

### 1. Scope of Application

1.1 These General Terms and Conditions of Sale and Delivery (hereinafter the 'Terms and Conditions') shall exclusively govern all sales and deliveries of goods by **HD Fragrances sprl** (the "Seller") to the Buyer (hereinafter the '**Customer**') in the present and future. Any general Terms and Conditions of the Customer that add to or diverge from these Terms and Conditions shall not be applicable.

1.2 Our Terms and Conditions apply only to persons who, at conclusion of contract, are acting in their vocational capacity as tradespersons or self-employed persons.

### 2. Conclusion of Contract, Condition of our Goods

2.1 As a basic principle, our offers are non-binding. Contracts are not concluded until our written confirmation of order has been received. Our offer, our confirmation of order and these Terms and Conditions are authoritative with regard to the content of the contract unless we have explicitly agreed same with the Customer. Such agreements must be recorded in writing.

2.2 The contractually agreed conditions of our goods are those properties and features that are specified in our offer and our confirmation of order. If we have shown or sent the Customer specimen products prior to conclusion of contract, the properties and features of the specimen goods are deemed to be the contractually agreed condition. Other or more extensive properties and features shall not constitute a contractually agreed condition unless this is explicitly agreed. Any such agreement must be recorded in writing.

2.3 Statements on our part regarding the condition of the goods shall not constitute a guarantee of condition or shelf life unless we have explicitly designated them to be such a guarantee of condition or shelf life. The customer is responsible for the proper storage of their products. To guarantee shelf life, products must be properly stored in their original cartons, without access to sunlight, avoiding moisture and in a constant low air temperature area.

### 3. Delivery

3.1 Unless otherwise agreed, products will be delivered ex works or warehouse (latest Inco terms). The risk of accidental loss of or accidental damage to the goods shall pass to the Customer when we hand over the goods to a forwarder or carrier, at the latest, however, when the goods leave our factory or warehouse.

3.2 We have the right to make partial deliveries when this is reasonable for the Customer.

3.3 We reserve the right to exceed or shorten the delivery of up to ten percent (10%) of the ordered quantity and in respect of each partial delivery.

3.4 If the Customer defaults on the agreed call-off of the goods or on their acceptance, we may set the Customer a reasonably extended deadline and claim compensation instead of performance if the deadline expires to no avail.

### 4. Delivery Time, Impediments to Delivery, Rights of Withdrawal

4.1 Delivery dates communicated or acknowledged by Seller are approximate only, and HD Fragrances shall not be liable for, nor shall HD Fragrances be in breach of its obligations to Buyer, for any delivery made within a reasonable time before or after the communicated delivery date. HD Fragrances agrees to use commercially reasonable efforts to meet the delivery dates communicated or acknowledged by it on the condition that Buyer provides all necessary order and delivery information sufficiently prior to the such delivery date.

4.2 If we have concluded a congruent transaction with our own supplier in timely manner, any delivery and service terms we specify are subject to the provision that we ourselves are properly supplied in timely manner.

4.3 Cases of force majeure interrupt our duty to delivery for their duration and to the extent of their impact, even when we have already defaulted on delivery. Cases of force majeure include unforeseen circumstances and events that cannot have been avoided by exercising due diligence (e.g. strike and lock-out, war, fire, traffic disruptions, scarcity of raw materials, official measures).

4.4 In the cases specified in clauses 4.2 and 4.3 above, we are entitled to withdraw from the contract. In that event, we are obliged to notify the Customer without delay that the performance cannot be rendered and to reimburse the Customer without delay for any counter-performance rendered.

**5. Prices and Payments**

5.1 Prices in any offer, confirmation or Agreement are in Euros, based on delivery Ex-Works (INCOTERMS latest version) sellers' manufacturing facility or other facility designated by HD Fragrances, unless agreed otherwise in writing between Buyer and Customer, do not include taxes, potential custom duties, fees, packing, freight, postage and transport insurance applicable to the Products. Contracts are concluded on the basis of the prices we have specified or confirmed in writing.

5.2 Net payment is due prior to shipment of goods or if agreed between HD Fragrances and the client in writing, within thirty (30) days of date of invoice. For custom orders, a deposit payment of at least 40% will be requested to commence upon commencement of the project. If deliveries are made in instalments, each instalment may be separately invoiced and shall be paid for when due. Payment is not deemed effected until we can finally dispose of the amount in question. Late payment shall entitle us to change default interest at 1% per month.

5.3 Payment is requested by credit card (VISA or MasterCard) or by international bank transfer to the designated HD Fragrances account.

**6. Rights and Duties of the Customer in respect of Defective Goods**

6.1 Obvious defects must be notified without delay; at the latest within ten (10) working days after taking delivery (dispatch of the notice suffices). Hidden defects must be notified in writing immediately after discovery. These duties to examine and report any defects apply also to goods destined for further transportation. The Customer may not base a claim on defects that were notified late.

6.2 In the case of justified any timely notification of defects, the Customer's claims shall be restricted initially to remedy of such defects. This provision shall not apply if it is unreasonable for the Customer to accept such remedy of defects. In the case of remedy, we may choose, at our discretion, to repair the defective goods or to redeliver. If efforts of remedy fail twice, or are refused by us, the Customer may claim his statutory rights (reduction of the purchase price, withdrawal from the contract).

6.3 The Customer does not have a right of withdrawal if the defect is minor. The damage claim of the Customer is subject to the provisions in item 7 below.

6.4 If only few of several delivered products are defective, any statutory right of withdrawal on the part of the Customer shall be limited to those products. The principle shall also apply if the products are sold in combination, unless the defective products cannot be separated from the others without damage occurring, or the Customer proves that such separation would be unreasonable for him.

**7. Liability, Exclusion of Withdrawal in the Case of Certain Breaches of Obligations**

7.1 In the event of culpable violation of important contractual obligations (so called "cardinal obligations") we shall bear unrestricted liability in cases of deliberate action or gross negligence; in the case of ordinary negligence liability to pay damages shall be limited to the reasonable foreseeable damages associated with this kind of contract.

7.2 In all other cases, compensation claims against us, regardless of their legal basis, shall be excluded unless damages were due to deliberate or grossly negligent breach of obligations by our legal representatives or persons we employ in performing our obligations. Our liability in cases of gross negligence is limited to the foreseeable damages typically associated with this kind of contract.

The Customer has no right to withdraw from the contract on account of a breach of obligations that does not consist in any defect in the goods and for which we bear no fault.

**8. Periods of Limitation**

8.1 The period of limitation for claims asserted by the Customer on account of defective goods is six (6) months.

8.2 The period of limitation for all other contractual claims based on breaches of obligations is one (1) year. This shall not apply to the Customer's right to withdraw from the contract in account of a breach of obligation that does not consist in a defect in the goods.

8.3 All other claims on the part of the Customer are barred by limitation after one (1) year.

8.4 At variance from clauses 8.1 till 8.4 above, the statutory periods of limitations shall apply in cases of personal injury to life, body or health, breach of a major contractual obligation, or due to deliberate or grossly negligent breach of another obligation by ourselves or persons we employ in performing our obligations. The same principle shall apply in cases of malicious non-disclosure of defects.

8.5 Our claims to payment against the Customer shall be barred by limitation in accordance with statutory regulations.

## **9. Retention of Title**

9.1 Title in the Products shall pass to Customer upon payment in full of the purchase price in respect thereof. Risk of loss in the Products shall pass to Customer upon HD Fragrances' delivery in accordance with the applicable INCOTERMS.

9.2 Processing of transformations of our goods by the Customer is always on our behalf as manufacturer. If our goods are processed, transformed or inseparably combined or mixed with other goods that are not our property, we acquire co-ownership of the new object in proportion to the value of our goods and the value of the other object at the time of such processing, transforming, mixing or combination, if the other object of the Customer is to be deemed the primary object. It is hereby agreed that the Customer shall transfer proportionate co-ownership to us. We hereby accept said transfer of proportionate ownership. The Customer shall keep our (co-)ownership on our behalf at no charge.

9.3 The Customer has the right to process and to sell the reserved title goods in the ordinary course of business as line as he does not default on his payments to us. The reserved title goods may not be pledged, or ownership of them transferred as a form of security. The Customer hereby assigns to us by the way of security all claims if may acquire from resale of the goods (including all current account debit balances) as well as any insurance claims and claims against third parties due to damage, destruction, theft or loss of the goods. We hereby accept this assignment of claims. If we are entitled only to co-ownership of the reserved title goods, anticipatory assignment shall be confined to that part of claim corresponding to our share in co-ownership (based on the invoice value). When reselling the goods, the Customer must retain ownership of the reserved title goods until his customers have paid the purchase price in full. The Customer shall not be entitled to resell the goods to third parties if assignment of the purchase price claim accruing from resale is prohibited.

9.4 We authorise the Customer, subject to revocation, to collect the claims assigned to us to his own account and in his own name. This authorisation to collect may be revoked if the Customer fails to properly meet his obligations to render payment to us, or if our claims to payment seem jeopardised by the Customer's deteriorating financial status. The Customer shall inform us, on request, of the debtors owing the assigned claims. If the Customer assigns his claims from resale to a factor, the Customer shall notify us of said fact. The Customer hereby assigns to us his claim to payment from the factor to the amount of receivables to be secured.

9.5 If third parties seize or confiscate the reserved title goods, the customer shall draw attention to our ownership and notify us accordingly without delay. Our expenses for intervening shall be borne by the Customer, to whom we shall assign any claim to reimbursement that we may acquire against the third party concurrently with payment of the interventions expenses.

9.6 If the law of the country in which the goods are delivered or in which the goods are located does not permit a retention of ownership pursuant to the above provisions, but said laws permit the buyer to retain similar rights to the object of delivery in order to secure his claims, or to have such granted to him, then such rights shall be darned on conclusion of contract as having been retained on our behalf and granted to us by the customer. The Customer agrees to collaborate in all measures that we wish to take in order to protect our ownership rights or other rights to the reserved titled goods in place of those ownership rights. In the case of exported goods, we may also require that the Customer provides us with banker's guarantees as security for all our claims under the contract.

## **10. Applicable Law, Place of Performance, Place of Jurisdiction**

10.1 All offers, confirmations and Agreements are governed by and construed in accordance with the laws of Belgium. All disputes arising out of or in connection with any Agreement shall first be attempted by Customer and HD Fragrances to be settled through consultation and negotiation in good faith in a spirit of mutual cooperation. All disputes which cannot be resolved amicably shall be submitted to the exclusive jurisdiction of the courts of Brussels, Belgium.

10.2 The sole place of performance for our deliverables is our registered business address. The latter is also the place of payment for the Customer.