

Purchase Terms and Conditions

1. These Purchase Terms and Conditions shall apply to all purchase of Goods by the Purchaser from the Supplier and may be modified only with the prior written agreement of the Purchaser. **Supplier** shall mean the party approved by the Purchaser as stated in the Purchase Order Form provided by the Purchaser. **Purchaser** shall mean Overseal Natural Ingredients Limited or the affiliate company stated in the Purchase Order Form. **Goods** shall mean any finished good, raw or packaging material described in the Purchase Order Form by the Purchaser.

2(1) These Purchase Terms and Conditions, together with the Purchaser Product Specification, Purchase Order Form and any Special Conditions endorsed by the Purchaser and appended to the Purchase Order Form shall constitute the entire agreement between the Supplier and the Purchaser as to the contract of sale and shall override any representation, warranty or other statement to the contrary and any other terms and conditions of whatsoever kind and howsoever formulated, whether written or oral, expressed or implied. Any general or special terms and conditions of purchase proposed by Supplier shall not become binding on Purchaser unless expressly accepted in writing by the Purchaser and included in the Special Conditions. No waiver or indulgence by the Purchaser shall prejudice them in the full exercise of their rights and remedies under this contract. **2(2)** In the event of any conflict between any Purchase Terms and Conditions and Special Conditions, the Special Conditions shall prevail. **2(3)** Supplier may not assign, transfer, or sub contract any of their rights or obligations under this Contract without prior written agreement of the Purchaser, which the Purchaser may withhold at their sole discretion. Any attempted assignment or sub-contract made without such agreement shall be null and void from its inception. In the event Supplier is permitted to assign or subcontract any part of the goods set out in the Purchase Order Form, the Supplier shall (a) remain primarily liable to the Purchaser for the performance of the Supplier's obligations hereunder and (b) be responsible for payment to its subcontractors and for compliance with all applicable laws and regulations pertaining to the use of such subcontractors in the performance of the supply of the Goods.

3(1) Supplier warrant represent and undertake to the Purchaser that (a) the Goods will be fit for any specific purpose or use as provided within the Purchaser Product Specification. (b) the Goods are free from defect rendering them unmerchantable and are free from defects of any kind, the goods are in compliance with all applicable laws and regulations including but not limited to EU and UK legislation and do not infringe any third party rights. (c) it is and will act under a duty of utmost good faith at all times **3(2)** Any claims by the Purchaser regarding specification, analysis, condition, quality, or otherwise in relation to the Goods shall be notified to the Suppliers within ten working days after discovery thereof and in any event within 30 days after receipt by the Purchaser. **3(3)** In the event of any such notification, Suppliers shall be entitled to arrange and financially responsible for the Goods to be inspected within five working days. Any handling of, or interference or dealing with, the Goods whatsoever or howsoever by Purchasers prior to such inspection shall not be deemed to be unconditional acceptance of the Goods. **3(4)** In the event of it being proved and certified by an independent Analyst appointed by the Purchaser that the Goods were not in conformity with the requirements of this contract, Suppliers liability shall include but not limited to the delivery of replacement material, to the granting of an appropriate credit or allowance against the price set provided in the Purchase Order Form. In addition Supplier shall be liable without limitation to any claim indirect or consequential damages including loss of profit and any claims made against the Purchaser in respect of the Goods. **3(5)** It is the Suppliers' responsibility at and from the time of delivery to the Purchaser to ensure that the Goods are in all respects properly marked and packaged, and Suppliers will be liable in respect of improper marking, packaging, loading, stowage, or other preparation for transport. **3(5)** The Supplier shall bear all risks and responsibility associated with the Goods, including without limitation risk of loss or damage, until their delivery to the destination indicated in the Purchase Order Form. **3(6)** Save where a contrary intention is expressed in the Special Conditions, weight condition and quality shall be final upon shipment/dispatch according to the Purchase Order Form of the Purchaser and the Purchaser Product Specification. **3(7)** The Supplier shall arrange with a reputable firm of insurers all such insurance's as would be usual and prudent to cover any liabilities that may arise under or in connection with the Goods. The limit of the indemnity should be at least £5,000,000 or such amount as advised by Purchaser and should include pure financial loss. If requested the Supplier shall provide to the Purchaser evidence of any such insurance.

4(1) Time of delivery of the Goods shall be of the essence. If the Goods are to be delivered by instalment, each instalment shall not be considered a separate contract and subject to Purchasers rights under (3) below, any failure in respect of delivery, quantity, condition or specification of any one instalment shall be a material breach of the Contract. **4(2)** Delivery under this contract shall be subject to, and Purchasers and Suppliers shall be in no way liable for, any loss or damage of any kind caused by or resulting from inability to deliver or delay in delivery

arising from any circumstances beyond their reasonable control including in particular, but without limitation: war whether declared or not; warlike hostilities or armed conflict whether internal or international; insurrection; riot; civil commotion; rebellion; crop failure; flood; storm; tidal wave; earthquake; fire; ice; lightning; or any natural phenomenon or Act of God; explosion; strike; lockout; labour dispute; embargo; blockade; breakdown or prevention of machinery; unavailability, loss, delay, detention or interruption of a carrying vessel or any similar means of transportation; delay or mishap in, loading or discharging material; requirements or regulations of any governmental or quasi governmental or other public or statutory authority or any state, city, municipal or local authority; prohibition of export or import; non availability of export or import licence; cancellation or suspension or other non performance, except if caused by Suppliers unjustifiable act or omission of any contract on which Purchaser depends for fulfilment of this contract; accident or any other similar or dissimilar circumstance including any circumstance affecting, or affecting the availability of, any raw material required for the production of the Goods whatsoever, wheresoever, howsoever preventing or hindering delivery of the Goods. **4(3)** In the event of the Suppliers' inability to effect delivery by reason of any of the above mentioned circumstances, Purchasers' shall be at liberty by notice in writing to Supplier to postpone delivery, or at the Purchasers' sole option, to terminate the this contract in whole or as to any unfulfilled part thereof, in which event Purchasers' liability shall absolutely cease and determine. Any delivery thus postponed shall, if Purchaser so require, be accepted by Supplier at the same rate of delivery and upon the same terms and conditions as are specified in this contract, such resumption of delivery to commence within the time period after the service of notice in writing specified by Purchaser to Supplier. **4(4)** If by reason of any of the above-mentioned circumstances, Supplier do not have or are unable to obtain sufficient available supplies of the Goods to enable them to fulfil all their contracts, Supplier may not allocate their available supplies against any or all orders of the Purchaser.

5(1) The Purchaser is licensed by the Supplier to resell the Goods by way of bona fide sale at full market value before the Supplier has received payment in full in respect thereof. **5(2)** The Purchasers' right to possession of the Goods and to resell the Goods shall not cease if payment in respect thereof is overdue. **5(3)** If the Goods are admixed with goods the property of the Purchaser or are processed with or incorporated therein such that it is not possible to extract or remove the Goods from the resulting product of such admixture, process or incorporation, the said resulting product shall not become and/or shall not be deemed to be the sole and exclusive property of the Supplier.

6. Purchaser may, upon the request and on behalf of Supplier and at the expense of the Supplier, make packaging, shipping, transport, discharging, unloading, storing, insurance, and/or other arrangements in respect of all or any of the Goods, provided always that any such arrangements are made at the entire risk and responsibility of Supplier, without any liability on the part of the Purchaser, and without prejudice to the Purchasers' rights under this contract.

7. The Supplier shall supply the Purchaser with such compliance certificates, product guarantees, certificates of analysis, certificates of origin, drawings (as applicable), instructions, manuals, descriptions and calculations, and other documents as Purchaser may reasonably request relating to the Goods, and any materials or supplies used to manufacture the Goods. Any and all Intellectual Property Rights developed by the Supplier in connection with unique Goods specially manufactured for the Purchaser shall be and remain the property of the Purchaser.

8. The Supplier, in its professional capacity, having superior knowledge of the Goods is under a duty of utmost good faith to properly and fully advise the Purchaser regarding the Goods, to attain the result stipulated in the Purchase Product Specification and Purchase Order Form. To this end, Supplier shall request from the Purchaser all information the Supplier needs to provide proper and complete Goods, including without limitation, information concerning Purchasers proposed final use, conditions of use, functions, design and performance requirements, storage characteristics and operating environment of the Goods (where applicable). The Supplier shall ensure that the Goods conform to all applicable legal requirements, including without limitation health and safety requirements, and are functionally sufficient and appropriate for the Purchasers intended use. Where Goods are purchased by the Purchaser based on a sample submitted by the Supplier, all such Goods shall conform shall conform to the sample.

9(1) Purchaser shall effect payment in accordance with the payment terms set forth in the Purchase Order Form and or Special Conditions and shall retain the right at all times to withhold, retain or exercise any right of set-off whatsoever or howsoever in respect of the contract price or any part thereof. **9 (2)** If the Supplier, being constituted in England and Wales, shall become insolvent or commit any act of bankruptcy or have an administrative receiver appointed over

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all or any of their assets or suffer an administration order to be made against them or take or suffer any action preparatory to winding up including, but without limitation the presentation of a winding up petition, the passing of a resolution for voluntary winding-up or the convening of meeting of creditors or if Supplier, being constituted in any other country, take or suffer any corresponding action in any such other country, Purchaser may without prejudice to any other remedies it may have immediately terminate this Agreement without prejudice to any other remedies it may have.

10. Purchaser shall in no way be liable for: (i) labour costs or other expenditure in and about the processing of the Goods or any consequential loss or damage whatsoever including but without prejudice to the generality of the forgoing any claims which shall be made against the Purchaser by any third party to whom the Goods shall be resold by the Purchaser or by whom the Goods may otherwise be handled, processed or used. (ii) the consequence of dealing with the Goods in any way not specifically recommended by the Supplier. (iii) alleged loss of profit of Supplier.

11. Whether or not Supplier shall confirm in writing their acceptance of Purchasers' Terms and Conditions and Special Conditions, the Suppliers' conduct in performance, part performance, or purported performance of this contract shall constitute their unconditional acceptance Purchasers Terms and Conditions and Special Conditions for this and future business.

12. No failure of delay by the Purchaser or Supplier in exercising any right or privilege shall operate as a waiver nor shall single or partial exercise by the Purchaser or Supplier preclude any subsequent exercise in law or equity or otherwise.

13. All confidential information of whatsoever nature supplied by the Purchaser to the Supplier or prepared by the Supplier in connection with the Supplier's performance of the Order shall be used by the Supplier only for the performance of the Order and may be disclosed to a third party only with the Purchaser's prior written agreement and only after obtaining a written confidentiality undertaking from the intended receiving third party. In addition the Purchaser and Supplier agree to keep the existence, the nature, and the terms of the Order confidential during their relationship and thereafter.

14. The Supplier shall not issue any form of media release or communication announcing this Agreement or otherwise communicate with the media in any way concerning this Agreement or any aspect of it unless otherwise they have the prior written agreement of the Purchaser.

15(1) Unless otherwise decreed by public order, the Order shall include the transfer of any and all Intellectual Property Rights (which shall mean all intangible property rights such as confidential and proprietary formulas, technical know-how, processing technology, trade secrets, and other confidential data and information of a non-technical nature, as well as copyrights and rights in the nature of copyright, database rights, design rights, model rights, patents, trademarks and domain names, whether registered or not, and any pending applications) of the Supplier in any and all elements essential to the replication and use of the Goods specially manufactured for the Purchaser pursuant to this Order. Consequently, the Supplier transfers to the Purchaser all rights of use, reproduction, representation, modification, marketing, manufacturing of the elements of the Order for all countries, languages and media for the duration of ownership of Intellectual Property Rights. **15(2)** The Supplier fully guarantees the Purchaser against all claims, lawsuits, and claims for damages from third parties resulting from the use of the Goods based on unfair competition, or Intellectual Property Rights owned by third parties. Furthermore, should the Supplier fail to carry out its obligations under the Order, it hereby grants to the Purchaser, free of charge, the right to use all Intellectual Property Rights necessary for the Purchaser to complete the manufacture and/sale of the Goods.

16. Nothing contained in this Agreement shall be interpreted as constituting a partnership or joint venture between the Purchaser and the Supplier and neither shall have the authority to bind the other in any manner whatsoever unless expressly provided in this Agreement.

17. Notices or other communications may be in writing and delivered personally or sent by pre paid first class post or facsimile addressed to the intended recipient at such address or facsimile number as either party may notify to the other in writing from time to time. Any notice or communication shall be served immediately if delivered personally or sent by facsimile (proven by good transmission report) or two business days after posting (seven days if to or from outside the United Kingdom and sent by registered express post). The Purchaser may serve and date notice in a electronic form such as email subject to providing written confirmation as detailed in this clause.

18. This Agreement sets out the entire understanding between the Supplier and the Purchaser in relation to the sale of the Goods and replaces and supersedes all previous agreements and understanding between the Purchaser and the Supplier. No representations made by or on behalf of the Purchaser in relation to the Goods shall form part of this Agreement unless expressly stated herein, provided that nothing in this Agreement shall be deemed to exclude or restrict the Purchasers' liability to the Purchaser for fraudulent misrepresentations and or to exclude or limit the Purchasers liability for death or personal injury caused by negligence.

19. No alteration or modification of any of the terms of this Agreement shall be binding unless in writing signed by the Supplier and the Purchaser.

20. Except as expressly stated otherwise, nothing in this Agreement is intended to confer any rights on third parties which are enforceable against either or both the Purchaser or Supplier and the effect of any legislation which may grant such rights to third parties is excluded in respect of the terms of this Agreement.

21. If any provision of this Agreement shall be determined by any court or other tribunal of competent jurisdiction to be void or unenforceable all other provisions of this Agreement shall nevertheless continue in full force and effect.

22. This Agreement shall be read and construed in accordance with the laws of England and Wales and be subject to the exclusive jurisdiction of the English Courts. Both parties waive any objections on the grounds of venue or forum non conveniens or any similar ground. Translation of the Agreement into any language other than English shall only be for the convenience of the parties, and in all cases interpretation of this Agreement shall be controlled by the English text. In the event of any dispute in the first instance the Supplier and Purchaser shall in good faith attempt to mutually resolve the dispute. In the event no resolution can be reached within five working days from the date of first notice of the dispute either party shall have the right to invoke legal proceedings in accordance with this clause without further recourse to the other.