

Sales and Delivery Terms and Conditions for Export of the Weckerle GmbH, 82362 Germany

1. General, Scope

- 1.1 All current and future quotations, offers, deliveries and other services attributable to the business area Cosmetics provided by us to Purchasers named in clause 1.2 ("Purchasers") are governed exclusively by these "Sales and Delivery Terms and Conditions for Export", which shall be accepted by the Purchasers by the placing of an order or the receipt of delivery. The Purchaser's conflicting or supplementary general terms and conditions shall not apply, even if we do not expressly object to such terms.
- 1.2 Our "Sales and Delivery Terms and Conditions for Export" apply only to Purchasers outside the Federal Republic of Germany who are acting with respect to their trade, business or profession ("Entrepreneur") at the time that the contract is concluded.
- 1.3 Our domestic Purchasers are subject to the "Sales and Delivery Conditions for Domestic Business" (Verkaufs- und Lieferbedingungen für Inlandsgeschäfte).

2. Conclusion of Contract, Content of Contract

- 2.1 Our quotations are not binding. A contract shall not become effective until it has been expressly confirmed by us in a written confirmation of order and shall be governed exclusively by the contents of the confirmation of order and these Terms of Delivery. Oral agreements or promises as well as changes to confirmed orders are only valid if they have been confirmed by our authorized representatives in writing.
- 2.2 Particulars and information contained in product catalogues and price lists only become a binding part of the contract where they are expressly referred to therein.
- 2.3 Our offer includes two colour samplings (in addition to shipping costs) and the following services provided by the quality department as well as the laboratory: special raw material test (physical appearance, colour, savour), bulk (mass) verification (physical appearance, colour, savour); microbiological testing in the case of H products; quality control of finished goods (physical appearance, colour, savour); compiling product specifications for internal system processes including relevant documentation (e.g. GMP, REACH); developing standards for raw materials, components and finished goods; drawing up analytical certificates; preparation of lists of ingredients (qualitative and quantitative); creation of product information file as well as safety assessment of every product, notification to CPNP (Cosmetic Product Notification Portal) after the client's activation.
- 2.4 Unless expressly agreed upon, the offering price does not include the following services: tool costs; legal costs; parent-related appraisal costs for article, name or formulations; laboratory documentation for certified analytical certificates (e.g. Certificate of Origin, Certificate of Free Sale or the like) or notary fees for such procedures; analytical proves of ingredients and/or toxic agents.

3. Changes to the Delivery Item

- 3.1 We reserve the right to make changes to the construction or in the materials used that deviate from the contractually agreed product description insofar as the normal use of the goods or the use intended by the contract is not significantly or disadvantageously encroached upon and insofar as such changes are not unreasonable for the Purchaser.
- 3.2 Requests for changes made by the Purchaser will only be considered within five working days subsequent to the order of the Purchaser and require an agreement about the effects on the price and delivery schedule.

4. Prices, Adjustment of Price

- 4.1 Unless otherwise specifically agreed, prices shall be understood to be ex-works (EXW), including packaging in standard cardboard boxes, not including transport and insurance costs and the applicable value-added tax. Our prices in the offers are valid for six months.
- 4.2 The prices shall apply for the minimum quantity per article and per production indicated in the offer. If the Purchaser's order deviates from this minimum quantity, we reserve the right to adjust the prices.
- 4.3 For contracts with an agreed duration of more than 3 months, we are able to demand an alteration to the agreed price to the extent that, after conclusion of the contract, we incur costs that we cannot avert, in particular due to conclusion of a collective agreement or changes to the price of materials. The adjustment of price shall be limited in its extent to the amount necessary to cover such increased costs. We also have a corresponding right to adjust the price where, due to delays on the part of the Purchaser, an actual delivery period of more than 3 months results.

5. Payment

- 5.1 Unless agreed otherwise, payments must be made within 30 days from the date of invoice and delivery of the goods to the account stated in our invoice, free of charges or fees and without any discount. Regardless of the means of payment, the payment shall only then be deemed to have been made when the full amount on the invoice has been credited irrevocably to our account and consequently we have access to it ("Receipt of Payment"). The Purchaser shall bear all additional costs that arise from its choice of means of payment.

- 5.2 We are entitled to issue partial invoices for partial deliveries and/or partial services.
- 5.3 Payments shall be made in the currency stated in our quotation or order confirmation.
- 5.4 We are entitled to request prepayment if no credit insurance can be obtained for the Purchaser.
- 5.5 Should the Purchaser fail to make payment within good time, we can demand interest of a rate 7 % p. a. without prejudice to any other legal remedies. We are also at liberty to claim and prove actual greater damage.
- 5.6 An offset or netting off of counter claims or the exercise of a right to withhold payment is only permitted if the Purchaser has obtained a final judgment on legal claims or if these legal claims are recognised, uncontested and accepted by us.

6. Delivery Schedule, Credit Worthiness, Acceptance of Delivery Items

- 6.1 The delivery schedule shall be agreed by the parties to the contract. In order that the delivery schedule will be met, the Purchaser is required to supply in a timely manner all the necessary documentation and Purchaser-provided materials (see section 11) as well as to provide the specification of the individual details of the desired product. A delay in delivery due to the late delivery of the Purchaser-provided materials may not be recognized in the valuation of the supplier evaluation (e. g. service level OTIF).
- 6.2 The delivery date specified has been met if, prior to its expiry, the conditions under which the transfer of risk in accordance with clause 7.2 occurs.
- 6.3 We may make partial deliveries and/or may render partial services for good reasons provided this is reasonable for the Customer.
- 6.4 The delivery date specified shall be extended appropriately if we are unable to meet our delivery obligations at all or in good time for reasons that lie beyond our control and that could not be reasonably foreseen by us at the time the contract was concluded. Obstacles that lie beyond our control include in particular the delivery of material to us from our suppliers not within good time or not as agreed. The arising and alleviation of the obstacle will be communicated as soon as possible to the Purchaser. If the delay is in excess of three months or if it has been established that it will last for more than three months, then we or the Purchaser can declare the contract as avoided or rescinded.
- 6.5 If, after the conclusion of the contract, we become aware of circumstances that justify well-founded doubts about the ability to pay or the credit worthiness of the Purchaser and as a result thereof there is a danger that payments due to us under the concluded contract will not be made, we have the right to deny our performance of the contract until the payment is made in accordance with the contract or security is provided for the payment and the Purchaser has discharged any other claims or demands arising out of the business relationship and that are economically connected with the contract in question.
- 6.6 Unless otherwise agreed, the Purchaser is obliged to take receipt of the delivery item within 10 days of receipt of our notification that the delivery item is ready at our place of business. Exceeding such a period by more than 3 days constitutes a fundamental breach of contract and entitles us, without prejudice to other legal remedies, to arrange for the carriage of the delivery item to the Purchaser and to complete the associated formalities at the Purchaser's cost. Failure to take receipt of the delivery item has no effect upon the Purchaser's obligation to pay the purchase price.

7. Delivery, Dispatch, Passage of Risk

- 7.1 The place of delivery shall be determined according to the delivery clauses agreed between us and the Purchaser, which are to be interpreted according to Incoterms 2000. Unless another special delivery clause has been agreed, delivery shall always be made ex-works (EXW) at our place of business, regardless of who bears the costs thereof.
- 7.2 Unless otherwise agreed, risk shall pass to the Purchaser at the time when the delivery item is made available to it. If the delivery item is transported to the Purchaser, the risk shall pass to the Purchaser at the latest when the delivery item is collected by the first carrier. If the carriage of the delivery item should be delayed as a result of circumstances beyond our control, then risk shall pass to the Purchaser at the time when the readiness of the delivery item for dispatch is communicated to it.
- 7.3 At the request of the Purchaser, all sent items may be insured at the Purchaser's expense from the point in time at which risk passes. Where damage occurs, we shall transfer the rights under the contract of insurance to the Purchaser concurrently to the Purchaser's performance of its contractual obligations (including the refund of the insurance premium).
- 7.4 If the Purchaser does not accept the delivered Goods in time, we are entitled to charge to the Purchaser any costs, in particular storage costs, that have incurred because the delivered Goods were not accepted in time. If the Goods are stored at our premises, storage costs in the amount of 2% of the market price of the Goods shall be charged per month.

8. Lack of Conformity of Goods with Contract, Notice of Defects, Warranty

- 8.1 The Purchaser must give us notice in writing of any lack of conformity of the delivery item and/or documents with the contract that is recognisable upon receipt of the delivery item without delay, at the latest one week after it has taken receipt thereof, specifying in detail the nature of the lack of conformity. The Purchaser shall further be obliged to examine the delivery item promptly, at the latest within one week of their receipt even though a factory acceptance test has been carried out. The Purchaser shall lose the right to rely on a lack of conformity of the delivery item with the contract if it does not give written notice to us specifying the nature of the lack of conformity within one week after it has discovered it or ought to have discovered the lack of conformity, regardless of the reasons the Purchaser may have for not adhering to

this requirement. Written notice of defects discovered must be dispatched to us by the Purchaser within one week of receipt of the goods or of the discovery of a lack of conformity; it is further required that the notice of defects sent by the Purchaser within the week actually reaches us.

- 8.2 If, after the Purchaser has given notice of defects, no lack of conformity of the delivered item can be established, the Purchaser is obliged to pay us the costs incurred in connection with the inspection of the delivered delivery item.
- 8.3 We are only liable for a lack of conformity with the contract of a delivery item that exists at the time the risk passes to the Purchaser. We are not liable in the event of unsuitable or unauthorized use of a delivery item, modifications of the delivery item by the Purchaser which cause an error, packaging materials and products that are to be packed do not meet all the requirements that we stipulated or in the event of climatic, chemical, electro-chemical or electrical influences, insofar as we are not responsible for them.
- 8.4 We are entitled to remedy or remove a lack of conformity of the delivery item or the documents by repair or replacement even after the agreed date of delivery. Insofar as the contract or the circumstances of the conclusion of the contract - in particular the negotiations that took place - do not indicate to the contrary, a lack of conformity does not exist just because the delivery item does not correspond to the current technical and other standards or regulations in the country of destination (registered place of business of the Purchaser) or because the delivery item is not fit for certain purposes for which goods of the same description would ordinarily be used.
- 8.5 Insofar as the lack of conformity with the contract of the delivery item or the documents is not remedied by repair or replacement within a reasonable time, the Purchaser is entitled to demand a reduction in the purchase price corresponding to the reduced value of the delivery item.
- 8.6 In case of a lack of conformity with the contract of the delivery item or the documents, the Purchaser is not entitled to demand a rescission or annulment of the contract instead of a reduction of purchase price unless the lack of conformity amounts to a fundamental breach of the contract. No fundamental breach of contract exists where we remedy the lack of conformity with the contract within a reasonable period of not less than six weeks to be fixed by the Purchaser.
- 8.7 The Purchaser's rights to make claims under any warranty expire within twelve months after the delivery item has been received by the Purchaser. If an acceptance test has been agreed, the period of limitation shall begin at the end of the day on which the acceptance test has been carried out, or - if the test has not been carried out through Purchaser's fault - should have been carried out, at the latest, however, at the end of the day on which Purchaser has put the delivery item into operation for his own commercial purposes.
- 8.8 If, after the Purchaser has given a notice of defect, a defect of the Goods cannot be found, the Purchaser must reimburse to us all costs having incurred in relation to the inspection of the Goods.

9. Liability, Compensation

- 9.1 Our liability to pay compensation for damage - in particular for consequential economic loss due to late delivery or a lack of conformity with the contract of the delivery item or the documents - is hereby excluded, unless such damage results from intention or gross negligence at the least.
- 9.2 Our liability in accordance with applicable statutory product liability laws and regulations that cannot be contractually excluded remains unaffected.

10. Reservation of Title

- 10.1 We retain title to the delivery item until the purchase price of the goods has been paid in full in accordance with clause 6.1 of this Agreement, to the extent that such a reservation of title is effective under the law applicable to this Agreement.
- 10.2 The Purchaser must take all measures that are necessary to secure or retain this right to retention of title or to procure equivalent security rights in the country of destination (the Purchaser's registered place of business). Non-compliance by the Purchaser with this duty constitutes a fundamental breach of contract.
- 10.3 These terms concerning reservation of title do not affect the terms of the transfer of risk in clause 8.2 of this Terms and Conditions.

11. Provision of Materials

- 11.1 Materials provided by the client have to be delivered at his/her own cost and risk at least 2 weeks before start of production in flawless quality with an appropriate quantity surcharge of at least 5%. Any extra costs that we incur based on the circumstances that the client has not delivered the material in time and/or in required quality have to be borne by the client. Any insurance of the delivered material the client has to take care of.
- 11.2 The client has to perform the following testing in case of providing materials within the scope of quality assurance in deviation from paragraph 2.2: raw material test (physical appearance, colour, savour); bulk verification (physical appearance, colour, savour); microbiological testing in the case of H products; quality control of finished goods (physical appearance, colour, savour).

12. Place of Jurisdiction, Applicable Law

- 12.1 The courts in our place of business in 82362 Weilheim, Germany shall have exclusive jurisdiction over all disputes arising out of this contract. Notwithstanding the previous sentence, we are also entitled to bring claims against the Purchaser at its registered place of business.
- 12.2 The Terms of Delivery and the contractual relationship of the contracting parties shall be governed by the rules in the United Nations Convention on the International Sale of Goods (CISG) dated April 11, 1980. Legal questions concerning matters that are not regulated by this Convention or that cannot be settled in conformity with the general principles on which it is based shall be decided according to the substantive provisions of Swiss law.

13. Final Provisions

- 13.1 In the event that any individual term or provision of the present Sales and Delivery Terms and Conditions for Export or any agreement based thereon should for any reason be held to be invalid or legally unenforceable in any respect, such invalidity or unenforceability shall not affect any other term or provision or any other contract. In case of such an invalid or legally unenforceable term or provision or contract, the parties shall jointly seek a valid and enforceable term or contract that corresponds as closely as is allowed to the economic purpose of the invalid or unenforceable term or agreement.
- 13.2 The parties are both obliged to take whatever measures are necessary to achieve the purpose of the contract and to refrain from doing anything that intrudes upon the achievement of and compliance with the contract.