

GENERAL TERMS AND CONDITIONS OF SALE

1) SCOPE - DEFINITIONS

- 1.1. The present conditions constitute the General Conditions of Sale ("GCS") that regulate all present and future commercial relationships of sale and/or supply of Products to be entered into between the Seller and the Purchaser, even if not expressly referred to and that will be applied in every agreement stipulated with the Purchaser and/or in every supply of Products by the Purchaser to the Seller, notwithstanding any contractual conditions established by the latter and even if not referred to in the Seller's orders and/or order confirmations.
- 1.2. In these GCS:
 - "Products" means the products marketed by the Seller and to be supplied to the Purchaser in accordance with the Agreement;
 - "Purchaser" means any legal entity exercising a business, in individual and corporate form, that places a purchase order for Products from the Seller. Individuals without a VAT number are expressly excluded;
 - "Seller" means: IP INGREDIENTS S.R.L. unipersonale with registered office at Monte Baldo n. 6, 37069 Dossibuono di Villafranca (VR), Italy;
 - "General Conditions of Sale" or "GCS" means the general terms and conditions of sale set forth in the Agreement;
 - "Parties" means jointly the Purchaser and the Seller;
 - "Agreement" means the Purchaser's purchase order accepted and/or confirmed by the Seller and/or any agreement between the Seller and/or the Purchaser for the supply of Products from the Seller to the Purchaser, to which these GCS shall be deemed an integral part;
 - "Intellectual Property Rights" means all intellectual and industrial property rights owned by the Seller, registered or unregistered, including, without limitation, rights relating to patents for inventions, designs, trademarks, distinctive signs also *de facto*, know-how, domain names, sign, as well as formulations, processes, technical specifications and data sheets relating to Products.

2) SUBJECT OF THE AGREEMENT AND CONDITIONS OF SALE

- 2.1. The subject matter of the Agreement is the supply of the Products by the Seller to the Purchaser in accordance with (i) a written order from the Purchaser and accepted by the Seller, both of which are subject to these GCS, and/or (ii) in the absence of an order from the Purchaser, in accordance with an order confirmation from the Seller to the Purchaser and/or delivery of the Products by the Seller to the Purchaser.
- 2.2. Orders sent by the Purchaser in any way are binding on the Seller only if expressly accepted or confirmed in writing and/or in the absence of acceptance or confirmation, if executed by the Seller.

3) TRANSFER OF OWNERSHIP

- 3.1. The sale of the Products by the Seller to the Purchaser shall be made with reservation of title pursuant to and for the purposes of articles 1523 et seq. of the Italian Civil Code and, therefore, the transfer of title shall take place upon payment of the last installment of the price and/or payment of the entire price.
- 3.2. The Purchaser shall complete all formalities required by local laws in order to make this reservation of title clause valid and enforceable against all third parties, also by registration in any special register, whether locally required.

4) DELIVERY OF PRODUCTS

- 4.1. Delivery of the Products shall take place in the manner agreed in the order and/or in the Seller's order confirmation and/or in other written agreements between the Parties.
- 4.2. Unless expressly accepted in writing by the Seller, delivery terms are indicative and never essential and binding for the Seller and any delays in delivery shall not constitute grounds for action for termination and/or claims for any direct or indirect damages and/or compensation.
- 4.3. If justified reasons exist, the Seller shall be entitled to make split or partial deliveries of the Products and shall not be obliged to accept returns of Products, unless expressly agreed in writing and any costs incurred for this purpose shall be borne by the Purchaser.
- 4.4. If for any reason, delivery of the Products is delayed due to the Purchaser and/or the Purchaser fails to collect the Products on the date agreed, the Seller reserves the right to charge the Purchaser for the costs and any other

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expenses incurred by the Purchaser, including storage, warehousing and any final disposal of the same, without prejudice to any other remedies and/or actions the Seller may exercise pursuant to the law and/or these GCS.

- 4.5. Without prejudice to the provisions of the clause 4.4. above and without affecting any right or legal action to protect the Seller, if the Purchaser delays in taking delivery of the Products or fails to provide adequate instructions to the Seller regarding the conditions of delivery, the Seller may in particular, at its own discretion and without prejudice to any further and actual damages:
- take appropriate measures, depending on the circumstances, to ensure preservation and to be reimbursed by the Purchaser for all expenses reasonably incurred (including insurance), or
 - sell the Products at the best price obtainable and (after deducting all storage and selling expenses) charge the Purchaser for the reduction suffered, compared to what was agreed in the Agreement.
- 4.6. It is understood that the Purchaser undertakes to collect or pay in full for the Products ordered from the Seller, even if the Purchaser's requirements have changed, such as, but not limited to, the fact that the Purchaser has modified its product and the goods previously ordered become unusable for the Purchaser.
- 4.7. The Seller shall also be exempt from liability for any delays in delivery in the following cases: (a) if the Purchaser's instructions, necessary to organise delivery of the Products, are not received in the terms and conditions requested, or are incomplete, inadequate, or inaccurate; (b) if the Purchaser requests changes to the Seller's order confirmation and/or extensions of the delivery terms indicated therein; (c) in the event of force majeure.
- 4.8. Any reference to any commercial terms shall be deemed to refer to the ICC Incoterms of the International Chamber of Commerce in force at the time of conclusion of the Agreement. The place of delivery associated with the choice of Incoterms shall be specified in the offer and/or in the order confirmation.
- 4.9. The Seller may apply a surcharge to the cost of transport (whether by sea, land or air) which shall will be agreed between the Parties if, due to objective causes not attributable to the Seller, there is a percentage variation in this item of more than 10% of the value agreed upon at the time of the order.

5) MAJOR FORCE

- 5.1. The Seller shall be exempt from any liability in the event of failure/incomplete/delayed delivery caused (directly or indirectly) by force majeure.
- 5.2. The expression "force majeure" is to be understood pursuant to Art. 1256 of the Civil Code and shall in any case include any event that limits or prevents the normal course of production or distribution, such as but not limited to: fires, floods, snowfall, atmospheric events that prevent or delay delivery, explosions, nuclear disasters, earthquakes, storms, epidemics, boycotts, lockouts, general strikes, civil wars, riots, invasions, wars (current or future, declared or undeclared), measures or failure to take measures by administrative authorities (*de jure* or *de facto*), difficulties or any inconvenience relating to transportation, or any other circumstances (whether analogous or different from the above) that cannot reasonably be prevented by the Seller and/or are due to circumstances beyond the Seller's control, such as but not limited to: (i) difficulties in obtaining supplies of raw materials; (ii) problems related to the production or scheduling of the products; (iii) partial or total strikes; (iv) lack of electricity.
- 5.3. This clause shall also apply if the force majeure is pre-existing at the time of the Purchaser's purchase order or occurs when the Seller's performance is already delayed for other reasons.
- 5.4. In the event of such occurrences, the Seller shall notify the Purchaser, and shall be entitled, at its discretion, to revoke acceptance of the order (with return of any advance payments received without interest) or to determine a reasonable period for the performance of the supply.
- 5.5. If, during the execution of an order, the supply of the Products becomes excessively onerous for the Seller due to the occurrence of unexpected, extraordinary and unforeseeable events (by way of example but not limited to: increases in the cost of raw materials and/or Products, increases in the cost of transport, variations in taxes and customs duties, reduced availability of products on the market, etc.), the Seller shall have the right to apply a revision of the agreed prices and modify the supply conditions, subject to providing notice of such changes to the Purchaser. In the event of the Purchaser's refusal, to be transmitted within and no later than 7 days from receipt of the Seller's communication or within another shorter term expressly indicated by the latter, the order shall be considered terminated with immediate effect pursuant to and for the purposes of Article 1467 of the Italian Civil Code. In the latter hypothesis, the Seller shall have no obligation to continue executing the order in favour of the Purchaser and the latter shall have no right to claim indemnity or make other claims for compensation.
- 5.6. In the event of programmed orders involving deliveries spread over a period of time, the rules set out in Art. 5.5.

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shall in any event be understood as referring to the individual supply subject to the extraordinary and unforeseeable variation. Therefore, the rights and obligations relating to subsequent supplies not affected by the variation remain unaffected.

- 5.7. The occurrence of one or more of the events referred to in clause 5.5. above shall not entitle the Purchaser to claim compensation for any direct and/or indirect damages and/or indemnities of any kind.

6) PRICE AND PAYMENT

- 6.1. The Purchaser shall pay the price of the Products as agreed in the Seller's order and/or order confirmation. In the event of any discrepancy between the Purchaser's order and the Seller's order confirmation, the Seller's order confirmation shall prevail.
- 6.2. The Seller is entitled to increase the agreed prices if the adjustment is due to circumstances beyond the Seller's control (but not limited to: increase in the price of raw materials or cost of workforce or changes in exchange rates).
- 6.3. Prices are exclusive of taxes, expenses, loading and unloading charges, transport and insurance costs to be paid by the Purchaser as additional costs, unless otherwise provided for in the Seller's order confirmation.
- 6.4. Partial acceptance of payments made by the Purchaser by the Seller does not and shall not be interpreted as a waiver of the Seller's right to demand full payment of the sums due.
- 6.5. In the case of sums owed by the Seller to the Purchaser, the Seller shall have the right to set off the pertinent sums against any amounts due from the Purchaser to the Seller. The Purchaser may not set off sums due to the Seller against sums due by the Seller to the Purchaser for any reason whatsoever.
- 6.6. The Purchaser shall not assert any claim, dispute or demand against the Seller, either in action or by way of exception, until the Purchaser has made full payment of all amounts invoiced by the Seller.
- 6.7. Advances or partial payments shall always be deemed to be charged, in the following order, to recovery costs, to interest and finally to capital sum.
- 6.8. Without prejudice to the provisions of clause 5.5., and unless otherwise provided for in the order confirmation, the Purchaser shall pay the Seller the amounts due no later than the term specified in the invoice issued by the Seller and in the currency specified therein. Should there be a delay in payment of the agreed price or even a part thereof within the established term, interests in arrears shall be automatically charged against the Purchaser on any overdue sums pursuant to and for the purposes of the Italian Legislative Decree no. 231 of 9 October 2002, without formal notice and/or default notice due to the mere unsuccessful passing of the payment deadline.
- 6.9. In the event the Seller defaults on payments by the agreed deadlines or delays payment (even for a single payment) and/or the Purchaser becomes insolvent and/or is in liquidation, the Seller - in addition to any other actions and/or remedies provided by law - shall have the right to immediately suspend (art. 1461 Civil Code) the supply of Products to the Purchaser and/or any subsequent deliveries, with prejudice to the payment of damages.
- 6.10. Unless otherwise agreed, the issuance of promissory notes or checks does not constitute payment and does not result in the renewal of the original obligation. The costs of marking the invoice and related bank charges shall in any case be borne by the Purchaser.
- 6.11. All payments made to couriers, sales agents, commercial agents and commercial intermediaries of the Seller shall not be considered finalized until until the sums have been effectively received by the Seller.
- 6.12. In particular, if the delay in payment exceeds 30 (thirty) calendar days, the Seller shall be entitled to demand fulfilment or termination of the agreement and to retain, by way of compensation, what has already been received, without prejudice to any further and actual damages.
- 6.13. Suspension of deliveries or termination of ongoing agreements shall not entitle the Purchaser to claim any further and current compensation for damages.
- 6.14. Any claims and/or non-conformities found by the Purchaser shall not entitle the Purchaser to suspend payments, compensation for damages and/or change the agreed prices and payment terms.
- 6.15. Notwithstanding the above, in the case of agreed deferred payments, if even a single installment of the price is not paid on time, the Seller may immediately demand the full price with the loss by the Purchaser of the benefit of the term even if the conditions provided for in art. 1186 of the Civil Code are met.

7) CONFIDENTIALITY - INTELLECTUAL PROPERTY

- 7.1. The Purchaser undertakes to maintain the utmost confidentiality and secrecy and undertakes not to use, except for the

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purposes of the business relationship between the Parties, - neither directly nor indirectly - the technical and commercial information of the Seller and/or of the Products and any other information in any way obtained by the Seller.

- 7.2. The Purchaser undertakes not to disclose the information referred to in clause 7.1. to third parties and to impose this obligation on its employees and/or collaborators and/or appointees in any capacity whatsoever.
- 7.3. The provisions of Clauses 7.1 and 7.2 above shall also apply after the sale until the confidential information becomes part of the public domain, by publication or otherwise, by act of the Seller or its manufacturer and until the intellectual and industrial property rights are valid.
- 7.4. The Purchaser acknowledges that the trademarks and/or any signs on the Products or connected to the Products supplied and/or names and signs and/or technical documents, as well as the Intellectual Property Rights are the exclusive property of the Seller and/or of the third parties who have licensed or granted their use to the Seller; the communication or use in the GCS does not create, in relation to them, any right or claim on the part of the Purchaser who will not take any action incompatible with the ownership of the rights to the Seller.
- 7.5. Without prejudice to the previous clauses 7.1., 7.2., 7.3. and 7.4, the Purchaser is expressly prohibited from using trademarks, signs on or in connection with the Products and in general the Intellectual Property Rights and/or reproducing in whole and/or in part the data sheets and/or formulations of the Products, unless previously requested and accepted in writing by the Seller.

8) GUARANTEES AND LIABILITY

- 8.1. In accordance with the provisions of the GCS, the Seller guarantees that at the time of delivery the Products will be compliant with the samples received and accompanied by the documents and certifications referred to in the specifications indicated in the Seller's documents and order confirmations; by sending the samples and the aforementioned documentation and certifications, the Purchaser accepts that no further guarantee is provided by the Seller.
- 8.2. Without prejudice to the foregoing, it is expressly agreed that the Purchaser shall not make any claim against the Seller for damage to persons or property occurring after delivery or in the use of the Products, except in the case of proven malice or gross negligence on the part of the Seller.
- 8.3. The Seller assumes no liability for the performance of the Products during the production process of the Purchaser and/or third parties.
- 8.4. The Seller does not guarantee the suitability of the Products for the uses for which they may be intended and no guarantee is given by the Seller in this respect.
- 8.5. The Seller cannot be held responsible in any way for the technical performance of the Products.
- 8.6. The Purchaser must check the Products as soon as they have been collected and/or delivered, indicating in the delivery letter or in the letter accompanying the goods by the carrier, any damage to packaging and/or in any case evident, including any shortages, and any claim and/or complaint, even for defects, shall only be valid if made expressly in writing to ipingredients@pec.it and within the peremptory term of 8 days from receipt of the Products.
- 8.7. Should the claim and/or complaint not be made within the aforementioned period of 8 days from delivery of the Products, the Purchaser shall be deemed to have forfeited the right thereto. Differences in weight of the Products delivered at the time of delivery of less than 0.05 shall not give rise to any dispute.
- 8.8. In any event, the Purchaser shall be deemed to have forfeited his right to claim and/or complaint the Products if he does not permit the Seller to make the relevant verifications.
- 8.9. The eventual maximum liability of the Seller, whatever its source, contractual and/or extra-contractual, shall in no case exceed the purchase price of the Products or that part of the Products found to be non compliant. The Seller shall have the right to release itself from the obligation of compensation by providing, at its own care and expense, for the replacement of the Products or that part of them that is found to be non compliant. In any case, the Seller shall not be liable for indirect and/or consequential damages.
- 8.10. The guarantee referred to in art. 8.6 above absorbs and replaces the legal guarantees for defects and deformities and excludes any other liability of the Seller deriving from the goods delivered. Once the period referred to in Article 8.6. above has elapsed, no claims may be made against the Seller.
- 8.11. The guarantee referred to in Article 8.6. above shall automatically expire if the goods undergo any revisions or modifications.

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- 8.12. Without prejudice to clause 6.6. above, any claims and/or disputes concerning a single delivery of Products shall not release the Purchaser from the obligation to collect and pay for the remaining quantity of Products ordered within the limits of the obligation entered into.
- 8.13. Unless expressly specified in the purchase confirmation, all information relating to the Products provided by the Seller, such as, but not limited to, information relating to the processing of the Products, formulation tests, industrial tests and any other production tests, interaction with other ingredients excipients and additives, recipes, directions for use, dosages and other data appearing in catalogues, advertisements, illustrations, price lists, on the Seller's website or in other illustrative or commercial documents of the Seller to the Purchaser shall not be binding and shall not contain any promise of quality in relation to the Products.
- 8.14. Under no circumstances may the Seller be held liable for the results of the processing steps in which the Products are involved.
- 8.15. Unless otherwise expressly agreed in the order confirmation or confirmed in writing by the Seller, the Products shall be deemed Gluten Free when they have a gluten contamination of 20 mg/kg or less.
- 8.16. It is understood that the Seller shall not assume any liability for damage resulting from negligence, carelessness, improper and incorrect use of the Products, inexperience on the part of the Purchaser or its employees and/or vicarious agents and/or the customer/end user and/or their employees.

9) EXPRESS TERMINATION CLAUSE

- 9.1 The Seller shall have the right to terminate, pursuant to and for the purposes of art. 1456 of the Italian Civil Code, at any time by written notice to be sent to the Purchaser, the individual Agreement in the event of the Purchaser's breach of its obligations under articles 3.2., 4.4., 6.1., 6.8., 6.10., 6.14., 7.1., 7.2., 7.3., 7.4., 7.5., as well as in the cases referred to in articles 5.2. and 5.5.

10) APPLICABLE LAW - JURISDICTION

- 10.1. For the interpretation of the GCS and the Agreement, Italian law shall apply exclusively.
- 10.2. The Parties expressly exclude the application of the Vienna Convention on Contracts for the International Sale of Products (CISG) of 11 April 1980.
- 10.3. In the event that one or more clauses of these GCS is or shall be ineffective, the remaining clauses shall continue to have effect.
- 10.4. For any disputes that may arise with reference to the interpretation of the GCS and the Agreement, the Court of Milan shall have exclusive jurisdiction.

11) MISCELLANEOUS

- 11.1. These GCS constitute an integral part of all supply relationships and of each order confirmation. They supersede all prior understandings or agreements, verbal or written, and shall prevail over any conflicting or additional terms and conditions.
- 11.2. Any amendments to these GCS shall be in writing and executed by an authorised representative or attorney of the Seller.
- 11.3. The total or partial invalidity of individual provisions of these GCS shall not affect the validity and enforceability of the remaining provisions.
- 11.4. Failure by the Seller at any time to enforce any provision of these GCS shall in no way constitute a waiver of the same with respect to any other provision hereof.
- 11.5. The Parties declare that they are aware of the contents of the EU Regulation No. 2016/679 ("General Data Protection Regulation") and of the Personal Data Protection Code, and that they consent to the processing of their data limited to the terms stipulated by law and to the execution of the sales contracts and the fulfilment of the obligations connected therewith.

12) CODE OF ETHICS

- 12.1. With reference to the performance of the activities covered by these GCS and the Agreement, the Purchaser undertakes to respect and adapt its conduct to the provisions of the Seller's Code of Ethics, available at <https://ipingredients.com/>.
- 12.2. Within the scope of these GCS and the Agreement, the Purchaser also undertakes not to perform, including through its

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employees, collaborators, consultants, as well as associates and directors, acts or conduct contrary to the fundamental principles of the aforementioned Code of Ethics;

12.3. The Purchaser hereby undertakes to fully indemnify the Seller against any penalty or damage that may arise as a result of the breach of the aforesaid Code of Ethics by the Purchaser or its collaborators.

Place and date _____

Management's signature and Company stamp



For the purposes and to the effects of Articles 1341 and 1342 of the Civil Code, the Purchaser declares that he is aware of and expressly approves the following clauses of the aforementioned General Conditions of Sale:

3.1. and 3.2. (transfer of ownership), 4.2. (term of delivery), 4.4. and 4.5. (charges for failure to collect or deliver the Products, 4.9 (surcharging of transport costs), 5.3 (force majeure that precede the order), 5.5 (hardship clause), 6.2 (agreed price increase), 6.5 (offsets), 6.6 (complaints), 6.8 (application of interests on arrears and suspension of supplies), 6.14 (forfeiture of the benefit of the term), 7.1, 7.2, 7.3 (confidentiality), 7. 4 and 7.5 (intellectual property), clause 8 in its entirety (warranties, liability of the Seller and limitations of liability of the Seller), 8.5 (termination and forfeiture of defects), 9.1 (express termination clause), 10 (applicable law, jurisdiction and competent court), 11.1 (application of GCS), 11.2 (amendments to GCS).

Place and date _____

Management's signature and Company stamp

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