apply if the agreed quantities are actually purchased by the other party in full during the agreed time period.
5. If wages, the prices of raw materials and/or other cost price factors have risen by the time of the performance of the agreement or part of it, the seller shall be entitled to increase the agreed price. The seller shall also be entitled to do this in the event of devaluation of the currency of payment.

Article 8 – Payment

1. Payment must be made without any deduction within thirty days of the supply taking place within the meaning of Article 4, unless otherwise agreed in writing. Any claims or similar concerning the supply shall not give the other party the right to suspend payment or to set off amounts due against other outstanding items.
2. Payment must be made in euros unless another currency is agreed on.
3. If the other party has not paid the amount owed to the seller within the time period referred to in Article 8(1), it shall automatically be deemed to be in default and the seller shall be entitled to charge interest at 1.5% per month from the due date of the invoice as well as all administration costs relating to the collection of the debt at 5%, plus judicial and extrajudicial costs, without any requirement for notice of default.
4. Failure to pay by the due date shall also result in the lapse of the guarantee referred to in Article 11 of these general conditions; furthermore all amounts owed to the seller by the other party pursuant to other invoices or on other grounds shall become immediately due and payable including amounts receivable from group undertakings.
5. The place of payment shall be the place where the seller has its main base in Sittard.
6. The seller has a right of retention over everything the seller has in its possession that belongs to the other party, as security for all amounts owed to it by the other party. This shall apply to both outstanding and future debts. This shall also apply to compensation relating to any dissolution or termination of the agreement(s) entered into between the parties, regardless of which party initiated the dissolution. This shall also apply to all receivables whether or not relating to the agreement entered into between the parties.
7. If payment is not made on time, everything the seller has in its possession shall serve as security for all amounts owed by the other party to the seller on whatever grounds, including any amounts receivable from group undertakings.

Article 9 – Intellectual and industrial property rights

1. The other party must fully and unconditionally respect all intellectual and industrial property rights attaching to the products supplied by the seller.
2. If a third party accuses the other party of a breach of intellectual property rights with regard to goods and/or services supplied by the seller, the seller shall endeavour to remove the third party right, for example by modification or licence acquisition. This shall only apply in relation to goods and/or services produced and/or put into circulation by the seller itself and not developed on the other party's instructions. In order to rely on the seller's obligation to use its best endeavours, the other party must inform the seller of any breach within the meaning of this paragraph without delay,

and at the same time allow the seller a free hand in conducting a defence or reaching an amicable settlement, in default of which the other party shall lose this entitlement.

3. The seller at all times reserves the right to make changes to goods and/or services, itself or through others, in order to avoid any possible conflict with the rights of third parties.

Article 10 – Retention of title

1. The products supplied by the seller shall remain the property of the seller in full until receipt of full payment from or on behalf of the other party.
2. Without prejudice to its other rights, the seller shall be irrevocably authorised by the other party, in the event that the other party fails to meet its payment obligations to the seller either in time or at all, for any reason whatsoever, to take possession of products supplied by the seller, without any requirement for a notice of default or court order. The other party must provide all cooperation deemed necessary by the seller.
3. In the event that goods are made available to the other party for processing or incorporation into other goods, or to be joined to or mixed with goods that do not belong to the seller, the seller shall retain title or acquire title to the goods thus arising. The seller shall also acquire a right of pledge over such goods in their entirety. The other party shall be obliged to keep goods as described here in its possession and clearly identified as originating with the seller.
4. Claims by the other party relating to the onward sale of goods supplied subject to a retention of title are hereby transferred to the seller in advance, regardless of whether the items supplied subject to a retention of title have been used in the widest sense or sold on to several purchasers. A claim transferred as referred to in this paragraph shall constitute security for the items supplied subject to a retention of title.

Article 11 – Guarantee

1. The seller guarantees both the soundness of the goods supplied by it and the quality of the materials used and/or supplied for it, such that any defects arising exclusively or mainly as a direct consequence of an error in the construction designed by the seller, insofar as the seller actually designed the construction, or as a result of defective finishing or the use of unsound materials, will be remedied by the seller or the goods replaced free of charge (to be decided to the satisfaction of the seller).
2. In the event that the other party provides the seller with raw materials or goods for processing or incorporation into goods, a guarantee is only given for the soundness of the work of processing or incorporation.
3. Products and materials are supplied with the quality indicated in advance in writing. All other requirements must be agreed in writing in advance.
4. Where the guarantee is relied on in relation to any products or materials, these shall be returned to the seller by the other party at its expense.

Article 12 – Claims

1. All claims relating to defects that are outwardly visible or can be identified immediately may be submitted at the moment of purchasing the products within the meaning of Article 4(2), in default of which the relevant rights shall lapse.
2. Making a claim shall not give the other party the right to suspend all or part of any payments, nor can the other party rely on the right to set off any amounts.
3. The burden of proving that the claim is well founded lies with the other party. Claims found to be well founded, notwithstanding the provisions of the Netherlands Civil Code, shall only give the other party at most the right to a replacement of the product free of charge, which shall be in full and final satisfaction of any claim by the other party against the seller for compensation on any grounds whatsoever.
4. If the claim relates to part of what has been supplied, this shall not constitute grounds for rejecting everything supplied.

Article 13 – Liability

1. Liability is expressly restricted to the performance of the obligations described in Articles 11 and 12 of these general conditions; claims for compensation, except a claim based on a failure to perform the obligations referred to in Articles 11 and 12, are excluded. The seller shall not be liable for costs, losses or interest arising directly or indirectly as a result of:
 - any breach of patent rights, licenses or other rights resulting from the use of information provided by or on behalf of the other party;
 - any acts or omissions by the seller, its employees or other persons engaged by or on behalf of the seller, except in the case of deliberate action or gross negligence on the part of individuals who are part of the management;
 - any damage to or loss of raw materials, semi-manufactured products, models, tools and/or other items made available by the other party, howsoever caused.
2. If and to the extent that the seller has any liability on whatever grounds, this liability shall at all times be limited to the invoice value of the contractual performance giving rise to the losses suffered, providing that the seller shall never be liable for an amount greater than the maximum amount for which it is insured.
3. If an incident occurs as a result of which the other party suffers losses or may reasonably be expected to suffer losses for which the seller can be held liable, the other party must inform the seller of that incident in writing with all due haste, and in any event within five days of the incident. If the other party fails to give notice in writing in good time, its right to compensation for losses in connection with the relevant incident shall lapse. All claims for compensation for losses suffered by the other party shall lapse ninety days after the incident causing the losses, except insofar as the claims relate to losses notified to the seller in good time as stated above.
4. In all cases where the seller is entitled to rely on the provisions of this Article, any employees who are held liable may also rely on these provisions, despite the provisions of this Article having been negotiated by the employees concerned.
5. The other party shall be obliged to indemnify the seller for any losses suffered by the seller as a result of claims brought by third parties relating to the goods or services supplied by the seller.
6. The other party shall be obliged to indemnify the seller and compensate it for all claims brought by third parties for compensation for losses connected in any way with the performance of the agreement between the seller and the other party.
7. The seller shall not be liable for losses resulting from breaches which are the result of circumstances for which the seller cannot be held liable, including as provided in Article 6 of these general conditions.

Article 14 – Suspension and dissolution

1. If the agreement cannot be performed because of *force majeure*, the seller shall be entitled either to suspend performance of the agreement for a period of up to six months, or to dissolve the agreement as a whole or in part without any requirement for a court order, and without the seller being obliged to pay any compensation. During the suspension the seller shall be entitled, and at the end of the suspension it shall be obliged to choose either performance or full or partial dissolution of the agreement.
2. In the case of either suspension or dissolution pursuant to Article 14(1) the seller shall be entitled to demand immediate payment for raw materials, materials, parts and other items reserved, used in processing and/or manufactured by the other party for the purposes of performing the agreement, at the values which ought reasonably to be allocated to these. In the event of dissolution pursuant to Article 14(1), the other party shall be obliged, after payment of the amount owed pursuant to the preceding sentence, to take possession of the items covered by this, in default of which Article 14(4) shall apply *mutatis mutandis*.
3. If the other party fails to comply properly, in time or at all with any obligation imposed on it by the agreement made with the seller or any related agreement, or if there are good grounds to fear that the other party is not now or will not be in a position to comply with its contractual obligations to the seller, or in the event of compulsory liquidation, a judicial suspension of payments order, the discontinuation of the other party's undertaking, insufficient credit limits (to be determined to the satisfaction of the seller) or any exceeding of credit limits, the liquidation or partial transfer (whether or not by way of security) of the other party's business, including the transfer of all or part of its

receivables or all or part of its shares, the seller shall be entitled, without any requirement for a notice of default or a court order, either to suspend performance of each of these agreements for up to six months, or to dissolve these as a whole or in part, without the seller being obliged to pay any compensation and without prejudice to the seller's other rights. During the period of suspension the seller shall be entitled, and at the end of the suspension it shall be obliged to choose either the performance or the full or partial dissolution of the suspended agreement(s).

4. In the event of a suspension pursuant to Article 14(3), the agreed price shall be immediately due and payable after deduction of the instalments already paid and the costs saved by the seller as a result of the suspension, and the seller shall be entitled to take possession, as security, of the raw materials, materials, parts and other items reserved, used in processing or manufactured by the other party for the purposes of performing the agreement, at the expense and risk of the other party. In the event of dissolution pursuant to Article 14(3), the agreed price (unless any prior suspension has taken place) shall become immediately due and payable, after deduction of instalments already paid and costs saved by the seller as a result of the dissolution, and the other party shall be obliged to pay the amount described above and to take possession of the items covered by it.
5. The other party shall not be entitled to demand dissolution of the agreement retrospectively.

Article 15 – Calculations, descriptions, specifications, samples and similar

1. Details stated in catalogues, images, drawings, specifications of weights and measurements and similar shall only be binding if and to the extent that they have been expressly included in an agreement signed by the parties or an order confirmation signed by the seller.
2. The offer issued by the seller, as well as any calculations, descriptions, specifications, samples or similar produced or provided by the seller shall remain the property of the seller regardless of whether any costs have been charged for these. Information contained in any of these or on which any manufacturing methods, products or similar are based, shall remain exclusively reserved to the seller, even where costs have been charged for this. The other party guarantees that the information referred to, except for the purposes of performing the agreement, will not be copied, shown to third parties, made known or used other than with the seller's written permission.

Article 16 – Confidentiality

The other party shall not disclose the agreement or anything coming to its knowledge in connection with the making or performance of this agreement, where it is aware or ought reasonably to presume that this is of a confidential nature, to any third party in any way whatsoever. The preceding sentence shall not apply insofar as disclosure is necessary to perform this agreement or where the other party has a legal duty to make disclosure.

Article 17 – Packaging

1. Packaging is included in the price, unless the contrary is agreed in writing.
2. Any packaging which is not included in the price is provided on loan and therefore remains the property of the seller.
3. Within reasonable limits the seller shall use its best endeavours to carry out packaging on the basis of the information and/or instructions provided.
4. The seller shall not be liable for any losses which could have been prevented if the other party had provided the seller with more or better information or instructions.
5. Notwithstanding the provisions of the preceding paragraph, the seller shall only be liable for damage to the products themselves, and then only if the other party can show that this is the immediate consequence of a serious actionable breach on the part of the seller.

Article 18 – Competent court

All disputes (including any disputes only seen as such by one of the parties) that may arise in connection with the agreement or any further agreements arising out of the agreement, shall be submitted exclusively to the court in Maastricht.

Article 19 – Applicable law

Dutch law shall apply exclusively to the agreement and any agreements arising out of it. The provisions of the Vienna Convention of 11 April 1980, Netherlands Treaty Series (*Tractatenblad*) 1981, 84 and 1986, 61 are excluded.

Article 20 – Final provision

In the event of one or more provisions in these general conditions failing to have effect in full or in part, this shall not impair the validity of the other provisions.