

CONDITIONS OF PURCHASE

Considering that it is advisable to apply conditions of purchase to all purchase agreements it concludes in the context of its business, Combilo, with registered office at Transportweg 23, 2742 RH Waddinxveen, the Netherlands, and its successor(s) in title and/or directly and indirectly affiliated companies, hereinafter to be referred to as “Combilo” and/or “buyer”, has drawn up the following Conditions of Purchase.

Article 1: Applicability

1. These terms and conditions shall apply to all purchase agreements to which Combilo and/or its successors in title and/or allied enterprises is party as buyer, as well as to any enquiries and orders of buyer, as part of which an order is also regarded as an offer.
2. For the purposes of these terms and conditions “supplier” shall be understood to mean any (legal) person with whom buyer has concluded or wishes to conclude a purchase agreement, as well as their representative(s), successor(s) in title, heir(s) and attorney(s)-in-fact.
3. These terms and conditions shall also apply if buyer explicitly accepts an offer made by a supplier, referring to these terms and conditions and by which any conditions of sale are expressly declared inapplicable. The supplier’s trading terms are never applicable and are hereby rejected.
4. Deviations from these terms and conditions must always be agreed with the supplier; the supplier shall not be able to invoke any deviations agreed upon in an earlier contractual relationship with buyer.

Article 2: Offers, agreements

1. All requests, orders and offers made by buyer or its employees in any form whatsoever shall always be free of engagement, unless otherwise stated.
2. An agreement shall only be effective if it is confirmed by buyer within 48 hours after the supplier has sent his acceptance, or in the event the offer is made by the supplier, if the offer is accepted.
3. The supplier shall be obliged, even after the agreement has been concluded, to make any non-fundamental changes thereto that buyer may require.
4. The supplier is obliged to observe the secrecy of all confidential information it has obtained in the context of the agreement or from another source. Information is regarded as confidential if this ensues from the nature of the information.

Article 3: Prices

Prices will be agreed in euro and include freight and other costs, unless agreed otherwise in writing. The supplier cannot increase the agreed price, not even following a cost increase (regardless of the reason), unless buyer expressly agrees thereto.

Article 4: Delivery

1. The delivery periods stated by the supplier shall be binding unless otherwise agreed by the parties. In case of late delivery the supplier shall immediately be in default and buyer shall be entitled to dissolve the agreement and/or to claim damages.
2. In case of cancellation on account of late delivery buyer shall be entitled to return any goods already supplied at the expense and risk of the supplier.
3. Without prejudice to its right to legal compensation, buyer shall be entitled, in case of late delivery and cancellation, to demand reimbursement of any additional expenses incurred to substitute the goods that are not received.
4. Unless otherwise agreed, the supplier shall deliver goods free at buyer’s address.
5. Should adverse information about the supplier come to light after a contract has been concluded, to the extent that future deliveries would constitute a clear risk, buyer shall be entitled to demand a bank guarantee for the fulfilment of the supplier’s delivery obligation. The supplier is obliged to provide this guarantee within three working days, failing which the supplier will be in default and buyer shall be entitled to dissolve the

agreement, without the supplier being entitled to damages. The supplier will be obliged to compensate buyer for any damage incurred.

6. In the event the supplier experiences force majeure, supplier must inform buyer immediately and in any case within two hours by email or fax, at the risk of the supplier’s right to invoke force majeure.

Article 5: Transfer of ownership

1. The ownership of goods, as well as the risk of the goods shall only be transferred by delivery free at destination.
2. If any other rights than the supplier’s ownership rights encumber the goods, the supplier shall inform buyer thereof forthwith.

Article 6: Termination of the purchase agreement

1. Buyer shall be entitled to unilaterally dissolve the agreement, without further notice of default being required, in the following cases:
 - a. in case of late or inadequate fulfilment by the supplier of his obligations under the contract or relating to the contract;
 - b. in the event that the supplier is declared bankrupt or applies for a moratorium or in case of discontinuation or liquidation of his business.
2. In the case of a circumstance as referred to in paragraph 1, the supplier is in default and buyer is entitled to claim compensation.
3. Any claims the buyer would have against the supplier, would become due and payable forthwith as a result.
4. Under the above-mentioned circumstances, buyer may choose to let the goods ordered be produced or completed by third parties, entirely or partially at the expense and risk of the supplier, provided the supplier is notified thereof in writing in advance.

Article 7: Payment

1. Payment shall be made on the basis of an invoice within 30 days of receipt of the goods and after these have been completely approved. Payment shall not release the supplier from any statutory obligation to provide a guarantee and/or statutory liability to damages.
2. Buyer shall at all times be entitled to offset Combilo’s claims and claims of companies it is directly or indirectly affiliated with against the supplier’s outstanding invoices addressed to Combilo and/or companies it is directly or indirectly affiliated with.
3. Late payment will not cause buyer to be in default by operation of law. When buyer is in default, buyer will owe supplier interest at 2% APR. Buyer will never be liable for any extrajudicial costs. In the event buyer and supplier become embroiled in legal proceedings and buyer wins the case, supplier owes buyer the legal costs incurred by buyer, including the actually incurred lawyer’s costs.

Article 8: Inspection

1. The goods delivered must meet the agreed requirements, specifications and all conditions which buyer and the buyer’s customers can expect in respect to the goods, both in terms of quality and quantity, and they must also comply with the statutory requirements and be in accordance with other governmental provisions prevailing in the Netherlands and in the country of destination.

2. After the goods have been delivered buyer shall have the right to inspect or test the goods before accepting them. The goods shall be inspected at buyer's place of business or at a location specified by buyer.
3. If the supplier has not been informed to the contrary 48 hours after delivery, he may assume that the goods have been approved.
4. If buyer rejects the goods, buyer shall have the following options:
 - a. to return the goods delivered, at the expense of the supplier, and to demand proper compliance with the agreement, possibly in combination with damages;
 - b. to dissolve the purchase agreement;
 - c. to proceed with partial dissolution / partial compliance, possibly in combination with a claim for damages;
 - d. to decide on a price reduction;
5. Although buyer shall pay the inspection costs, these shall be borne by the party ultimately found to be at fault.

Article 9: Liability

1. Without prejudice to the other relevant provisions of these terms and conditions, buyer is always entitled to full compensation of any loss if the supplier has not delivered the goods, has not delivered them on time or has not delivered them properly.
2. If the supplier has not delivered the goods, has not delivered them on time or has not delivered them properly, and buyer consequently sustains any loss or damage because of claims of third parties/clients, the supplier shall be liable for such loss or damage. If buyer sustains any loss or damage because of the presence of unwanted residues or because the official thresholds for certain substances in the product are exceeded (e.g. chemicals, minerals) and, for that reason, fines are imposed on buyer by the authorities or claims are filed by third parties/clients, the supplier shall be liable for such loss.
3. Supplier indemnifies buyer against any claims that third parties allege to have in relation to the purchase agreement and/or the goods supplied, including recall actions and actions based on product liability.
4. Supplier is obliged to insure the risks referred to in Article 9 clauses 1 to 3, including the recall risk, and to give buyer a copy of the insurance policy upon request.
5. Any liability of the buyer for whatever reason is excluded.
6. Any legal claims of the supplier against buyer will expire twelve months after they have arisen.

Article 10: Industrial and intellectual property rights

1. Buyer explicitly reserves any industrial and intellectual property rights (trademarks) in connection with packaging material provided by buyer.
2. Goods supplied to buyer must not infringe on any patent, licence, copyright, registered drawing or design, trademark or trade name. The supplier indemnifies buyer and its client against all and any claims of such a nature and it shall compensate any loss or damage caused thereby.

Article 11 Force majeure

1. In the event of force majeure, Combilo will be entitled either to suspend the implementation of the agreement or to fully or partly terminate the agreement without the other party being able to claim any compensation from Combilo.
2. Force majeure of Combilo should be understood to include any circumstances that prevent buyer to carry out the agreement and/or to take receipt of the goods and services and/or its business operations, including:
 - strikes held by employees of Combilo or of third parties engaged by Combilo in connection with the implementation of the agreement;
 - fire;
 - illness of employees of Combilo or third parties called in by Combilo in connection with the implementation of the agreement;
 - measures taken and/or prohibitions issued by the Dutch government and/or foreign government by which Combilo is

bound;

- unforeseen and unpredictable traffic impediments;
- accident(s) with a means of transport used in connection with the implementation of the agreement as well as unforeseen technical defects on these means of transport;
- theft of goods required for the implementation of the agreement;

- as well as any other unforeseen circumstances that prevent Combilo from implementing the agreement properly and on time and that are not at the expense and risk of Combilo.

3. In the event that on the commencement of the force majeure, the other party has partly complied with its obligations, Combilo will pay the amounts corresponding to the performance carried out by the other party pro rata.

Article 12: Applicable law

1. All purchase agreements concluded with buyer shall exclusively be governed by the laws of the Netherlands.
2. The Dutch text shall prevail. In the event of transactions with foreign parties, the applicability of the Vienna Sales Convention is expressly excluded.

Article 13: Disputes

1. Any disputes arising from purchase agreements concluded with buyer, including claims relating to overdue payments, shall be settled by the competent court in the town where buyer has its registered office, to the exclusion of any other body. The right of the supplier to instigate legal proceedings and to involve buyer in proceedings will lapse six months after the dispute has arisen.
2. Contrary to the provisions of paragraph 1, the parties can agree in writing for any disputes to be settled by another body.