

GLOBAL TERMS AND CONDITIONS OF SALE OF TREATT PLC AND ITS AFFILIATES

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1 Definitions

In these Conditions "the Seller" means Treatt PLC and/or any affiliates, "the Buyer" means the person, firm or company purchasing the goods, "the Goods" means the goods or materials, which shall be the subject of the contract between the Seller and the Buyer, "Loss" means any loss, damage, liability, cost, charge or expense (including any costs of recovery) and "the Incoterms" means the latest revision available of the International Commercial Terms.

2 General

2.1 All quotations and tenders given by the Seller are indicative only and do not constitute an offer capable of acceptance so as to give rise to a binding contract. No order of the Buyer placed with the Seller in pursuance of a quotation or otherwise shall be binding on the Seller unless and until it is accepted by the Seller.

2.2 Each confirmed order shall constitute a separate contract subject to the terms included in the Seller's Confirmation of Order, these Conditions of Sale, any packaging statement or other relevant document and the Incoterms stated by the Seller and no terms endorsed upon, delivered with or contained in the Buyer's purchase order or other document nor any other variation of these terms shall form part of a contract unless expressly agreed in writing by the Seller. In the event of a conflict or silence in any other document, these terms shall prevail.

2.3 If the Buyer cancels an order which has been accepted by the Seller, the Buyer shall indemnify the Seller in full against all Loss incurred by the Seller as a result of the cancellation.

3 Price

3.1 The price for the Goods shall, unless otherwise agreed by the Seller in writing, be subject to final confirmation in the Seller's confirmation of order and the Seller will not be bound by any previous quotation or price charged. Where the price of the Goods confirmed in the Seller's confirmation of order is different to the price quoted or the price contained in the Buyer's order the Buyer shall be required to accept the price variation in writing.

3.2 If any delivery or supply of the Goods is delayed at the Buyer's request or as a result of the Buyer's default, the Seller may review the price of the Goods at the date of actual delivery or supply.

3.3 Unless otherwise stated by the Seller in writing, prices quoted by the Seller or included in a contract do not include value added tax, sales or use taxes or any other tax or duty or the cost of delivery or insurance all of which shall be paid by the Buyer at the time when payment of the price for the Goods is due.

4 Quantities

4.1 The weight of the Goods sold is the weight as ascertained at the Seller's factory which weight shall be accepted by both parties as correct.

4.2 The Seller may deliver against any order an excess or deficiency up to ten per cent of weight or volume ordered without any liability whatsoever to the Seller save the price shall be adjusted accordingly.

4.3 Where Goods under a contract are to be delivered by instalments at the request of the Buyer, the Buyer agrees to call off the full quantity of the contract within the agreed period and shall be liable to the Seller for the price of any Goods not taken within the agreed period unless such period has been extended by agreement of both parties in writing.

5 Delivery

5.1 Any date specified or agreed for the delivery or supply of the Goods is an estimate only and time shall not be of the essence although the Seller will endeavour to notify the Buyer if such dates will not be met. If no date is specified or agreed, the Seller shall deliver or supply the Goods within a reasonable time and at such time the Seller deems appropriate. Seller shall not be liable for any Loss caused by any delay in delivery or supply.

5.2 The Seller shall deliver the Goods at the place of delivery in accordance with the terms stated in the Seller's confirmation of order. Failing such indication, the Goods shall be delivered ExWorks (Incoterms).

5.3 The Seller shall be entitled to deliver or supply the Goods at one time or by instalments.

5.4 Delivery of the Goods shall take place once the Goods have been delivered or collected in accordance with the Incoterm stated by the Seller in the confirmation of order. In the event that an Incoterm is not stated delivery of the Goods shall take place once the Goods are loaded onto the Buyer's vehicle or other transport at the address of the Seller or any other specified and or agreed location or from where the Goods are held. Where the Goods are handed to a carrier for delivery to the Buyer, the carrier will be the Buyer's agent and delivery of the Goods will occur on receipt by the carrier.

5.5 If the Buyer:

- i) fails to accept delivery of the Goods when delivered or supplied; or
- ii) having agreed to collect the Goods fails to do so when asked,

the Seller shall be entitled to treat the contract for the Goods as repudiated in which case:

- i) the Buyer shall indemnify the Seller in respect of all resulting Losses suffered or incurred by the Seller; and
- ii) the Seller may (but shall not be obliged to) store all or any of the Goods at the risk and expense of the Buyer.

6 Payment

6.1 Unless otherwise stated or agreed, payment for each delivery shall be made in accordance with the terms stipulated on the Seller's invoice or in the event that terms are not stipulated not later than 30 days from the date of invoice, and shall be made in the currency stated. If any amount is not paid by the Buyer when due, the Seller may charge the Buyer interest up to the maximum amount permitted by law on the unpaid amount. The Seller further reserves its rights under the Late Payment of Commercial Debts (Interest) Act 1998 and/or any other relevant law in the Seller's jurisdiction, as amended.

6.2 Time for payment is of the essence. A failure by the Buyer to make payment when due of any amount owing to the Seller under a Contract will entitle the Seller:

- i) to treat the contract as repudiated;
- ii) to suspend all deliveries to the Buyer pending payment in full of all sums outstanding under the contract including any amounts not then due, or require any satisfactory securities;
- iii) to re-sell any of the Goods in its possession; and
- iv) to be indemnified by the Buyer for any resulting Loss.

6.3 All amounts owing from the Buyer to the Seller shall be paid without any deduction or deferment on account of any dispute, cross claim or lien and without exercising any rights of set-off. No breach by the Seller of any other contract with the Buyer will affect this contract.

7. Risk and Title

7.1 Risk in the Goods shall pass to the Buyer in accordance with the Incoterm stated by the Seller in the confirmation of order. In the event that an Incoterm is not stated risk shall pass to the Buyer at the point of delivery as defined in 5.2 above.

7.2 Legal title to the Goods will not pass to the Buyer until the Buyer has paid all moneys owed to the Seller (whether or not then due and whether or not owing in respect of the Goods supplied). Until legal title passes the Buyer shall hold the Goods as bailee for the Seller.

7.3 The Buyer may sell any Goods it holds as bailee for the Seller in the ordinary course of business but only on the terms that it will itself retain legal title until the Buyer has received payment for the Goods. The Buyer shall hold the legal title retained by it and the proceeds of sale of the Goods on trust for the Seller.

7.4 So long as legal title to the Goods remains with the Seller, the Buyer shall without charge keep the Goods separate from all other goods in a way which will enable them to be readily identified as belonging to the Seller. If a contract for the Goods is terminated or repudiated or if circumstances exist entitling the Seller to treat any contract for the Goods as repudiated, the Seller or its representatives may enter the Buyer's premises and repossess them. The Buyer shall not destroy, deface or obscure any identifying mark or packaging on the Goods to which the Seller retains title without the express written permission of the Seller.

8 Anti-Corruption

8.1 The parties warrant that they will comply with all applicable laws, regulations and codes relating to anti-bribery and corruption..

8.2 The parties affirm that they have not and will not offer, promise, give, request or accept gifts, hospitality, payment or any other advantage whatsoever, financial or otherwise, with the intention of inducing or rewarding improper conduct, which would constitute an offence under anti-bribery and corruption legislation.

9 Warranty

9.1 The Seller warrants that the Goods (including any replacement thereof) shall comply on the date of shipment with the Seller's standard specification or with the specification agreed in writing with the Buyer, however the Seller retains the right to make any necessary alterations to specifications required for conformity with any applicable safety or statutory requirements.

9.2 All Goods shall be examined by the Buyer within 3 working days of delivery. If the Goods do not comply with paragraph 9.1 and

- i) the Buyer gives written notice to the Seller with full details of the non-compliance within 10 working days after the delivery of the Goods;
- ii) unless otherwise requested by the Seller, the Buyer returns them to the Seller at the Buyer's expense (except that the Seller will reimburse any reasonable expense if, on examination, the Goods are found not to comply with paragraph 9.1);
- iii) following sampling and analysis it is determined that the Buyer has not altered, interfered with or damaged the Goods or used them in any way not permitted by these terms or in an inappropriate manner or allowed anyone else to do so; and
- iv) the Buyer has followed any delivery, storage, use or maintenance instructions of the Seller or of any manufacturer of the Goods,

then the Seller will, at its option, either remedy or replace the relevant Goods or refund the price paid for them. Any Goods which are returned to the Seller remain at the risk of the Buyer until the Seller has agreed that they are defective

9.3 Claims concerning defects that could not practicably and or reasonably be discovered within the time limits above, despite thorough inspection of the Goods must be made in writing and received by the Seller within 3 working days from discovery of the defects and in any event not later than 30 days after the Buyer's receipt of the Goods.

9.4 The Seller makes no other expressed or implied warranties or representations concerning the Goods used alone or in combination with other materials (whether implied by statute or otherwise) and specifically excludes such warranties and representations to the fullest extent permitted by law. The Seller specifically makes no warranty of reasonable quality or fitness for any particular purpose, merchantability or that the Goods will comply with any laws, rules or regulations, unless expressly agreed by the Seller in writing. The Buyer agrees to conduct its own tests to determine the safety and suitability of Seller's Goods for the Buyer's purposes.

9.5 Under EU regulation EC (No.) 1907/2006 (REACH), materials which are manufactured by and/or imported into the EU by a single legal entity in quantities of 1 tonne or more in a calendar year may not be put on the market unless covered by a registration made to the European Chemicals Agency. Volumes of material for end use in foodstuffs or pharmaceutical products are exempt from this requirement. To the best of its knowledge and belief, the Seller is entitled to benefit from such exemptions for certain goods. The Buyer hereby assumes responsibility to ensure the Goods have been registered, if necessary, for the end use of the material. Unless it does so separately, the Seller makes no warranty that the Goods are covered by a registration. The Buyer shall notify the Seller in writing if the end use does not exempt it from the obligation to register.

10 Limitation of liability

10.1 The Seller's sole and exclusive liability to the Buyer and the Buyer's exclusive remedy in respect of a defect in the Goods is set out in Paragraph 9 above.

10.2 The Seller's entire liability under or in connection with the contract (whether under warranty, contract, tort or any other cause) for direct loss or damage suffered by the Buyer or by any third party (except where the liability results from personal injury or death) shall be expressly limited to the purchase price of the Goods in respect of which any claim is made.

10.3 The Seller shall not, in any event, be liable to the Buyer by reason of any representation, implied warranty, condition or other term, or any duty at common law, or under the express terms of the contract, for any indirect, consequential or special loss or damage (including but not limited to loss of profit, business opportunity, contracts or otherwise), costs, expenses or other claims for consequential loss whatsoever arising out of or in connection with the contract incurred by Buyer or any third party.

11 Force Majeure

11.1 In the event that the Seller is prevented from carrying out its obligations under a contract as a result of any cause beyond its control including but not limited to acts of God, war, strikes, lock-outs, flood, failure of third parties to deliver the Goods and global shortages of raw materials, which render the contract uneconomic, the Seller shall be relieved of its obligations and liabilities under such contract for as long as such fulfilment is prevented, subject to clause 11.2.

11.2 If Force Majeure continues for more than ninety days, either party shall be entitled to terminate the contract by notice in writing and in that event neither party shall have any further liability under the contract except in respect of any rights accrued before such termination.

12 Termination

The Seller shall be entitled to treat a contract as repudiated and (without prejudice to any of its other rights) to recover from the Buyer all resulting Loss and to repossess the Goods if the Buyer is in material breach of the contract or enters into insolvency, bankruptcy, administration, any arrangement with its creditors or any other arrangement or situation which has a like effect or the occurrence of any event analogous to this in any jurisdiction in which the Buyer is incorporated or resident or in which it carries on business or has assets.

13 Intellectual Property Rights

13.1 All intellectual property rights produced from or arising as a result of the performance of any contract shall, so far as not already vested, become the absolute property of the Seller, and the Buyer shall do all that is reasonably necessary to ensure that such rights vest in the Seller by the execution of appropriate instruments or the making of agreements with third parties.

13.2 Subject to 13.3 below, in the event that the Goods or the use thereof are held to constitute an infringement of any intellectual property rights and the use is thereby prevented, the Seller will at its own expense and option either procure for the Buyer the right to continue using the Goods or replace the same with a non-infringing product, or modify the Goods so that they become non-infringing, or may elect to retake possession of the Goods and refund the Price. The Seller shall be under no liability to the Buyer for any Loss, whether direct or indirect, resulting from any intellectual property right infringement of the Goods.

13.3 The Buyer will indemnify the Seller against all liabilities for infringement of third party intellectual property rights arising from the Seller's compliance with the Buyer's specific requirements regarding design or specification for the Goods or arising from the use of the Goods in combination with other products.

14 Miscellaneous

14.1 No Goods supplied by the Seller are warranted as being safe for use in tobacco products or electronic cigarettes, vaporisers or other similar devices ("e-cigarettes"). The Buyer agrees that the Goods shall not be used in connection with the manufacture and distribution of tobacco products or e-cigarettes or any component thereof and undertakes to indemnify and keep indemnified the Seller against all loss or damage incurred by the Seller arising from use of the Goods in connection with tobacco products or e-cigarettes.

14.2 The Buyer acknowledges that the Seller ships the Goods in phenolic lined steel drums, which is certified as food grade but that during transport the lining can occasionally be subject to damage. Accordingly, the Buyer agrees that it shall filter all Goods delivered by the Seller prior to use and further agrees that the Seller shall not be liable for any Loss arising as a result of dislodged drum liner within the Goods.

14.3 Buyer shall not perform, directly or indirectly, any analysis of the Goods (or samples thereof) to determine chemical composition or structure, or any replication of the Goods (or samples thereof) for any purpose.

14.4 All information and materials (including the goods or samples thereof) provided by the Seller to the Buyer are confidential and may not be disclosed by the Buyer to any third parties (other than its affiliates) unless agreed in writing with the Seller.

- 14.5 Failure by the Seller to enforce any provision of these conditions shall not be treated as a waiver of that or any other provision, nor shall it affect the right of that party subsequently to enforce any provision of these conditions.
- 14.6 Each provision of these terms is severable and distinct from the others. If any provision shall be held void or unenforceable in whole or part by any court or other competent authority, the remaining provisions, and the remainder of the provisions affected, shall remain in full force and effect.
- 14.7 The Buyer shall not be entitled to assign any of its rights under any contract. The Seller shall be entitled to sub-contract any of its obligations and to assign any of its rights under any contract but shall remain liable for its performance.

15 Governing Law and Jurisdiction

All contracts shall be governed by and construed in accordance with the laws of the jurisdiction of the Seller that issued the confirmation of order, without giving effect to the principles of conflicts of laws thereof and subject to the limitations of liability set forth above. The Buyer irrevocably submits to that jurisdiction and waives any objection to it, on the ground of inconvenient forum or otherwise. Any suits, actions or proceedings that may be initiated by any party shall be initiated exclusively before the courts having jurisdiction at the place of the Seller that issued the confirmation of order, without restricting any rights of appeal and without prejudice to the Seller's right to submit the matter to any other competent court.