

General Purchases Conditions of Innovo Chemicals B.V.

1. Definitions

In these General Purchase Conditions the following definitions apply:

- Buyer: means the company mentioned in the heading of the order.
- Seller: means any party that supplies goods to the Buyer, provides services to the Buyer or has agreed with the Buyer to do so, or any party to whom the Buyer has given an assignment of any other nature.
- Agreement: means any Agreement, including these General Purchase Conditions, between the Buyer and the Seller on the purchase of goods and/or services by the Buyer from the Seller, or any other order assignment given by the Buyer to the Seller, or any related acts or legal acts.

2. Applicability

Only these General Purchase Conditions shall govern the contractual relationship between the parties, hereby excluding the Seller's conditions, unless the Buyer has previously agreed in writing to derogation.

3. Amendments

Amendments and deviations from the present general conditions shall only be valid if agreed in writing between the parties. Verbal comments shall not become effective until a party has given its prior written consent. No responsibility will be assumed for oral orders or changes.

4. Formation of the Agreement

4.1. Any offer made by the Seller is irrevocable, unless it is unequivocally clear from the offer that the offer is without obligation.

4.2. Any Agreement between the Seller and the Buyer is formed no sooner than the Buyer has expressly accepted an offer from the Seller in writing or has sent a written confirmation.

5. Prices, invoices and payment

5.1. The price shall comprise all costs based on the agreed contracted Incoterm as defined in the Incoterms, latest edition. Consequently the Seller will bear all expenses in accordance with the agreed Incoterm. No price variation shall be accepted between the time of the order and delivery, neither for inflation, possible increase in the Seller's costs, nor for any reason whatsoever.

5.2. The Buyer shall pay the goods supplied or the services provided within the agreed contracted payment terms unless prepayment has been agreed, on condition that the goods supplied or the services provided have been approved and after receipt of all relating documentation including the correctly addressed complete invoice.

5.3. Failure to comply with the requirements relating to invoice data, advice notes and packing lists set out in the order or otherwise agreed, and failure to complete such documents with all necessary data will give the Buyer the right to suspend the Buyer's obligation to pay the Seller.

5.4. Not in any way does payment by the Buyer constitute a renunciation of any right.

6. VAT registration number

6.1. Parties undertake to provide each other with their correct VAT registration numbers, and to immediately notify each other of any change therein.

6.2. If the Seller fails to comply with the obligations set out under 6.1., then the Seller shall pay to the Buyer any VAT and other amounts insofar as the Buyer may be owing such amount due to the Seller's noncompliance.

6.3. If the Buyer fails to comply with the obligations set out under 6.1., then the Seller shall be entitled to increase the selling price by the amount of VAT and any other amounts insofar as the Seller may be owing such amounts due to the Buyer's non-compliance.

7. Delivery of goods

7.1. Delivery of goods and services should take place in the manner and at the place and time set out in the Agreement.

7.2. The mere fact of exceeding the delivery time by the Seller results in the Seller being in default. In this case the Buyer shall be entitled to cancel all or part of the order and, after having notified the Seller, the Buyer may place the order with one or more other suppliers at Seller's costs. The preceding provision shall not be prejudicial to Buyer's right to claim compensation. The amount of any damages shall be deducted from the possible amounts due to the Seller. In case of non-performance by the Seller, any payments already made by way of advance shall be refunded to the Buyer.

7.3. Unless otherwise agreed in writing the Seller is not entitled to make partial deliveries. 7.4. The delivery is complete at the moment when the goods have been received by or on behalf of the Buyer and the Buyer has signed for delivery. The latter signing does not affect the fact that the goods delivered can be rejected later under the terms of art. 9 of these General Purchase Conditions. Furthermore the Seller cannot derive any rights from the signing referred to in the first sentence of this paragraph, and the signing therefore does not prevent the Buyer from exercising (for instance) its rights on the grounds (among others) of a default on the part of the Seller.

7.5. The Seller is not entitled to suspend its delivery obligation if the Buyer fails to perform one or more of its obligations.

8. Execution of services

8.1. The execution of services must be effected in the manner and at the time as set out in the Agreement.

8.2. Exceeding the time set for the provision of services by the Seller results in the Seller being in default.

8.3. The provision of services is completed when the Buyer has confirmed in writing that the services provided have been performed or that the services provided have been approved. The Seller cannot derive any rights from such confirmation or approval and a confirmation or approval therefore does not prevent the Buyer from

exercising (for instance) its rights on the ground (among others) of a default on the part of the Seller.

8.4. The Seller may only instruct third parties to carry out services with prior written consent from the Buyer.

8.5. The Seller is not entitled to suspend the execution of services if the Buyer should fail to meet one or more of its obligations.

9. Inspection

9.1. The Buyer is at all times entitled to subject the goods to be delivered to an inspection or to have these subjected to an inspection, or to investigate whether the services provided have been executed in conformity with the Agreement and the General Purchase Conditions. The Seller is obliged to give its full cooperation to the inspection or the investigation.

9.2. In the event of rejection the Buyer shall inform the Seller of the rejection. The Buyer shall store the rejected goods, or have the goods stored, at the risk and expense of the Seller. If the Seller has not taken back the goods within a period of 14 days after the Buyer has informed the Seller that the goods delivered have been rejected, then the Buyer is entitled to return the goods to the Seller at the Seller's risk and expense, without the Seller's approval being required. If the Seller should refuse to take delivery of the goods the Buyer is entitled to store, sell or destroy the goods at the risk and expense of the Seller.

9.3. The Seller cannot derive any rights from the results of an inspection or investigation as referred to in art. 9.1 or from the nonoccurrence of an inspection or investigation.

9.4. The Buyer is never bound by any period set by the Seller in which the Buyer should inform the Seller that the goods delivered have been rejected or after which the Buyer can no longer lodge a complaint.

10. Ownership and risk

10.1. Ownership and risk of goods are transferred to the Buyer at the moment of delivery, unless (i) it has been agreed otherwise or (ii) the goods are rejected by the Buyer upon or after delivery (under art. 9 of these general purchase conditions).

10.2. The Seller guarantees that unencumbered ownership of goods is acquired.

10.3. The Seller waives any retention rights and rights of revendication it may have.

10.4. The Seller has to take out insurance against transit damage, at its own risk and if required by the agreed Incoterms also at its own expense.

11. Guarantee

11.1. The Seller guarantees that the goods to be supplied or the services to be provided meet the Agreement. Such guarantee should at least include that:

(i) the goods have the specifications that have been promised;

(ii) the goods are recently produced and according to the agreed specifications and are free of any third party right;

(iii) the goods are fit for the purpose for which the assignment/order was given or for which the Agreement was concluded provided that the Seller was informed about the purpose of the goods.

(iv) the services are executed expertly and without interruption.

(v) the goods or services are compliant with any requirements set by or by virtue of the law and/or applicable rules of self regulation and/or requirements set by the Buyer, including requirements as to quality, health, safety and environment both in the country of delivery as in the country for which they are destined provided that Seller is aware of the destination of the goods or services.

(vi) the goods are complete and accompanied with all data and instructions required for correct and safe handling and usage including the MSDS (material safety data sheet).

(vii) the goods are complete with and accompanied by all documentation required by the Buyer, irrespective of the question whether the documentation was requested by the Buyer before, during or after the conclusion of the Agreement .

(viii) the Seller confirms officially in writing compliance with the European REACH regulation (EC 1907/2006) which includes pre-registration with the firm intention to carry out registration (evaluation and authorisation) of those chemicals subject to REACH.

11.2. If it turns out that - irrespective of the results of any preceding inspections - any goods provided do not meet the provisions of § 1 of art. 11, then the Seller shall at its own expense and at the discretion of the Buyer and the Buyer's first request replace the goods, or supply what is missing, unless the Buyer prefers to terminate the Agreement without prejudice to any other rights of the Buyer arising from any failure to perform (including the right to damages). Any cost relating to this shall be born by the Seller.

11.3. Unless agreed otherwise in writing, a guarantee period shall apply of at least 12 months as from the date of delivery of the goods.

11.4. Any agreed guarantee period shall resume upon acceptance of the replacement or replenishment to which the guarantee provision apply.

12. Liability

12.1. Any failure of the Seller to meet its obligations entitles the Buyer to oblige the Seller to undo partially or fully the failure and/or its consequences at the risk and expense of the Seller.

12.2. The Seller is liable for any loss that is suffered by the Buyer and/or subsequent purchasers or users, including – eventually – the consumer of the goods delivered when (whether or not processed) due to a failure of the Seller to meet its obligations and/or due to any act of failure to act by the Seller or by the Seller's staff or any third parties engaged by the Seller. The Seller shall be liable for both direct and indirect losses.

12.3. The Seller shall indemnify the Buyer against any possible claims by third parties with respect to the Agreement concluded between the Seller and the Buyer.

12.4. The Seller is obliged to take out sufficient insurance against the losses referred to in art.

12.2. This insurance obligation also applies to any means which are in any way used in the execution of the Agreement. The Seller shall have a remark made on its insurance policies that any pay-out by the insurance company shall be made direct to the party that effectively suffered the loss. The Seller shall, at the Buyer's first request, allow the Buyer to inspect the relevant policies.

12.5. The Buyer is not liable for any losses suffered on the part of the Seller, unless the loss has been caused by deliberate intent or wilful recklessness on the part of solely the supervisor, his staff or the Buyer. Deliberate intent or wilful recklessness as referred to in the previous sentence of this paragraph shall solely be understood to mean an act in which the supervisory staff of the Buyer has (subjective) knowledge of the fact that a chance that the act may cause a loss is considerably greater than the chance that such action may not cause a loss.

13. Intellectual property rights

The Seller guarantees to indemnify the Buyer against any claim by any third party concerning infringements of patents, copyright or trademarks related to the present delivery.

14. Force majeure

In the event of force majeure on the part of one of the parties, the fulfilment of the Agreement shall be suspended for the duration of the force majeure period, without any of the parties being liable for compensation as regards the other party. If the situation of force majeure should last longer than fourteen (14) days, the purchaser shall have the right to terminate the Agreement with immediate effect and without Court intervention by giving notice in writing, without any right to damages arising. Force majeure on the part of the Seller shall in no event be understood to mean: staff due to staff shortages, strikes, non-performance by any third party engaged by the Seller, transport problems on the part of the Seller or any third parties engaged by the Seller, failure of equipment, liquidity and/or solvency problems at the Seller or government measures affecting the Seller.

15. Confidentiality

Any information or documents exchanged shall be treated as strictly confidential.

16. Cancellation of the order by Buyer

If the Buyer decides to cancel the order, the Seller shall stop the execution of the order immediately. A possible cancellation penalty, if any, shall be the subject of a separate arrangement. However any party may – by written notice – cancel the order immediately, without previous warning and without indemnity, in case the other party is in default of one of its obligations under the Agreement, becomes insolvent, enters into receiver ship or becomes bankrupt.

17. Assignment

Neither this Agreement nor the obligation of the Seller to perform hereunder shall be assigned or subcontracted by the Seller without the Buyer's written consent. If the deliveries are subcontracted to third parties, all of the Buyer's rights ensuing from this contract, including the right to claim damages, shall pass to such third parties.

18. Applicable law/disputes

18.1. The legal relationship between the Buyer and the Seller and any Agreements relating to such legal relationship, shall solely be governed by the laws of

Netherlands. The Incoterms, latest addition, apply to the extent that they are not contradicted by this Agreement. The provisions of the United Nations Convention on international Purchase Agreement s (CISG, Vienna, 11 April 1980) are not applicable.
18.2. All disputes between parties shall in the first instance be settled exclusively by the competent court in Amsterdam, Netherlands.
