

## GENERAL SALES CONDITIONS

1. The order of the client, which requires a written form, has to be sent to the company Dr. Schär AG (hereafter referred to as Schär) via post, fax and/or e-mail. On receipt of the order by Schär, this order is a binding sales offer, which shall be deemed accepted if not rejected by Schär in writing via post, fax and/or e-mail within one week.
2. All prices are included in each price list, which is valid on the receipt of the order, and, unless otherwise agreed, are calculated in € without VAT.
3. Unless otherwise agreed, the payment must be made without any deduction within and no later as the deadlines agreed upon the parties and must be regarded as exhaustive and fixed in favour of Schär. The payments must be made by the headquarter of Schär.
4. If the payment term is exceeded, interest is to be charged in the sense of EU Directive 2000/35/EC (Euribor + 7%), plus all costs and fees associated with payment collection.
5. Schär has the right to suspend or cancel the order or to modify the payment terms at any time, if in Schär's view the client's solvency status is anticipated to deteriorate. In the event the client has not fulfilled its payment obligations at the time of delivery of the goods (pre-payment of the amount due, preceding deliveries, or contractual securities), Schär shall have the option to subordinate delivery of the goods to the payment of outstanding invoices – without such an action obligating payment of certain amounts or damage claims to the client.
6. The delivery schedules stated in the purchase offers/orders are merely indicative and non-binding. In particular, Schär shall not be liable for failure to deliver for causes arising from events beyond its control, or incidences including third party actions not attributable to Schär, since the client is aware that certain supplies and raw materials used by Schär are obtained from third party suppliers. In any event, Schär shall be liable in the event of a default in delivery damages for delay expressed as a lump sum of 3 % of the sum invoiced for the goods delivered as far as the delay in delivery was not induced intentionally or out of serious negligence. If the goods cannot be delivered in time or at all, because the sub-suppliers commissioned by Schär do not deliver in time or at all, Schär is not liable. Furthermore, Schär retains the right to make partial deliveries, whereby any liability for delays involving products not yet delivered is excluded. The deliveries of Schär are made on Euro- Pallets, which will be invoiced at their current market price.
7. Regardless of special agreements delivery takes place in accordance with Incoterms 2010, applying the Incoterm 2010 Code DAP (Delivered at Place) at each agreed destination.
8. The goods delivered by Schär remain in their property until all claims including all subsidiary claims and all claims deriving from the business relationship. This also applies to all future deliveries, even if Schär does not constantly and expressly refer to this fact. Schär is entitled to take back any goods delivered if the customer is in breach of contract. The client is obliged to take care of the goods until such time as the title passes over to him. As long as the title has not been transferred, the client is obliged to inform Schär without delay in writing, if the delivered goods are distrained or otherwise subjected to the intervention of any third party.
9. Complaints or disputes of any kind do not entitle the client to suspend the agreed payments or to delay them. The client can in no case object complaints or disputes, as long as he does not pay the suspended payment, including the payment of the goods to which the complaint relates. The client pledges to check the goods while to is unloading them from the transport container and to report defects within 8 working days of receipt of the goods at latest, either by fax or by registered letter with acknowledgment of receipt, including the transport documentation and a concrete description of the defect. Schär does not accept any liability for defects not reported within the aforementioned period. Based on the submitted complaint, Schär may replace the products or reduce the price, at its own discretions and free choice and irrespective of the necessity to acknowledge the defect. Schär is also exclusively entitled to inspect the defective goods at their current location or request their return. The rejected goods may only be returned to Schär when this is expressly authorized. Schär's guarantee is limited, at its discretion, to product replacement, price reduction or reimbursement; any further obligation relating to direct or indirect damages, including



lost profits, is expressly excluded. It is also excluded any liability for complaints issuing from subjective sentience of taste.

In this connection, claims on the grounds of defects are excluded in the case of only insignificant deviation from the agreed characteristics, or only insignificant impairment of the usability, or natural wear and tear, or for damage arising after the passage of risk caused by erroneous or careless handling, excessive stress, unsuitable operating substance, or which arise due to exceptional external influences not presupposed according contract. Claims based on defects attributable to improper modifications carried out by the client or third parties, the consequences thereof shall be likewise excluded.

10. The client expressly acknowledges the rights of Schär of the international registered trademark SCHÄR/DS/GLUTAFIN/GLUTANO/TRUFREE/BASIS/CERES/BEIKER and pledges to not use, subject to any otherwise agreements, these trademarks either for their own purpose or to make registrations of any kind. The client shall incur a contractual penalty of € 100.000,00 for each case of infringement against the objectively prohibition.
11. Any deviations and amendments to these General Sales Conditions have to be made in written form.
12. Each individual order brings the termination of each individual sale contract.
13. These General Sales Conditions and the entire privity of contract between Schär and the client shall be deemed subject to the Italian/German law for all areas, which are not regulated by the contract.
14. The parties agree that the exclusively place of jurisdiction of any and all disputes arising from or in connection with this agreement is the competent court near the business location of the Schär.

**By express acceptance of the general conditions above**, the client hereby declares having read and especially acknowledges the provisions set above.

Date

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Client