1. GENERAL

1.1 These General Terms and Conditions of Sale (“Conditions”) govern the offering, sale and delivery of all Products (each referred to as the “Product”) of DSM Nutritional Products entity in China ("DSM") to ("Customer") and apply to all transactions between DSM and Customer.

1.2 By contracting on the basis of the Conditions, Customer agrees to the applicability thereof in respect of future dealings, even if this is not explicitly stated.

1.3 DSM explicitly rejects the applicability of any general terms and conditions of Customer. Furthermore, the Conditions supersed any and all terms of prior oral or written quotations, communications, agreements and understandings of the parties in respect of the sale and delivery of the Products and shall apply in preference to and supersede any and all terms and conditions of any order placed by Customer and any other terms and conditions submitted by Customer. Failure by DSM to object to the terms and conditions set by Customer shall in no event be construed as an acceptance of any of the terms and conditions of Customer. All orders, confirmations, amendments and communications from DSM shall constitute a counter-offer and not acceptance of such terms and conditions submitted by Customer. Any communication or conduct of Customer which confirms an agreement for the delivery of Products by DSM, as well as acceptance by Customer of delivery of Products from DSM shall constitute an unqualified acceptance by Customer of the Conditions.

2. QUOTATIONS, ORDERS AND CONFIRMATION

2.1 Unless stated otherwise by DSM, quotations made by DSM in whatever form are not binding to DSM and merely constitute an invitation to Customer to place an order. All quotations issued by DSM are revocable and subject to change without notice and the validity of the quotations may be determined in accordance with the provisions of the Conditions. All quotations accepted by DSM in writing or DSM and Customer conclude a sales contract accordingly (the accepted order) and the terms and conditions as stated in the DSM Confirmed Order in parts and to invoice separately. Delay in delivery of any Products shall not relieve Customer of its obligation to accept delivery thereof, unless Customer cannot reasonably be expected to accept such late delivery. Customer shall be obliged to be accepted by DSM with the risk of loss associated with the delivery of the Products to the place of delivery. DSM fully reserves the right to vary the Conditions for the price and terms and conditions of delivery.

2.2 Price quotations based on estimated or projected quantities are subject to increase in the event that actual demand for the specified period is less than the estimated or projected quantities.

2.3 Each delivery shall stand as a separate transaction and any failure to deliver shall have no consequences for other deliveries.

3. PRICES

3.1 Prices and currencies of DSM’s Products are as set out in the DSM Confirmed Order. Unless otherwise agreed, DSM’s prices include standard packaging but do not include value added tax or any other similar applicable taxes, duties, levies or charges in any jurisdiction levied in connection to the Products or the delivery thereof (“Taxes”). The amount of any Taxes levied in connection with the sale of Products to Customer and the delivery thereof shall be either to be added to each invoice or separately invoiced by DSM to Customer. If DSM grants a discount, this discount only relates to the delivery specifically mentioned in the DSM Confirmed Order.

3.2 Unless the prices have been indicated as firm by DSM in the DSM Confirmed Order, DSM is entitled to increase the price of the Products still to be delivered if the cost price therefor is subject to increase. These factors include but are not limited to: raw materials, energies, products obtained by DSM from third parties, wages, salaries, social security contributions, governmental charges, freight costs and insurance premiums. DSM shall notify Customer of such an increase which shall not exceed the increase in the determining cost factors.

4. PAYMENT AND CUSTOMER’S CREDIT

4.1 Unless stated otherwise in the DSM Confirmed Order, payment shall be made on the basis of net cash, to be received by DSM within 30 (thirty) days following the date of DSM’s invoice. All payments shall be made without any deduction or offset from any of DSM’s Tax and other of-set or other counterclaims except for set-offs with uncontested and/or enforceable counterclaims.

4.2 With regard to payment for the Products, time is of the essence and DSM shall not be liable for any loss or damage caused by DSM’s or other third party delivery nor DSM’s delivery shall be deemed as acceptance of any of Customer’s terms and conditions.

4.3 If any delay in payment of the agreed price for the Products, Customer may invoke a retention of title.

4.4 Any complaint with respect to the invoice must be notified to DSM in writing within 20 (twenty) days after the date of invoice. Otherwise, Customer shall be deemed to have approved the invoice.

5. DELIVERY AND ACCEPTANCE

5.1 Unless stated otherwise in the DSM Confirmed Order, delivery of Products shall be made to the place of despatch as stated in the DSM Confirmed Order. DSM shall deliver the Products at the place as stated in the DSM Confirmed Order, or the Products shall be delivered to the place to which the order is made (the “Delivery Place”). DSM reserves the right to amend the Conditions at any time. DSM will notify Customer of any such amendments by sending the amended Conditions to Customer, posting them on the aforementioned Internet site or otherwise. The amended Conditions will take effect on the date of notification of these amendments. The amended Conditions shall apply to all transactions concluded between Customer and DSM after the date of such notification.

5.2 DSM and Customer agree that valid, enforceable and binding contractual obligations may result from electronic means of communication. Any electronic communication between DSM and Customer shall be effective as originals and shall be deemed to be “writing” between the parties. The electronic communication system used by DSM will serve as sole proof for the content and the time of delivery and receipt of such electronic communications.

5.3 DSM shall undertake to deliver the above-mentioned Products to the Customer at the place as stated in the DSM Confirmed Order. Delivery of the Products shall be made at the place as stated in the DSM Confirmed Order, or the place notified by DSM, unless otherwise stated in the DSM Confirmed Order. Time of delivery shall be of the essence. DSM shall not be liable for delay in delivery of the Products nor for any claim resulting from delay of delivery of the Products. DSM shall not be liable for any delay or failure to perform its obligations caused by Customer or any other events beyond its control.

5.4 DSM shall be entitled to deliver the Products within the time limit stated in the DSM Confirmed Order provided that the Customer is not late in payment. DSM shall notify Customer of any delay of delivery of the Products. In the case of delayed delivery, DSM shall also notify Customer of any delay in the delivery of the Products.

5.5 DSM may deliver the Products by instalments and the Customer shall accept the delivery of each instalment as delivered. DSM may deliver the Products in accordance with the applicable Incoterm and shall invoice the Products separately if the delivery of the Products is in instalments.

5.6 If the Customer does not accept delivery of the Products, DSM may charge interest on any overdue payment and all costs and expenses incurred by DSM.

5.7 Customer is entitled to receive the Products only if the Products conform to the specifications and all other terms and conditions submitted by Customer. Any complaint with respect to the invoice must be notified to DSM in writing within 20 (twenty) days after the date of invoice. Otherwise, Customer shall be deemed to have approved the invoice.

6. CANCELLATION

6.1 Customer’s wrongful non-acceptance or rejection of Products or cancellation of the DSM Confirmed Order shall entail DSM to recover from Customer, in addition to any other damages caused by such action:

(i) In the case of Products which cannot reasonably be resold by DSM to a third party, the price of such Products as quoted in the DSM Confirmed Order.

(ii) In the case of Products which can be resold by DSM, damages equal to 50% (fifty percent) of the price for the Products as quoted in the DSM Confirmed Order as liquidated damages, unless Customer can demonstrate that the actual damages incurred by DSM are lower than 50% (fifty percent) of the price or were not suffered at all.

7. EXAMINATION AND CONFORMITY TO SPECIFICATIONS

7.1 On delivery and during the handling, use, commingling, alteration, incorporation, processing, transportation, storage, importation and (re)sale of the Products, Customer must examine the Products and satisfy itself that the Products meet the agreed specifications for the Products as stated in the DSM Confirmed Order or, in the absence of agreed specifications, to the most recent specifications used by DSM at the time of delivery of the Products (the “Specifications”).

7.2 Complaints about the Products shall be made in writing and reach DSM not later than (7) seven days from the date of delivery of the Products. Failure to notify DSM of such default or shortage which would be apparent to a reasonable person exercising due diligence within (20) twenty days from the date on which any other claim (e.g. hidden defects) was or ought to have been apparent, but in no event later than (60) sixty days from the date of delivery of the Products or (ii) the expiry of the Products’ shelf-life whichever is the earlier. Any Use of the Products contrary to the Specifications shall be deemed to constitute acceptance of the Products as of the date of delivery and a waiver of all claims in respect of the Products.

7.3 A determination of whether or not delivered Products conform to the Specifications shall be done solely by DSM analysing the samples or records retained by DSM and taken from the batches or production runs in which the Products were produced in accordance with the methods of analysis used by DSM. In case of a dispute between the parties concerning the quality of a batch or production run of Products supplied by DSM to Customer, DSM will submit representative samples of said batch or run to an independent laboratory reasonably acceptable to Customer to have determined whether or not the batch or run in question has met the Specifications. The results of such analysis shall be binding upon the parties and the party unable to uphold its position shall bear the related costs of the laboratory.

7.4 Defects in parts of the Products do not entitle Customer to reject the entire delivery of the Products; unless Customer cannot reasonably be expected to accept delivery of non-defective Products or parts thereof. Complain, if any, do not affect Customer’s obligation to pay as defined in Article 4.

7.5 The risk of the Products shall pass to Customer according to the applicable Incoterm (see Article 5.1) or the relevant provision of Article 5.1.

7.6 The title to the Products shall not pass to Customer and full legal and beneficial ownership of the Products shall remain with DSM unless and until DSM has received payment in full for the Products, including costs such as interest, charges, expenses etc.

7.7 In the event of termination on the basis of Article 16, DSM shall, without prejudice to any other rights, recover (i) any remaining or unaccepted Products, if any, from the Customer, or (ii) repossess the Products, for which it may invoke a retention of title.

8. LIMITED WARRANTY

8.1 DSM solely warrants that on the date of delivery the Products shall conform to the Specifications. If and to the extent Products are in breach with such warranty, as determined in accordance with Article 7, DSM may at its own option and within a reasonable time either repair or replace the Products at no charge to Customer, or issue a credit against any other goods purchased by Customer. Furthermore, DSM’s obligation shall be limited solely to repair or replacement of the Products or for credit of the Products.

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13. COMPLIANCE WITH LAWS AND COMPLIANT STANDARDS

13.1 Customer acknowledges that the Use of the Products may be subject to certain limitations under any law, statute, ordinance, rule, code or standard, including, but not limited to, all applicable regulations relating to (i) anti-bribery and anti-corruption and (ii) international trade, such as, but not limited to, embargos, import and export control and sanctioned party lists ("Laws and Standards").

13.2 Customer expressly warrants that employees, agents and sub-contractors of the Supplier shall not directly or indirectly (i) accept, promise, offer or provide any improper advantage, (ii) for the purpose of entering into an agreement which would constitute a bribery, a corruption of or influence or infringement of applicable Compliance Requirements, with any entity or person including but not limited to, (a) a government-controlled entity, or (b) relating to a product.

13.3 Customer shall be exclusively responsible for (i) ensuring compliance with all Laws and Standards associated with its intended Use of the Products; and (ii) obtaining all necessary approvals, permits or clearances for such Use.

14. INDEPENDENT CONTRACTORS

14.1 DSM and Customer are independent contractors, and the relationship created hereby shall not be deemed to be that of principal and agent.

15. NON-ASSIGNMENT AND CHANGE OF CONTROL

15.1 Neither party may assign any of the rights or obligations under the DSM Confirmed Order without the prior written consent of the other party, except that either party may assign such rights and obligations to any of its affiliates or to a third party acquiring all or a substantial part of its assets or business relating to the Products.

15.2 DSM shall have the right to terminate the DSM Confirmed Order with immediate effect if at any time during the term of the DSM Confirmed Order a person or group of persons, who are unrelated to the persons controlling Customer as of the date of the DSM Confirmed Order, acquires control, through ownership of voting securities or otherwise, over Customer. Customer must notify DSM of such acquisition within 10 (ten) days thereof. DSM may exercise its right to terminate the DSM Confirmed Order by giving Customer written notice of such exercise within 10 (ten) days after the date of receipt of such notice.

16. SUSPENSION AND TERMINATION

16.1 If Customer is in default of performance of its obligations under this Agreement to provide DSM with adequate assurance of Customer’s performance before the date of scheduled delivery; or if Customer becomes insolvent or is unable to pay its debts as they mature, or goes into liquidation (other than for the purpose of a reconstruction or amalgamation) or any bankruptcy proceeding shall be instituted by or against Customer or if a trustee or receiver or administrator is appointed for all or a substantial part of the assets of Customer or if Customer enters into a deed of arrangement or makes any assignment for the benefit of its creditors; or in case of non-compliance of Customer with Laws and Standards, then DSM may by notice in writing forthwith, without prejudice to any of its other rights:

(i) demand return and take repossession of any delivered Products which have not been paid for and all costs relating to the recovery of the Products shall be for the account of Customer; and/or

(ii) suspend its performance or terminate the DSM Confirmed Order for pending delivery of Products unless Customer makes such payment for Products on a cash in advance basis or provides adequate assurance of such payment for Products to DSM.

16.2 In any such event of Article 16.1 all outstanding claims of DSM shall become due and payable immediately with respect to the Products delivered to Customer and not repurchased by DSM.

17. WAIVER

17.1 Failure by DSM to enforce at any time any provision of the Conditions shall not be construed as a waiver of DSM’s right to act or to enforce any such term or condition and DSM’s rights shall not be affected by any delay, failure or omission to enforce any such provision. No waiver by DSM of any breach of Customer’s obligations shall constitute a waiver of any other prior or subsequent breach.

18. SEVERABILITY AND CONVERSION

18.1 In the event that any provision of the Conditions shall be held to be invalid or unenforceable, the same shall not affect in any respect whatever, the validity and enforceability of the remaining provisions between the parties and shall be severed therefrom. The remaining provisions held to be invalid or unenforceable shall be reformed to the extent necessary to give effect to the parties' intent as set forth in the original provisions to the maximum extent permitted by law.

19. LIMITATION OF ACTION

19.1 Unless otherwise stated hereunder, no action by Customer shall be brought unless Customer first provides written notice to DSM of any claim alleged to exist against DSM within 30 (thirty) days after the event complained of first becomes known to Customer and an action is commenced by Customer within 12 (twelve) months after such notice.

20. GOVERNING LAW AND VENUE

20.1 The parties’ rights and obligations arising out of or in connection with the DSM Confirmed Order and/or the Conditions shall be governed, construed, interpreted and enforced according to the laws of People’s Republic of China, without regard to the conflict of laws provisions thereof. The United Nations Convention on Contracts for the International Sale of Goods dated 11 April 1980 (CISG) shall not apply.

20.2 Any dispute, controversy or claims arising under, out of or relating to the Conditions or the transaction hereunder shall be settled amicably between the Parties. If no amicable settlement can be reached, both Parties agree to submit the dispute to the jurisdiction of China Economic and Trade Arbitration Commission (“CIETAC”). The arbitration shall be conducted in accordance with the Arbitration Rules of CIETAC.

21. SURVIVAL OF RIGHTS

21.1 The parties’ rights and obligations shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, directors, officers, employees, agents and legal representatives. Termination of one or more of the parties’ rights and obligations, for whatever reason, shall not affect those provisions of the Conditions which are intended to remain in effect after such termination.

22. HEADINGS

22.1 The headings contained in the Conditions are included for more convenience of reference and shall not affect the latter’s construction or interpretation.

23. INTELLECTUAL PROPERTY

23.1 All intellectual property rights arising out of or in connection with the Products shall be the exclusive property of DSM.

23.2 DSM has not verified the possible existence of third party intellectual property rights which might be infringed as a consequence of the sale and/or delivery of the Products and DSM shall not be held liable for any loss or damage in that respect.

23.3 The sale of Products shall not, by implication or otherwise, convey any license under any intellectual property right relating to the compositions and/or applications of the Products, and Customer explicitly assumes all risks associated with any intellectual, exclusive, infringement by reason of the Use of the Products, whether singly or in combination with other materials or in any processing operation.

24. LANGUAGE

24.1 The original version of the Conditions is made in the English language. If the Chinese translation version and the English version are used at the same time and if there is any inconsistency or contradiction between the English version and the Chinese translation version thereof, the English version shall prevail.