

GENERAL TERMS AND CONDITIONS TERRAFIBRE EUROPE BV

ARTICLE 1 GENERAL

- 1.1 "General Terms and Conditions" shall refer to TERRAFIBRE EUROPE BV most recent officially filed terms and conditions.
- 1.2 The user of these terms and conditions will hereinafter be referred to as "Terra fibre".
- 1.3 "Other party" in these General Terms and Conditions shall refer to the party Terra fibre enters into a legal relationship with.
- 1.4 "Order" in these General Terms and Conditions shall refer to the fact that an other party orders delivery of substrate or other products and services, including any advice, either free of charge or not, after having requested a quotation.

ARTICLE 2 GENERAL / APPLICATION

- 2.1 Applicability of the General Terms and Conditions of the other party or other terms and conditions is specifically declined.
- 2.2 These General terms and Conditions shall apply to all legal relationships in which Terra fibre acts as (potential) seller and/or supplier of goods and/or services. Terra fibre mainly focuses on the sale of growing media, substrates based on natural fibers in the broadest sense of the word, and optionally processed in various sizes and related products and accessories.
- 2.3 These General Terms and Conditions may only be departed from, if such is established in writing by both parties or confirmed in writing by Terra fibre.

ARTICLE 3 ESTABLISHMENT OF THE AGREEMENT

- 3.1 If the other party places an order, the agreement shall only be established by Terra fibre's written acceptance or his unmistakable starting to fill the order.

ARTICLE 4 SUPPLEMENT TO THE AGREEMENT

- 4.1 If the other party wishes to make changes to what has been agreed – which may be requested in writing exclusively – Terra fibre shall only be obliged to cooperate in that, if such is reasonably feasible and the other party shall be obliged to take on the additional costs resulting from that change.

ARTICLE 5 PRICES

- 5.1 All prices shall be ex warehouse - except if agreed otherwise in writing - or if that applies, ex depot. All prices are excluding VAT - except if agreed otherwise in writing.

ARTICLE 6 DELIVERY / DELIVERY TIME

- 6.1 Delivery times agreed with Terra fibre shall apply as an indication and not as a final deadline. If delivery does not take place in time, Terra fibre must be declared in default in writing by the other party therefore.
- 6.2 Delivery shall take place - except if otherwise agreed in writing - ex warehouse or if applicable, ex depot.
- 6.3 Terra fibre shall determine the mode of transport and the insurance during the transport, both of which are charged on to the other party. Transportation shall take place at the other party's risk.
- 6.4 Terra fibre shall be entitled to comply with the performance(s) owed by him in parts, unless this is specifically in breach of written agreements with the other party.

ARTICLE 7 PAYMENT

- 7.1 Terra fibre's invoices must be paid before the due date stated on the invoice in the way specified by Terra fibre. Payment must take place effectively in the agreed currency. The other party shall not be allowed to deduct any amount from the invoices to be paid on account of a counter claim brought by the other party. The other party shall also not be allowed to suspend the compliance with its payment obligation in the event of a complaint by them to Terra fibre about the products supplied, unless Terra fibre expressly agrees with suspension in exchange for a provision of security.
- 7.2 In the event of an overdue payment, all payment obligations of the other party shall be due at once, regardless whether Terra fibre already sent an invoice in this matter. Terra fibre shall inform the other party in writing, in the event Terra fibre relies on this provision, and shall send an appropriate invoice. In that case, Terra fibre shall be entitled for instance to suspension of his delivery obligation and/or may require sufficient security as referred to in Article 8 of these General Terms and Conditions or has the right to terminate - partially or not - the agreement, as referred to Article 11 of these General Terms and Conditions.
- 7.3 In the event of overdue payment, the other party shall owe interest in the amount of the legal commercial interest.
- 7.4 If the other party does not or not timely comply with any of their obligations, all costs of obtaining settlement out of court, including the costs of drawing up and sending notices, making a settlement proposal and making inquiries, shall be for the account of the other party, apart from the price and costs agreed. Extrajudicial costs shall be calculated according to the graduated scale of the Compensation of Extrajudicial Collection Costs Decree. If Terra fibre can prove having made higher costs, these shall qualify for compensation.
- 7.5 If for any reason, Terra fibre is held to account by the other party and Terra fibre as a result feels required to call an expert to establish the facts on which the other party bases its claim, the other party shall be held to compensate for the costs charged to Terra fibre by this expert if and in as far as the claim or claims of the other party, whether or not after reference to the General Terms and Conditions, turn(s) out to have been unjustified, in order to prevent a potential lawsuit. After conclusion of the investigation by the expert, the other party shall have 7 days to submit any claims.
- 7.6 Payments by or because of the other party shall be for the extrajudicial collection costs owed by them, the legal costs and the interests owed by them in that order and then for the outstanding principal sums by order of age, regardless of other instructions by the other party.
- 7.7 The other party shall only be able to object to the invoice in writing within the term of payment.

ARTICLE 8 RETENTION AND PLEDGE OF TITLE

- 8.1 Terra fibre shall retain the ownership of all goods delivered or to be delivered until full payment of:
 - a. All performances owed by the other party for goods delivered or to be delivered under agreement as well as work performed or to be performed under such agreement;
 - b. All claims because of failure of the other party to comply with such agreement(s). The other party shall not be allowed to claim the right of retention as regards the storage costs and to offset these costs against the performances owed by them.
- 8.2 If Terra fibre is entitled to any good or goods pursuant to paragraph 1, the other party shall only be able to dispose of it as part of its normal business operations.
- 8.3 If the other party is in default as regards the performances as referred to in paragraph 1, Terra fibre shall be entitled to retrieve the goods belonging to him from the place where they are kept or to have them retrieved, for the account of the other party. The other party shall irrevocably authorise Terra fibre already now to access space at or in use by the other party or to have them accessed for that purpose in that case.
- 8.4 The other party hereby commits to pledging to Terra fibre upon his first request to that end and who will then accept this pledge in that case, all goods of which the other party shall be (co-)owner by specification, investigation, mixing/ blending with the goods delivered or to be delivered by Terra fibre, as well as all claims the other party will have on their customers as a result of resale by the other party to their customers of goods that were sold and delivered to the other party by Terra fibre as security for everything Terra fibre has to or will claim from the other party at some point in time. The other party shall sign a pledge deed drawn up by Terra fibre at the first request. The other party has further irrevocably authorised Terra fibre by the applicability of these General Terms and Conditions and with the right of substitution, to pledge those goods and claims as referred to before in this Article to himself in behalf of the other party, repeatedly if necessary, and to do everything that is required for the pledging.

ARTICLE 9 SECURITY

- 9.1 By these General Terms and Conditions becoming effective, the other party has bound himself to Terra fibre to provide (additional) security for all existing and future claims of Terra fibre against the other party for whatever reason, at the first request of Terra fibre, to the satisfaction of Terra fibre. This should always be such, and be replaced and/ or replenished for that purpose if necessary to the satisfaction of Terra fibre, that Terra fibre continuously has adequate and sufficient security. As long as the other party has not fulfilled its obligations, Terra fibre is entitled to suspend the compliance of his obligations.
- 9.2 If the other party does not comply with a request as referred to in paragraph 1 within 14 days of a written notice to that end, all their obligations become due and payable instantly.

ARTICLE 10 COMPLAINTS, INVESTIGATION OBLIGATION, LIMITATION AND COMPLIANCE

- 10.1 The other party is obliged to investigate upon delivery and no later than 48 hours after delivery (randomly if not possible otherwise) whether the delivery meets the agreement, i.e.:
 - whether the right goods have been delivered;
 - whether the goods delivered meet the agreement in terms of quantity (e.g. number and amount);
 - whether the goods delivered meet the agreed quality standards or - if these are missing - the requirements for normal use and/or commercial purposes;If this is not the case and the other party does not give notice of this in writing within eight days to Terra fibre, the other party shall lose all rights with regard to the failure to comply in connection with the delivery not meeting the terms of the agreement. If Terra fibre does not receive written notice within eight days that the delivery does not meet the terms of the agreement, it shall then be considered proven between the parties that the delivery meets the terms of the agreement.
- 10.2 Claims and defences, based on facts and/or statements meaning that the delivery does not meet the agreement, shall be barred by lapse of one year after the moment of delivery. Rights of claim of the other party shall lapse 18 months after the moment of delivery.
- 10.3 If the delivery does not meet the agreement, Terra fibre shall be able to choose to be held to only deliver the missing goods, repair or replacement of the delivered good or goods.

ARTICLE 11 NUMBERS, MEASURES, WEIGHTS FURTHER INFORMATION

- 11.1 Slight differences with regard to the listed measures, weights, numbers, colours and other such information do not count as shortcomings.
- 11.2 There is a slight difference in case of a margin of max. 10% more or less than the specification indicated.
- 11.3 Samples produced or provided only serve as an indication, without a good subject to a sales or service agreement having to meet that.

ARTICLE 12 NON-COMPLIANCE

- 12.1 The claims of Terra fibre against the other party are due instantly if:
 - circumstances which have come to the knowledge of Terra fibre after the agreement was concluded present good grounds to fear that the other party will not fulfil its obligations;
 - Terra fibre has requested the other party to provide security for the compliance and this security remains forthcoming or is insufficient. In the cases referred to, Terra fibre shall be authorised to suspend further execution of the agreement or to terminate the agreement, all this subject to the right to claim damages.

- 12.2 Force majeure refers to circumstances preventing compliance with the agreement and which shall not be attributable to Terra fibre. Included are (if and in as far as these circumstances make compliance impossible or unreasonably interfere with it): fire, strikes in other companies that those of Terra fibre, wildcat strikes or political strikes in the company of Terra fibre; a general lack of required raw materials and other goods or services required for the agreed performance; any quality problems at Terra fibre or supplier of Terra fibre, unforeseeable stagnation at the suppliers or other third parties on which Terra fibre relies and general transportation problems.
- 12.3 Terra fibre shall also have the right to invoke force majeure, if the circumstance which prevents (further) compliance, occurs after Terra fibre should have complied with the agreement.
- 12.4 The obligation of delivery and other obligations of Terra fibre shall be suspended during situations of force majeure. If the period in which compliance with the obligations by Terra fibre is not possible longer than 48 hours due to force majeure, both parties shall be entitled to terminate the agreement without mandatory damage compensation in that case.
- 12.5 If Terra fibre already partially fulfilled his obligations at the occurrence of the force majeure or is only able to fulfil his obligations partially, he shall be entitled to separately invoice what has already been delivered or the deliverable part and the other party shall be obliged to pay this invoice as if a separate contract was concerned. However, this does not apply if what has already been delivered or the deliverable part has no independent value.

ARTICLE 13 LIABILITY AND COMPENSATION

- 13.1 Terra fibre shall make an effort as regards the delivery of the product to supply products that are free of quantities of organisms harmful to people, animals or plants.
- 13.2 Terra fibre does not accept any liability, other than the explicitly agreed warranties, or results or quality requirements guaranteed by the user for the delivery of products and services, including those described under Article 1.4, except for loss caused by Terra fibre's intent or gross negligence.
- 13.3 Without prejudice to the provision in clause 2 of this article, Terra fibre is only liable for direct loss. Any liability of the user for consequential loss, such as trading loss, loss of profit and/or loss incurred, loss due to delay and/or personal injury or emotional damage, is explicitly excluded.
- 13.4 If Terra fibre is liable for damage suffered by the other party, Terra fibre's obligation to make reparation shall at all times be limited to, at most, the amount that is paid out by its insurer in this particular case. If Terra fibre's insurer does not pay out or if the damage is not covered by the insurance taken out by Terra fibre, Terra fibre's obligation to make reparation shall be limited to, at most, the invoiced amount for the services carried out or the items supplied, with a maximum of € 25,000. A set of claims that have the same cause shall, in light of the above, be considered as one claim.
- 13.5 Terra fibre shall insist on all legal and contractual means of defence which he can invoke to resist his own liability against the other party, also for the benefit of his subordinates and the non-subordinates.
- 13.6 The other party is obliged to take any measures that are necessary to prevent or restrict any loss.
- 13.7 The other party cannot invoke the warranty, nor hold Terra fibre liable on other grounds for damage arisen:
 - a. through incompetent use, or use contrary to the purpose of the goods supplied or contrary to the instructions, recommendations and directions for use provided by or on behalf of Terra fibre, etc.;
 - b. through the unprofessional storage (depot) of the items supplied;
 - c. due to errors or inaccuracies in the information, documents or materials supplied or instructed to Terra fibre by or on behalf of the other party;
 - d. due to directions or instructions by or on behalf of the other party;
 - e. because of repairs performed by or on behalf of the other party, or other work or treatment performed on the goods supplied, without the explicit prior agreement of Terra fibre.

ARTICLE 14 INTELLECTUAL PROPERTY RIGHTS

- 14.1 Terra fibre is and remains the rightholder of all intellectual property rights attached to, arising from, and/or associated with the works, goods, documents, etc., supplied by Terra fibre in the context of the agreement. The above applies, unless the parties explicitly agreed otherwise in writing.
- 14.2 Exercising the rights set out in clause 1 of this article is explicitly and exclusively reserved for Terra fibre, both during and after the fulfillment of the agreement.
- 14.3 The other party is not entitled to use the documents supplied or produced by the user outside the context of the agreement. The other party is prohibited to supply these documents to third parties, to let third parties access the documents or to copy the documents without Terra fibre's prior written consent.
- 14.4 The other party is responsible for it that any information or documents it supplies to Terra fibre do not infringe any copyright or other intellectual property rights of third parties. The other party is liable for any damage that Terra fibre incurs due to such infringements and it indemnifies the user against claims from those third parties.

ARTICLE 15 BANKRUPTCY, NO POWER OF DISPOSITION, ETC.

- 15.1 With prejudice to the provision in the other articles of these general terms and conditions, Terra fibre is entitled to terminate the agreement, without the need for a notice of default without judicial intervention, by sending a written notice to the other party, at the time when the other party:
 - a. is declared to be bankrupt or if a request for bankruptcy has been submitted;
 - b. applies for a (provisional) suspension of payments;
 - c. is subject to an enforceable attachment order;
 - d. has been placed under guardianship or under administration;
 - e. loses its power of disposition or contractual capacity in relation to its assets or parts of them.
- 15.2 The provision in clause 1 of this article applies, unless the receiver or administrator acknowledges the obligations arising from this agreement as estate debts.
- 15.3 The other party is at all times obliged to inform the receiver or administrator of the (content of the) agreement and these General Terms and Conditions.

ARTICLE 16 APPLICABLE LAW AND COMPETENT COURT

- 16.1 Dutch law shall apply to all legal relationships, both nationally and internationally, between Terra fibre and the other party.
- 16.2 The Vienna Convention on Contracts of Sale (C.I.S.G.) shall not apply, nor any other international regulations for which exclusion is permitted.
- 16.3 Contrary to all non-mandatory legal provisions applicable to the legal relationship between Terra fibre and the other party, all disputes between Terra fibre and the other party shall be presented to a Dutch judicial authority with subject matter jurisdiction, with the exclusion of other courts. Contrary to all non-mandatory legal provisions between the parties, the court in the place of the statutory seat of Terra fibre shall have territorial jurisdiction, with the exclusion of all other judicial authorities. Terra fibre shall however be entitled to request a different judicial authority with territorial jurisdiction, if he starts a lawsuit as claimant or petitioner.

ARTICLE 17 CONVERSION

- 17.1 If and in as far as no provision or a part of any provision in these General Terms and Conditions can be invoked due to breach of the applicable law, that provision shall have the meaning which agrees as much as possible in terms of content and purport with what the intention was when the (partial) provision concerned was drawn up, so that the parties will still be able to invoke that.

ARTICLE 18 PREVALENCE OF DUTCH TEXT

- 18.1 These General Terms and Conditions have been drawn up to be used in national and international agreements. In that context, these General Terms and Conditions will also be translated from Dutch into other languages. If the parties have a difference of opinion about the explanation of a non-Dutch version of these General Terms and Conditions, the Dutch text of these General Sales Terms and Conditions shall prevail over a translation or translations of them.

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