

**ARTICLE 1 – GENERAL**

- 1.1 General Terms and Conditions are taken to mean the most recent and filed terms and conditions of Van der Knaap and the following group members that are part of it: Holland Potgrond B.V., Van der Knaap Rooting B.V., Van der Knaap Rooting Beheer B.V., P. and R. Holding B.V., Forteco B.V., Interterra Nederland B.V., Van der Knaap Retail B.V., Van der Knaap Diensten B.V., Forteco Organic Systems V.O.F., Forteco Organic Fertilisers V.O.F., Natural Start B.V., Fertiliser Production B.V., Van der Knaap-van Egmond B.V., Van der Knaap USA LLC, Van der Knaap Canada Ltd, Van der Knaap Mexico SA de CV, Van der Knaap (Shanghai) Agriculture technologie Co. Ltd.
- 1.2 The user of these terms and conditions will hereinafter be referred to as 'Van der Knaap'.
- 1.3 "Other party" in these General Terms and Conditions shall refer to the party Van der Knaap enters into a legal relationship with.
- 1.4 "Order" in these General Terms and Conditions shall refer to the fact that another 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 AND APPLICATION

- 2.1 The applicability of the General Terms and Conditions of the other party or other terms and conditions is expressly declined.
- 2.2 These General terms and Conditions shall apply to all legal relationships in which a Van der Knaap company (or other companies that use these General Terms and Conditions) acts as (potential) seller and/or supplier of goods and/or services. Van der Knaap mainly focuses on the sale of potting soil, substrates and propagation systems. Nevertheless, these General terms and Conditions are also part of every legal relationship entirely or partially concerning the provision of services by Van der Knaap.
- 2.3 Deviating from these Terms and Conditions is only possible if this has been expressly laid down in writing by both parties or confirmed in writing by Van der Knaap.
- 2.4 If Van der Knaap does not always require strict compliance with these terms and conditions, it does not mean the provisions thereof are not applicable, or that Van der Knaap would in any way lose the right to demand strict compliance with the provisions of these terms and conditions in other cases.

ARTICLE 3 – ESTABLISHMENT OF THE AGREEMENT

If the other party places an order, the agreement shall only be established by Van der Knaap'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 – Van der Knaap 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.
- 4.2 Additions to what has been agreed between the other party and Van der Knaap shall only be valid from the moment these changes have been accepted in writing by both Parties through an additional or amended Agreement or Addendum.

ARTICLE 5 – PRICES

- 5.1 All prices are ex warehouse - except if agreed otherwise in writing – of if that applies, ex depot. All prices are exclusive of VAT and other government levies.
- 5.2 Future changes in costs of labour, transport, raw materials and/or exchange rates movements with regard to the agreed performance which are not already known at the time an agreement is concluded, shall give Van der Knaap the right to charge these on automatically. Charging on within three months after conclusion of the agreement shall give the other party the right to terminate the agreement for that reason by notifying Van der Knaap in writing.

ARTICLE 6 – DELIVERY AND DELIVERY TIME

- 6.1 Delivery times agreed with Van der Knaap shall apply as an indication and not as a final deadline. If delivery does not take place in time, Van der Knaap 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 Van der Knaap 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 Van der Knaap 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.
- 6.5 The other party is obliged to take delivery of the purchased goods at the time when they are made available or handed over.
- 6.6 If the other party refuses to take delivery of the goods at the place of delivery or is negligent in providing information or instructions that are necessary for the delivery, the goods intended for delivery will be stored at the expense and risk of the other party. In that case, the other party will owe all additional costs.

ARTICLE 7 – PAYMENT

- 7.1 Van der Knaap's invoices must be paid before the due date stated on the invoice in the way specified by Van der Knaap. 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 Van der Knaap about the products supplied, unless Van der Knaap 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 Van der Knaap already sent an invoice in this matter. Van der Knaap shall inform the other party in writing, in the event Van der Knaap relies on this provision, and shall send an appropriate invoice. In that case, Van der Knaap 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 fulfil one of its obligations or fails to do so in time, then, in addition to the agreed price and costs, all costs incurred in obtaining payment out of court will be payable by the other party, including the costs for preparing and sending reminders, making a settlement



proposal and making inquiries. With regard to the extrajudicial (collection) costs, Van der Knaap, contrary to Article 6:96, paragraph 5 of the Dutch Civil Code and the Extrajudicial Collection Costs (Fees) Decree, is entitled to compensation of 15% of the total outstanding principal sum, subject to a minimum of € 90 for each invoice that has not been paid in full or only partially. If Van der Knaap demonstrates that it has incurred higher costs, these too will be eligible for reimbursement.

- 7.5 If for any reason, Van der Knaap is held to account by the other party and Van der Knaap as a result feels required to call in 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 Van der Knaap 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 Van der Knaap shall retain the ownership of all goods delivered or to be delivered until full payment of:
- 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;
 - 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 Van der Knaap 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, Van der Knaap 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 authorize Van der Knaap 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 Van der Knaap 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 Van der Knaap, 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 van der Knaap as security for everything Van der Knaap 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 Van der Knaap at the first request. The other party has further irrevocably authorized Van der Knaap 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 Van der Knaap to provide (additional) security for all existing and future claims of Van der Knaap against the other party for whatever reason, at the first request of Van der Knaap, to the satisfaction of Van der Knaap. This should always be such, and be replaced and/ or replenished for that purpose if necessary to the satisfaction of Van der Knaap, that Van der Knaap continuously has adequate and sufficient security. As long as the other party has not fulfilled its obligations, Van der Knaap 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 fourteen (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 (8) days to Van der Knaap, 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 Van der Knaap 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, Van der Knaap shall be able to choose to be held to only deliver the missing goods, repair or replacement of the delivered good or goods.
- 10.4 The provision in the article shall equally apply to the performance of services, on the understanding that the 48 hours term after delivery referred to in paragraph 1 refers to one month after delivery if services are concerned.

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.
- 11.4 The products and/or services to be delivered shall meet the quality requirements or standards of Dutch legislation and regulations. In as far as the goods supplied in the Netherlands will be used outside the Netherlands, the other party shall be responsible for the products and/or services to be delivered having to meet the quality requirements or standards of the country concerned, unless agreed otherwise. Specific notification by the other party also must be given of all other quality requirements of the other party for the goods to be delivered and which differ from the normal requirements, when the sales agreement is concluded.

**ARTICLE 12 PACKAGING**

- 12.1 The other party is obliged to return loan packaging empty and in undamaged condition within two (2) weeks. If the other party fails to fulfil its obligations with regard to the loan packaging, all costs arising from this are payable by it. Such costs include costs resulting from late returns and costs of replacement, repair or cleaning.
- 12.2 If after a reminder the other party does not return the loan packaging within the period referred to in the first paragraph, Van der Knaap is entitled to replace the relevant loan packaging and charge the costs thereof, provided that Van der Knaap has announced these steps in its reminder.

ARTICLE 13 NON-COMPLIANCE

- 13.1 The claims of Van der Knaap against the other party are due instantly if:
- circumstances which have come to the knowledge of Van der Knaap after the agreement was concluded present good grounds to fear that the other party will not fulfil its obligations;
 - Van der Knaap has requested the other party to provide security for the compliance and this security remains forthcoming or is insufficient;
 - circumstances arise of such nature that compliance with the agreement is impossible or that the unaltered maintenance of the agreement cannot reasonably be expected of Van der Knaap;
 - the other party is declared bankrupt, submits a request for suspension of payment, requests application of debt rescheduling for natural persons, is confronted with an attachment on all or part of its property;
 - the other party is placed under conservatorship;
- In the cases referred to, Van der Knaap shall be authorized to suspend further execution of the agreement or to terminate the agreement, all this subject to the right to claim damages.
- 13.2 If there are circumstances with regard to people and/or equipment which Van der Knaap uses or usually uses when executing the agreement, which are then of such nature that the execution of the agreement becomes impossible or thus problematic and/or disproportionately costly that compliance with the obligation under the agreement can no longer reasonably be required, Van der Knaap shall be entitled to terminate the agreement.
- 13.3 Force majeure refers to circumstances preventing compliance with the agreement and which shall not be attributable to Van der Knaap. 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 Van der Knaap, wildcat strikes or political strikes in the company of Van der Knaap; a general lack of required raw materials and other goods or services required for the agreed performance; any quality problems at Van der Knaap or supplier of Van der Knaap, unforeseeable stagnation at the suppliers or other third parties on which Van der Knaap relies and general transportation problems.
- 13.4 Van der Knaap shall also have the right to invoke force majeure, if the circumstance which prevents (further) compliance, occurs after Van der Knaap should have complied with the agreement.
- 13.5 The obligation of delivery and other obligations of Van der Knaap shall be suspended during situations of force majeure. If the period in which compliance with the obligations by Van der Knaap 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.
- 13.6 If Van der Knaap 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 14 LIABILITY AND COMPENSATION

- 14.1 Van der Knaap makes every effort with regard to the delivery of its products in order to deliver products that are free of micro-organisms that are harmful to humans, animals or plants. The culture media are not sterile, but are bacteriologically active. Micro-organisms can be native and colonise the culture media during crop storage or cultivation, depending on the season and culture conditions. The vast majority of all culture media contain high percentages of organic materials, which are automatically exposed to bacteriological decomposition by fungi, bacteria, actinomycetes and other organisms. Saprophytic nematodes can occur in culture media in small numbers. Additions of nutrients and lime can promote the growth of saprophytic organisms.
- 14.2 Outside the explicitly agreed guarantees, results or quality requirements guaranteed by Van der Knaap for the delivery of products and services as described, Van der Knaap does not accept any liability for the delivery of products and services as described under Article 1.4, unless this damage is due to intent or gross negligence on the part of Van der Knaap.
- 14.3 Without prejudice to the provisions of paragraph 2 of this article, Van der Knaap will only be liable for direct damage. Any liability of Van der Knaap for indirect and/or consequential damage, such as trading losses, loss of profits and/or other losses or damage caused by delays and/or personal injury, is expressly excluded.
- 14.4 Van der Knaap is never obliged to pay compensation for injury or damage other than to persons or property.
- 14.5 If Van der Knaap is liable for damage suffered by the other party, Van der Knaap's obligation to pay compensation is at all times limited to the maximum amount paid out by its insurer in the relevant case. If Van der Knaap's insurer does not pay out (in full or in part) or if the damage or loss is not covered by the insurance taken out by Van der Knaap, Van der Knaap's obligation to pay compensation will be limited to no more than the invoice amount for the services provided or the goods delivered, subject to a maximum of € 50,000,-. Within the context of the above, a series of claims based on the same cause will be regarded as a single claim.
- 14.6 Van der Knaap shall insist on all legal and contractual means of defense which he can invoke to resist his own liability against the other party, also for the benefit of his subordinates and the non-subordinates.
- 14.7 The other party is obliged to take any measures that are necessary to prevent or restrict any loss.
- 14.8 If Van der Knaap needs to perform its work or deliveries based on documents to be provided by or on behalf of the other party, Van der Knaap is only liable for the correct execution of the work or the sound condition of the goods supplied.
- 14.9 The other party cannot invoke the guarantee, nor hold Van der Knaap liable on other grounds, if the damage or loss has arisen:
- a. due to improper use or use contrary to the intended purpose of the delivered goods or contrary to the instructions, (cultivation) advice, instructions for use, etc. provided by or on behalf of Van der Knaap;
 - b. on account of the soil having become unusable due to fungi or any other microbiological activity or organic effect;
 - c. by ubiquitous colonization of micro-organisms, as well as by the ubiquitous presence of saprophytic organisms;
 - d. due to improper keeping (storage) of the delivered goods;
 - e. due to errors or incompleteness in the prescribed data, documents or materials provided to Van der Knaap by or on behalf of the other party;
 - f. by directions or instructions from or on behalf of the other party;



- g. on account of the other party having requested Van der Knaap, outside the standard range of Van der Knaap, to add and/or mix components (whether or not processed by Van der Knaap) into the products;
 - h. on account of repairs or other work, processing, adaptation and/or adjustments to the delivered goods (including drying of the culture media) having been carried out by or on behalf of the other party, without the explicit prior permission of Van der Knaap.
- 14.10 The other party indemnifies Van der Knaap against any claims from third parties who suffer damage in connection with the execution of the agreement, unless those claims result from intent or gross negligence on the part of executives of Van der Knaap.

ARTICLE 15 INTELLECTUAL PROPERTY RIGHTS

- 15.1 Van der Knaap 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 Van der Knaap in the context of the agreement. The above applies, unless the parties explicitly agreed otherwise in writing.
- 15.2 Exercising the rights set out in clause 1 of this article is explicitly and exclusively reserved for Van der Knaap, both during and after the fulfilment of the agreement.
- 15.3 The other party is not entitled to use the documents supplied or produced by Van der Knaap 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 Van der Knaap's prior written consent.
- 15.4 The other party is responsible for it that any information or documents it supplies to Van der Knaap do not infringe any copyright or other intellectual property rights of third parties. The other party is liable for any damage that Van der Knaap incurs due to such infringements and it indemnifies Van der Knaap against claims from those third parties.

ARTICLE 16 BANKRUPTCY, NO POWER OF DISPOSITION, ETC.

- 16.1 With prejudice to the provision in the other articles of these general terms and conditions, Van der Knaap 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.
- 16.2 The provision in clause 1 of this article applies, unless the receiver or administrator acknowledges the obligations arising from this agreement as estate debts.
- 16.3 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 17 - APPLICABLE LAW AND COMPETENT COURT

- 17.1 All legal relationships, both national and international, between Van der Knaap and the other party are governed by Dutch law.
- 17.2 The Vienna Sales Convention (CISG) does not apply, nor does any other international regulation from which exclusion is permitted.
- 17.3 Contrary to all non-mandatory provisions applicable to the legal relationship between Van der Knaap and the other party, all disputes between Van der Knaap and the other party, to the exclusion of other courts, will be submitted to the absolute competent court of the country where Van der Knaap has its registered office. Contrary to all non-mandatory provisions between the parties, to the exclusion of all other judicial authorities, the court of the place where Van der Knaap has its registered office in these general terms and conditions has relative jurisdiction. However, Van der Knaap is authorised, if it initiates proceedings, either as plaintiff or petitioner, to request another judicial authority with relative jurisdiction.

ARTICLE 18 – CONVERSION

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 19 – AMENDMENT TO THE GENERAL TERMS AND CONDITIONS

- 19.1 Van der Knaap has the right to unilaterally change these general terms and conditions, with due observance of the requirements of reasonableness and fairness. Changes will also apply to agreements already concluded insofar as it concerns (an) obligation(s) from the agreement to which Van der Knaap is committed and which have not yet been fully or partially fulfilled.
- 19.2 Van der Knaap will notify the other party of the changes by e-mail. Changes to the general terms and conditions will take effect 30 days after the other party having been informed of the changes.
- 19.3 If the other party does not agree with the announced changes, the other party has the right to dissolve the agreement.

ARTICLE 20 – PREVALENCE OF DUTCH TEXT

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.