

Croda Italiana S.p.A.
General Conditions of Sale

Article 1 - Subject and Background of Contract

- 1.1 These General Conditions of Sale govern the sale of goods, including any such services as may be provided by Croda in relation to the supply of the goods, such as, but not limited to, lanolin, esters, proteins, and so on ("Goods" or "Products"), produced and distributed by Croda Italiana S.p.A. ("Croda" or "Seller").
- 1.2 Any purchase order that the Seller receives from the Buyer will be governed by these General Conditions of Sale and any special conditions that are agreed in writing. It is understood that purchase orders received shall not be binding on the Seller unless expressly accepted in writing by its legal representative, or until the order is executed, even in part, in which case these General Conditions of Sale are applicable in full. It is in any case understood that these General Conditions of Sale shall prevail over any other Buyer conditions would them be shown on the order or on any other document. Therefore, where the Buyer orders or accepts products from the Seller, or provides instructions for delivery, the contract shall be governed by these General Conditions of Sale.
- 1.3 All contracts between Croda and the Buyer shall be constituted by: (a) these General Conditions of Sale; (b) the Order Acceptance (id est the written document from Croda to the Buyer setting out the terms on which Croda is prepared to supply the Goods to the Buyer); and (c) any special terms expressly agreed in writing as forming part of the contract.
For any contract between the parties, (a), (b) and (c) constitute the entire agreement and supersede and extinguish all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.
In the event of any conflict between the constituent parts of a contract, (c) shall take precedence over (b), which in turn shall take precedence over (a). No order placed for Goods shall be deemed accepted unless and until Croda confirms it in by way of Order Acceptance.
Each party agrees that it shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in these General Conditions of Sale .
Each party agrees that it shall have no claim for innocent or negligent misrepresentation based on any statement in this General Conditions of Sale or, anyway, in any contract.
- 1.4 Agreements with the Seller's auxiliary staff or officials are not binding. The Seller is bound only by written documents signed by its legal representatives. Any modification to these General Conditions of Sale and/or any special additional condition and/or any express guarantee will be valid only if expressly approved in writing by the Seller's legal representatives.

Article 2 - General Provisions

- 2.1 The Goods which are the subject of these General Conditions of Sale are purchased to be used in the Buyer's industry.
- 2.2 Any description of the Products, any instruction pertaining to technical characteristics, properties, form, colour and odour of the same, as well as any informational diagrams relating to performance that is contained in catalogues, lists, informational brochures and other material distributed or made available by the Seller, where applicable, or where implicitly deducible from statements made by the Seller's employees and/or auxiliary staff and/or from information the Seller provides, must be considered as purely approximate and indicative, and not binding for the Seller, unless given in the form of express guarantee, which must however be provided in writing by the Seller's legal representatives.
- 2.3 No contract governed by these General Conditions of Sale may be considered a trial or sample sale, unless expressly agreed in writing.

Article 3 - Prices

- 3.1 The prices and delivery terms shall be established in the Seller's order confirmation, or if an order confirmation is not in place, in the offer, which shall remain valid for a period of 30 days from the offer itself or for a different period indicated in the offer. Without prejudice to any further and different agreement between the

parties, the prices must be intended as inclusive of packaging and transportation and delivery costs, excluding VAT, customs duties and other taxes, unless the parties have agreed Incoterms for which the transport and delivery costs are born by the purchaser. In such case Croda will have the right to add to the price the costs of transport and delivery.

- 3.2 If the Goods are not available at the time of the order confirmation or of the offer, the Seller has the right - and therefore can decide - not to indicate the sale price in the order confirmation or in the offer, which will therefore be determined according to the Seller's price list relating to the quarter in which the material will be delivered. To this end, the Seller will send the Purchaser a specific communication in which it will indicate the price of the Goods thus determined. In this case, this price will be considered accepted by the Purchaser - even in the absence of an express confirmation or acceptance of the latter - and therefore the contract will be duly concluded, if the Purchaser does not send to the Seller within seven calendar days (starting from the Seller's communication) a communication in which he declares not to accept this price and cancels the order.
- 3.3 Without prejudice to any further and different written agreements between the parties, the Buyer cannot apply any deductions or compensation and shall pay within the terms shown on the invoice or, where terms are not shown, within 20 days of the end of the invoice month. The invoice is issued on the date the Goods are delivered, as set out pursuant to Art. 4.1 *infra*.
- 3.4 Where, after conclusion of the sale contract, the Buyer requests delivery of the Products by a date earlier than the one agreed, the Seller shall apply an increase in price which shall be communicated to the Buyer by the second working day after the date the request for early delivery was made. The Buyer shall have the right not to accept the increase in price communicated, and in this case the delivery shall take place by the dates originally agreed. Where no increase in price is communicated by the Seller to the Buyer within the said term, delivery of the Products shall take place by the date originally agreed.

Article 4 - Terms and Delivery Methods and Risk Transfer

- 4.1 Delivery is intended as made on the date when the Goods are delivered to the shipping agent or vehicle selected by the Seller at its exclusive discretion, or, in the case of transportation directly by the Seller, on the date the Goods are delivered to the Buyer's facilities or a different place as agreed by the parties, or in the event the shipping is handled directly by the Buyer, on the date notice is given that the goods are ready for collection, which will be communicated by telephone, fax or e-mail.
- 4.2 From the date the Goods are delivered to the shipper or vehicle, or (in the case of shipping handled directly by the Seller) from the date when the goods are ready to begin transportation, or (in the case of shipping handled directly by the Buyer) from the date notice is given that the goods are ready, the Buyer is responsible for fortuitous or force majeure risks and incidents. Any complaints and interventions by the Seller in regard to the vehicles or shippers are intended as valid also where necessary on behalf of the Buyer. The Seller reserves the right to make divided and/or partial deliveries.
- 4.3 Delivery times shall be considered indicative and not essential for the contract. The Seller shall undertake to comply with the said terms but shall not be held responsible for losses or damages resulting from any non-compliance with the delivery terms indicated, unless the Parties specifically agree to the contrary in writing. Without prejudice to the terms of delivery being purely indicative, if in relation to a delivery Croda has good reason to believe that it will not be able to abide by the terms of delivery, it must - within a reasonable time frame - inform the Buyer of the possibility of a delay, and, where possible, inform the Buyer of the steps to take to reduce the risk and/or extent of the delay. If, despite the Buyer having accepted the steps Croda has suggested to reduce the risk and/or scope of the delay and these steps have been implemented, Croda is still not able to deliver the Goods within a reasonable period of time after the delivery date (a period of one month from the delivery date is considered to be reasonable), the Buyer can - as a sole remedy - communicate in writing to Croda that it no longer wants the delivery of Goods that has been delayed, the only consequence being that Croda will be bound to return any moneys already paid for the Goods in question (save that the Buyer shall be liable to pay for any Goods delivered where delivery was taking place by instalments). Other contracts existing between the Buyer and Croda and, in any case, other deliveries between the parties shall be in no way compromised. If the Goods are not available at the time of order confirmation or offer, the order confirmation or offer will not state the delivery term which will then be communicated by the Seller to the Purchaser as soon as possible. In this case, the price will be determined in the manner set forth in art. 3.2 below.
- 4.4 If the Buyer (a) should fail to provide all the instructions and/or documentation needed for the Goods and their delivery or in any case causes or requests a delay in the delivery of the same or (b) should fail to receive in delivery the Goods on the delivery date or delay the unloading over the deadlines specified in the Croda's order confirmation sent to the Buyer (having as object: "Dwell times for loading and unloading"), Croda can (although it is not obliged to), without any prejudice to its other rights, ask the Buyer to pay the costs and expenses (of storage, deposit, transport, dwell time, etc.) incurred as a result of the Buyer's actions.

- 4.5 The Buyer cannot refuse to accept the supply of a quantity of Products that is reasonably approximate to the agreed contract quantity (whether more or less) and, in any case, cannot refuse to accept a deviation of up to +/- 5% of the quantity of Products agreed in the contract.

Article 5 - Retention of Title - Payment

- 5.1 The Products supplied by Croda will remain its property until payment in full of the corresponding invoices, but the risk of loss shall move to the Buyer at the time of delivery as determined pursuant to art. 4.1 *supra*.
- 5.2 The Buyer shall make the payment in full within the times agreed. The termination date indicated on the invoice is intended as the last date to effectively credit the payment and not to begin the payment process.
- 5.3 In the event of late payment of the price pursuant to art. 5.2 *supra*, interest on arrears shall become due in the amount set out in art. 5 paragraph 2 of [Italian] Legislative Decree 231/2002. Legal remedies available to the Seller remain however in place.
- 5.4 Without prejudice to any other rights or remedies, Croda may suspend all deliveries if payment is overdue under the contract or such any other contract.

Article 6 - Quality test and Limitation of Liability

- 6.1 The Buyer undertakes to carry out the quality tests indicated in the special conditions that govern individual contracts of sale, as well as any other quality test that is necessary or opportune in regard to the specific use that the Buyer intends to make of the Goods purchased prior to using the Goods in its production processes.
- 6.2 Where the quality tests mentioned in article 6.1 above are not carried out, or they are not carried out with due diligence, the Seller cannot be held in any way responsible for any damage that may derive to the Buyer from use of the Goods, unless in the event of fraud or serious misconduct by the Seller.

Article 7 - Warranty and Reporting of Defects

- 7.1 Croda warrants that for a period of three months from the date of delivery (or other date expressly specified in writing), the Goods shall comply with the Specifications and any Written Declaration by the Seller and were produced in compliance with all relevant laws and regulations that govern the production of said goods in the European Union. Croda also guarantees that the Goods sold do not violate patent, brand, registered design, or third parties graphic copyright at the time of the sale (but no such warranty is given in respect of the use by the Buyer of the Goods after such sale by Croda).
- 7.2 Croda, at its discretion and without charge, shall replace (or repeat the service) or reimburse the price of the Goods that are in violation of the guarantees set out in point 7.1, on the condition that:
- (a) the Buyer fully inspects the Goods as soon as reasonably possible after delivery and does not modify the products and does not combine them or place them into the production process when it is aware, or should reasonably be aware, that the said goods violate the guarantees listed in point 7.1;
 - (b) the Buyer reports violation of the guarantees in writing by and no later than 8 days from becoming aware (or ought reasonably to have become aware) of the same and in any event within three months of delivery pursuant to art. 7.1 *supra*;
 - (c) the Buyer has used and stored the Goods in compliance with the instructions in the Specifications (id est Croda's standard specification for the Goods or such other specification agreed in writing by Croda); and
 - (d) the Goods, at Croda's election, are made available to Croda for inspection or returned to Croda at the Buyer's expense.
- 7.3 Within the limits established by the applicable law and except as indicated in these General Conditions of Sale, all guarantees (both explicit and implicit) are excluded, and in particular: (a) those relating to satisfactory quality or conformity for a specific use (even if such specific use has been communicated to Croda) and (b) those relating to any aspect relating to the performance, composition or characteristics of the Goods other than those expressly established in the Specifications or in a Written Statement (i.e. any description, representation, recommendation, declaration or guarantee relating to the Goods, made in writing and signed by a Croda representative authorized to do so) by the Seller.
- 7.4 The Seller, at its sole discretion, may replace the Goods that present manufacturing defects or other defects due to imperfections of the raw materials used for the production of the same, or refund the price, upon return of the defective Goods, provided that the terms have been respected of forfeiture and the prescriptions referred to in the previous art. 7.2.
- 7.5 In no case may the replacement, refund of the price or any compensation for damages be requested, in relation to those Goods whose defects have been caused by bad or imprudent use or negligence in conservation, storage or transport by the Purchaser.

Article 8 - Limitation of Liability on the Seller

- 8.1 The Seller, however without prejudice to the provisions of article 6.2, shall be liable for any damage caused to the Buyer for defective Goods as long as the defects are reported within 8 days of their discovery and in any event within three months of the date of delivery and, in any case, the maximum aggregate liability of Croda to the Buyer in respect of any contract, whether such liability arises in contract, tort (including negligence) or breach of statutory duty or otherwise shall be limited to the lower of these sums: (a) the aggregate price of all goods purchased by the Buyer from Croda during the six month period ending on the date of delivery of the Goods giving rise to the liability in question ; and (b) € 1,000,000.00 (euros one million).
- 8.2 Without prejudice to the event of fraud or serious misconduct, the Seller shall under no circumstances – including where Croda has been advised of the possibility losses may occur – be liable for:
- (a) any indirect, special, punitive or consequential loss; and/or
 - (b) any loss of anticipated profit or loss of business (whether direct or indirect); and/ or
 - (c) any third party claims against the Buyer;
 - (d) any damage caused by late delivery;
- whether such liability would otherwise arise in contract, tort (including negligence) or breach of statutory duty or otherwise, and anyway any damage to third parties.
- 8.3 In any event, the Seller shall in no event be liable for any damages indirectly caused.
- 8.4 Croda shall not be liable to the Buyer for any breach of any contract or for any loss or damage caused to or suffered by the Buyer as a direct or indirect result of the supply of the Goods by Croda being prevented, restricted, hindered or delayed by reason of any circumstances outside the reasonable control of Croda including, without limitation, acts of God, war, hostilities, riot, fire, explosion, accident, flood, sabotage, lack of adequate fuel, power, raw materials, containers, transportation or labour, strike, lockout or injunction, compliance with laws and regulations and breakage of machinery or apparatus.

Article 9 - Express Cancellation Clause

- 9.1 Where the Buyer fails to fulfil payment by the date set for the obligation for payment of the price within the terms agreed as established in art. 5.2, the Seller shall have the right to terminate the contract pursuant to Article 1456 of the [Italian] Civil Code, without however prejudice to other remedies set out in law and compensation for damages.

Article 10 - Changes in the Buyer's Financial Position

- 10.1 Where, after the date of stipulation of the individual contract of sale, changes occur in the buyer's financial position to the point of deeming, in good faith, that it can no longer fulfil its obligations, the Seller may suspend execution of the order until suitable guarantee has been provided, pursuant to and by effect of Article 1461 of the [Italian] Civil Code. In any case, the persistence of the danger of obtaining the service will result in the termination of the contract due to breach by the Purchaser, without prejudice to the right of the Seller to obtain compensation for damages.
- 10.2 The Buyer shall promptly inform the Seller of any event that may give rise to application of this Article 10. In the absence of communication, the Purchaser is liable for damages.

Article 11 - Buyer's Fulfilment Obligation and Limitations on the raising of objections

- 11.1 The execution of the performance fulfilments due by the Buyer and in particular payment of the price may not be suspended or changed for any reason even arising from disputes relating to guarantees or that may arise or where the Buyer brings questions or disputes against the Seller for non-fulfilment or other different reason, in the broadest sense.
- 11.2 No demand or claim can result in raising action or judicial proceedings// against the Seller, not even as counterclaim or exception, without prior payment by the Buyer of the moneys it owes the Seller pursuant to the Seller's invoice.

Article 12 - Applicable law and jurisdiction

- 12.1 This contract is governed by Italian law and must be interpreted and executed based on the same, with express exclusion of the application of the 1980 Convention for the International Sale of Goods.
- 12.2 For any dispute arising or deriving from this contract, or individual sales governed by it, or however associated with it, the Court of Pavia shall have exclusive jurisdiction.

Article 13 - Nullity or ineffectiveness of individual clauses

13.1 The Parties express the intention and desire that all clauses of these General Conditions of Sale are and shall remain valid, effective and enforceable to the maximum extent permitted by law. If one or more clauses, or any individual wording of any clause, should be deemed or become, in any measure, invalid, illegal, inefficient or unenforceable, that or those clauses or wordings should be deemed, to that extent, as not being part of the contract so the contract and all other contract clauses shall retain full validity and effectiveness and shall continue in full force and effect.

Article 14 - Regulation

14.1 The Buyer shall be responsible at its own cost for compliance with all relevant laws and regulations and for obtaining and maintaining any necessary import or export licences, customs clearance, exchange control consent or other authorisations and permits in relation to the purchase of the Goods.

14.2 Each of the Buyer and Croda shall comply with any economic sanctions laws, regulations, embargoes or restrictive measures, as amended from time to time ("Sanctions"), administered, enacted or enforced by the United States, the United Nations, the European Union, the UK, Italy any other government under whose jurisdiction the Buyer or Croda operates, and/or the respective governmental institutions and agencies of any of the foregoing responsible for administering, enacting or enforcing Sanctions, including without limitation, the Office of Foreign Assets Control of the US Department of Treasury (OFAC), the United States Department of State, the French Ministers of the Economy, Finances and Industry, the Italian Ministers of the Economy, Finances and Industry and Her Majesty's Treasury (Sanctions Authority). In connection with the performance of the contract, Croda shall not be obliged to supply any Goods where to do so would or may, in its reasonable opinion, be contrary to applicable Sanctions (including where Croda has reason to suspect that any onward supply by the Buyer to a third party may be contrary to applicable Sanctions), irrespective of any authorisation which Croda may be able to obtain or use. Any such refusal by Croda to supply any Goods shall be without prejudice to its other rights under the contract.

14.3 The Buyer shall immediately notify Croda if the Buyer or any of its affiliates or any of its or their respective directors, officers, agents or employees or any person acting on behalf of any of them becomes a Restricted Party, that is a person or entity that is listed on, or owned or controlled by a person or entity listed on, any Sanctions List – id est the "Specially Designated Nationals and Blocked Persons" list and Sectoral Sanctions Identification List maintained by OFAC, the Consolidated list of persons, groups and entities subject to EU financial sanctions, the Consolidated List of Financial Sanctions Targets maintained by the UK Treasury or any similar list maintained by, or public announcement of sanctions made by, any other Sanctions Authority – or that is otherwise a target of Sanctions.

14.4 If, in the reasonable opinion of Croda, it becomes unlawful for Croda to perform any contract or any party of it under applicable Sanctions (a Sanctions Event), irrespective of any authorisation which Croda may be able to obtain or use, Croda shall be entitled to suspend without any liability whatsoever its performance of any contract or, as applicable, such part of it as may be affected by Sanctions, until such time as it may lawfully re-commence performance.

14.5 Without prejudice to any other rights or remedies that Croda may have under the contract or at law (including, as applicable, the right to damages for breach of contract), it shall have the right to terminate the Contract with immediate effect if:

- (a) it reasonably believes in good faith that the Buyer has breached Clause 14.1, 14.2 or 14.3;
- (b) Croda, any affiliate thereof or any third party recipient of the Goods supplied or to be supplied under the contract becomes a Restricted Party; or
- (c) Croda's performance of the contract or any part thereof has been suspended under Clause 14.4 for a continuous period of more than 3 month since the relevant Sanctions Event.

14.6 The Buyer indemnifies and holds Croda harmless from and against any and all claims, damages, losses, penalties, fees, costs and expenses arising from or related to any breach of this Clause 14 and, including (without limitation) any legal fees or other expenses incurred by Croda in respect of any investigation or enforcement proceedings by any competent authority relating to a suspected or alleged breach of Sanctions.

Article 15 - Assignment

15.1 Croda reserves the right to assign all or any part of any contract; the Buyer agrees in advance to the assignment and to release Croda.

Article 16 - Ethics and Modern Slavery

16.1 Croda complies with: (a) the Croda code of ethics and code of conduct which can be viewed at <http://www.croda.com>; and (b) the Croda policy on modern slavery.

16.2 The Buyer shall comply with all applicable laws, statutes, regulations and similar codes and policies in force from time to time. Croda may terminate this Contract with immediate effect by giving written notice to the Buyer if the Buyer breaches this condition 16.2 or Croda believes (in its absolute discretion) that the Buyer may be in breach of this condition 16.2.

Article 17 - Intellectual Property

17.1 In order to protect the proprietary nature of the Goods, the following restrictions apply to their use:
(a) save as may be reasonably required for safety purposes, the Buyer shall not analyse or have analysed, or permit the analysis of, any Goods or sample supplied to the Buyer; and (b) the Buyer shall not copy or knowingly permit the copying of the Goods.

17.2 Nothing in these Conditions shall be deemed to have given the Buyer a licence or any other right to use any of Croda's trademarks. The Buyer shall not take any action which negatively affects Croda's trademarks or devalues the good will associated with Croda's Goods and/or trademarks (including, without limitation, altering Croda's trade marks in any way or applying on any goods, any marks or any-get up similar to that associated with Croda's Goods).

Article 18 - No Partnership or Agency

18.1 Nothing in these General Conditions of Sale is intended to create a partnership, joint venture, distributorship or legal relationship of any kind between the parties that would impose liability upon one party for the act or failure to act of the other party, or to authorise either party to act as a representative or agent for the other. Except where otherwise expressly provided in these General Conditions of Sale, neither party shall have authority to make representations, act in the name or on behalf of, or otherwise to bind the other.

Buyer's signature

Date

Pursuant to and by effect of Art. 1341 and 1342 of the [Italian] Civil Code, the parties expressly approve the following clauses: Article 3 - Prices; Article 4.3 and 4.5 – Terms and Delivery Methods and Risk Factor; Article 5.1 and 5.4 – Retention of Title – Payment; Article 6.2 – Limitation of Liability; Article 7.2, 7.3 and 7.4 - Warranty and Reporting of Defects; Article 8 - Limitations on Seller's Liability; Article 9 - Express Cancellation Clause; Article 10 - Changes in the Buyer's Financial Position; Article 11 - Buyer's Fulfilment Obligation and Limitations on the raising of objections; Article 12 - Applicable law and jurisdiction; Article 14 – Regulation; Article 15 – Assignment; Article 16 - Ethics and Modern Slavery.

Buyer's signature

Date
