

TERMS AND CONDITIONS OF PURCHASE
Premium Ingredients International (UK) Ltd. ("the Buyer")

1. THESE CONDITIONS

- 1.1 These terms and conditions ("Conditions") together with those set out in the Purchase Contract ("express terms") are the only terms and conditions on which Premium Ingredients International (UK) L td. ("Buyer") offers or agrees to buy and buys the goods described in the Purchase Contract ("the Goods") from the person described as seller ("Seller") and govern the contract ("the Contract") between Buyer and Seller for the purchase of the Goods to the entire exclusion of all other terms and conditions proposed by Seller.
- 1.2 The express terms shall prevail over the Conditions to the extent of any conflict.
- 1.3 Trade terms defined in Incoterms 1990 ("Incoterms") publication No. 460 of the International Chamber of Commerce have the same meaning in these Conditions unless stated otherwise in the Contract.
- 1.4 References to Clauses are to the clauses of these Conditions. Reference to the Contract includes the express terms and these Conditions.

2. BASIS OF PURCHASE

- 2.1 The Contract cancels all previous quotations, agreements, representations and understandings between Buyer and Seller in relation to the Goods except for any Seller's representations on which Buyer has relied. All Seller's offers of sale of the Goods shall require written acceptance by Buyer before a contract arises. Reference by Buyer to Seller's sale contract number or reference shall not imply or have effect as acceptance of Seller's terms and conditions of sale.
- 2.2 Any part performance (including without limitation any appropriation or delivery of goods or delivery of documents of title) of this Contract by or on behalf of Seller shall be conclusive evidence of Seller's acceptance of these Conditions.
- 2.3 No amendment to the Contract shall be effective unless in writing and signed by Buyer.

3. DELIVERY

- 3.1 Time of delivery of the Goods shall be of the essence. Delivery shall be at the place of delivery (and the point of delivery if any) stated in the express terms.
- 3.2 Seller may only deliver the Goods by instalments with prior written agreement of Buyer. Without limitation to Buyer's rights under Clause 11 Buyer may elect whether each such instalment shall be subject of a separate severable Contract subject to these Conditions.
- 3.3 All commercial documents to be delivered by Seller to Buyer shall be originals (not copies) unless Buyer expressly agrees otherwise, the costs of obtaining originals being for Seller's account.
- 3.4 Taking delivery of the Goods or documents of title by Buyer shall not be or be deemed acceptance of the Goods by Buyer.

4. WEIGHTS AND QUANTITIES

- 4.1 Certificates of weight, quantity or quality of the Goods provided by Seller (whether or not originated by Seller) shall not be or be deemed conclusive or final as to such matters notwithstanding Buyer's acceptance of the same whether for import, payment or any other purpose.

5. TITLE AND RISK

- 5.1 Title to the Goods shall pass to Buyer upon the earliest delivery to Buyer of the Goods or delivery to Buyer of the documents of title for the Goods or payment by Buyer of any part of the Price. Delivery includes for this purpose any constructive delivery.
- 5.2 Risk in the Goods shall pass to Buyer on delivery of the Goods to Buyer, unless Buyer rejects the Goods or exercises its rights under Clause 11 in relation to the Goods.

6. INSURANCE

- 6.1 If the Contract is for a sale CIF (or on other terms requiring Seller to insure the Goods) Seller shall at Seller's cost insure the Goods for 110% of their invoiced value and such insurance shall include war, strikes and civil commotion risks.
- 6.2 Where Seller is responsible for insurance then, in the event of loss or damage to the Goods prior to completion of unloading at discharge port, and not withstanding any delivery of the Goods or the Documents:- (a) any of the Price already paid for the Goods shall be held by Seller on trust for Buyer until any insurance claim for such loss or damage has been settled; (b) the Price (in so far as unpaid) shall not be payable by Buyer until any insurance claim for such loss and damage has been settled and, if the carrying vessel is lost, such loss is established; and (c) any insurance monies received by Seller shall be held on trust for Buyer, and Seller shall if Buyer so directs apply the same toward payment of the Price so far as payable by Buyer.

7. THE PRICE

- 7.1 The price ("Price") for the Goods shall be the amount stated or calculated in accordance with the express terms. Unless stated otherwise in the express terms the Price shall be inclusive of any sales, value added, or goods and services taxes chargeable to the Buyer.
- 7.2 The Price shall include all costs of delivery of the Goods to the place of delivery and point of delivery (if any) stated in the express terms and all packing (which shall become Buyer's property at the same time as the Goods).
- 7.3 If the Price is CIF or C and F the Price shall include all costs of obtaining and providing Buyer with the documents of title for the Goods and any certificate of origin or consular documents in relation to the Goods (which shall be original documents), such costs being for Seller's account.
- 7.4 The Price stated in the express terms applies to all the Goods subject of the Contract. For the avoidance of doubt, the Price shall not be affected by any increased costs to the Seller in performing Seller's obligations to Buyer whether due to any seller or supplier to Seller failing to supply the Goods, or to increased commodity, raw material or operating costs, increased export duties or licence costs or any other cause.

8. PAYMENT TERMS

- 8.1 Subject to the other terms of the Contract Buyer shall pay Seller's correct invoice for the Price not later than sixty (60) days from receipt of such invoice.
- 8.2 Time of payment of the Price shall not be of the essence.
- 8.3 Unless otherwise agreed by Buyer, place of payment shall be Buyer's place of business. Buyer's obligation to tender the Price shall be conditional on Seller first tendering the Goods or the documents of title as the case may be.
- 8.4 Payment by Buyer of the Price (or any part of it) shall not be or be deemed acceptance of the Goods by Buyer.
- 8.5 Seller's right to payment shall be conditional upon Seller having properly delivered to Buyer the Goods in all respects in accordance with the Contract, and until Seller has done so any payment of the Price (including any provisional payments) shall be held on trust for Buyer.
- 8.6 If payment of the Price is by a provisional payment and then final payment, Seller shall hold any provisional payment on trust for Buyer until final payment is determined and Seller has accounted to Buyer for any adjustment in Buyer's favour.

9. BUYER'S IMPORT COSTS

- 9.1 If the contractual date for delivery of any of the Goods is more than ninety (90) days after the date of the Contract ("far forward Goods") and Buyer imports such far forward Goods, Buyer may by thirty days written notice to Seller (and without liability to Seller) terminate the Contract as regards any undelivered far forward Goods if at any time after the date of the Contract customs or excise duties or countervailing or anti dumping tariffs or duties ("import costs") payable by Buyer are imposed or increased which affect such undelivered far forward Goods.

10. SELLER'S WARRANTIES

- 10.1 Seller represents and warrants ("Seller's Warranties") to Buyer that:- (a) Seller has full legal power and capacity to enter into and perform the Contract and does so as principal; (b) Seller sells the Goods as legal and beneficial owner free from all liens, charges, equities or encumbrances; (c) the Goods shall comply with specifications, weights, standards and descriptions stated or referred to in the Contract and their sample if sold by sample; (d) the Goods shall be of satisfactory quality, fit for their purpose, safe and free from any hazardous or toxic material or deleterious material; (e) the packing of the Goods shall be safe and suitable for transport, delivery, storage and handling of the Goods; and (f) the sale of the Goods to the Buyer does not infringe any patent, copyright or other intellectual property right of any person.
- 10.2 The Seller's Warranties are additional to and do not replace any implied conditions or warranties in relation to the sale or supply of goods arising under statute or general law or by trade custom or usage or any course of dealing all which shall apply to the Goods.
- 10.3 The Seller's Warranties and the implied conditions and warranties referred to in Clause 10.2 shall continue in effect notwithstanding delivery of the Goods by Seller or payment of the Price or acceptance of the Goods by Buyer.

11. RIGHTS AND REMEDIES OF BUYER

- 11.1 In these Conditions: "Associate" means any holding company or subsidiary of Seller or of any other company that is such holding company or subsidiary or if Seller is, or is owned or controlled directly or indirectly by any public authority (as defined in Clause 13.1) such public authority or any company directly or indirectly controlled by it; "Event of Default" means any of: (a) Seller failing or refusing to deliver the Goods and / or the documents of title at or within the time or times provided by the Contract; (b) the Goods or any of them in Buyer's reasonable opinion (as to which the Buyer shall act in good faith) not fully complying with any of the Seller's Warranties or any implied conditions or warranties referred to in Clause 10.2 or the Goods or documents of title otherwise being defective or not strictly in accordance with the Contract; (c) any other breach (including any anticipatory breach) or other delay, default or neglect by Seller in performance of its obligations under this Contract which is not rectified by Seller at Seller's cost to Buyer's satisfaction within seven (7) days of Seller being advised of the same by Buyer; (d) any winding-up insolvency liquidation or bankruptcy of Seller or any proceedings or steps taken by or against Seller for the purposes thereof or the appointment of any liquidator, manager, receiver, administrative receiver, administrator or trustee in respect of all or a significant part of Seller's assets or undertaking or Seller seeking any moratorium or composition with or protection from its creditors; (e) in Buyer's reasonable opinion Seller being unable fully to perform this Contract or the creditworthiness of Seller being or likely to be materially impaired or threatened; or (f) any of the foregoing Events of Default happening or being threatened in relation either to Seller under any Related Contract between Buyer and Seller, or to any Associate under any Related Contract between such Associate and Buyer, or to any surety of Seller; and "Related Contract" means any contract for the sale of goods, supply of services, provision of credit or financial accommodation or surety.
- 11.2 On an event of Default Buyer may without limitation to its other rights or remedies in its discretion at Seller's cost and upon giving written notice to Seller do all, some or any of the following at such time or times as Buyer may think fit: (a) terminate this Contract in respect of all or any of the Goods; (b) reject all or any of the Goods ("rejected Goods") which rejected Goods Seller shall at its cost collect within such period as Buyer may state in its notice ("collection notice") to Seller; (c) at Seller's cost and risk store and insure (if Buyer so chooses) any rejected Goods which Seller fails to collect; (d) sell or otherwise dispose of all or any rejected Goods if Seller shall fail to collect them within the period stated in Buyer's collection notice or such other period as Buyer may notify Seller (Buyer having no obligation to sell such Goods for the best or any particular price) any proceeds of sale or disposal being applied first to the cost thereof, then in satisfaction of Seller's liabilities to Buyer, Buyer accounting to Seller for any balance; (e) require Seller at Seller's cost to complete delivery of any undelivered Goods and / or deliver replacements for any Goods delivered which are not in accordance with the Contract within such period as Buyer may require; (f) at Seller's cost and risk buy in from third parties any Goods which Seller has failed to deliver in accordance with the Contract; (g) accelerate and require delivery of any outstanding instalments of the Goods on such date or dates as Buyer may think fit; or (h) require Seller to repay all or any of the Price paid by Buyer and pay interest thereon at the rate stated in Clause 11.5.
- 11.3 Buyer may retain set-off and apply any sums due from Buyer to Seller in or toward satisfaction of Seller's outstanding obligations and liabilities on any account to Buyer whether in relation to this Contract or otherwise, and Buyer's obligation from time to time to pay any sums (whether the Price or otherwise) to Seller shall be conditional on Seller having fully performed any such obligations to Buyer.
- 11.4 Seller shall indemnify Buyer from and against all losses, liabilities, costs, claims, damages (including consequential or indirect damages from loss of actual or potential profits from resale and any exchange losses) demands and expenses (including legal costs) arising from or in connection with any delay, breach or non-performance by Seller of this Contract or these Conditions, or any misrepresentation by Seller in relation to the Goods.
- 11.5 All sums due from Seller to Buyer but unpaid shall bear interest at the rate of 4% above Lloyds Bank plc base rate, prime rate or other applicable rate in respect of the currency of the Price, as the case may be, from time to time down to the actual date of payment whether before or after judgement.

12. GENERAL

- 12.1 No indulgence or forbearance by Buyer and no omission or delay by Buyer in exercising any right, power or privilege under the Contract or general law shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or exercise of any other right, power or privilege.
- 12.2 To the extent any provisions of the Contract or these Conditions shall be held invalid, illegal or unenforceable the validity, illegality and unenforceability of the remaining provisions shall not be affected or impaired.
- 12.3 Seller may not assign or subcontract this Contract or any of its rights or obligations hereunder.

13. FORCE MAJEURE

- 13.1 Neither Buyer nor Seller shall be liable to the other for delay or non performance of their obligations under the Contract which is due to a cause or causes ("Force Majeure") beyond that party's control which Force Majeure shall include (but not be limited to) Acts of God, civil disturbance, fire, storm or flood, acts of any international state governmental, federal or local authorities, bodies or institutions ("public authority"), non availability of shipping or other transport, lockouts, strikes or other trade disputes, or interruption or breakdown of any communication or data processing services or equipment. For the avoidance of doubt Force Majeure shall not include in relation to Seller (a) delay, default or other failure for any reason (including Force Majeure in relation thereto) of any seller or supplier to Seller to perform their obligations to Seller; or (b) any increase in costs to Seller of performing its obligations to Buyer whether due to increased commodity, raw material or operating costs, increased export duties or licence costs or any other cause whatsoever.
- 13.2 On Buyer or Seller ("the Affected Party") being affected by Force Majeure: (a) the Affected Party shall advise the other party of such Force majeure in writing as soon as reasonably practicable and in any event within ten (10) days thereof and shall use reasonable endeavours to mitigate the effect of Force Majeure; (b) the Affected Party may suspend performance of the Contract by both Buyer and Seller in respect of outstanding deliveries of the Goods affected by Force Majeure, but the parties shall continue to perform their respective obligations in respect of Goods delivered or in the course of delivery; (c) if the Force Majeure ceases to apply the parties shall resume performance of their obligations hereunder as soon as reasonably practicable and the Affected Party shall advise the other party in writing as soon as reasonably practicable after the Force Majeure ceases to apply; (d) if the Force Majeure continues for more than ninety (90) days Buyer (but not Seller) shall be entitled to cancel the Contract without liability save for any outstanding obligations in respect of Goods delivered or in the course of delivery.

14. LAW AND DISPUTES

- 14.1 This Contract and these Conditions are governed by and shall be construed in accordance with English law.
- 14.2 In the event of any dispute or claim under or relating to this Contract or its existence terms meaning or validity (a "dispute") such dispute shall be finally determined by arbitration in London in accordance with the applicable rules, regulations and procedures of such arbitral body, trade association, market or exchange as (if any) may be stated in the express terms, or, if none is stated in the express terms in accordance with the rules and regulations of the London Court of International Arbitration which are deemed incorporated herein for such purpose.
- 14.3 If for any reason arbitrators appointed pursuant to Clause 14.2 decline to accept jurisdiction Seller submits to the non-exclusive jurisdiction of English Courts for all disputes referred to in Clause 14.2.
- 14.4 Both Seller and Buyer shall be free to seek enforcement of any arbitration award or judgement obtained pursuant to Clause 14.2 or Clause 14.3 in any jurisdiction in which the other of them may carry on business or have assets situated.
- 14.5 The Uniform Law on the Formation of Contracts for the International Sale of Goods, the Uniform Law on the International Sale of Goods 1964, and the conventions relating thereto, and the United Nations Convention on Contracts for the International Sale of Goods 1980 shall not apply to this Contract.
- 14.6 Seller for itself and its Associates irrevocably waives any right to claim sovereign immunity which it or they might otherwise have.