

GENERAL TERMS AND CONDITIONS OF SALE LEGRO

1. Definitions

The terms and conditions set forth herein are applicable to all services provided by and all agreements concluded by LEGRO ("Company") and the party who is identified as the purchaser of the goods and/or services of the invoice ("Buyer").

In these terms and conditions:

- a) 'Company' means all LEGRO companies, such as LEGRO POTGRONDBEDIJF B.V., (VPN member), with its registered address in Astén and office in Helmond, the Netherlands and is filed with the Chamber of Commerce under Chamber of Commerce number 17067479 but also its related entities such as, but not limited to: LEGRO MUSHROOM CASING SOLUTIONS B.V., LEGRO AUSTRALIA Pty LTD, LEGRO USA LTD, LEGROMEX SRL (MEXICO), LEGRO LATVIA SIA and SEDA AS;
- b) 'Buyer' means the purchaser of the Goods specified in the invoice;
- c) 'Goods' means the products and services supplied by Company to the Buyer;
- d) 'Terms' means these terms and conditions;
- e) 'Parties' means the Company and Buyer together.

2. Effect of these terms and conditions

- (1) Subject to any contrary non-excludable statutory provisions, the Terms supersede any oral or written agreements that may have been previously reached between the Company and the Buyer. These Terms apply regardless of any contrary express or implied terms or conditions in any of the Buyer's documents and all implied terms are excluded to the extent permitted by law.
- (2) Any amendment, addendum or revision to this Agreement shall be valid only if in writing and signed by the Parties.
- (3) If any provision of this Agreement is held invalid or unenforceable by any court of final jurisdiction, it is the intent of the Parties that all other provisions of this Agreement be construed to remain fully valid, enforceable, and binding on the Parties.

3. Conclusion of the agreement

- (1) When the Buyer places an order, the agreement shall not come into effect until the Company has accepted the order either expressly or deemed. Express acceptance of an order will be in writing, while the Company taking clear steps to comply with the order demonstrates deemed acceptance.
- (2) In the case of a current order, a new order will be deemed to have been given after Buyer applies (in writing/via e-mail) for a new delivery. It is not required that Buyer has received a new quotation for that order.
- (3) The Company is entitled to contract third parties to carry out services and/or the delivery of the Goods.

4. Prices

- (1) Unless otherwise agreed in writing, all prices are ex-warehouse or where applicable, ex-storage. All prices are exclusive of VAT.
- (2) The Company is automatically entitled to pass on future changes in labor wages, transport costs, cost prices of raw materials or materials or exchange rate changes not already known at the time of concluding an agreement, which relate to the agreed performance. Passing on such changes within three months after the conclusion of the agreement gives the Buyer the right to dissolve the agreement on those grounds by notifying the Company of this in writing.
- (3) If Buyer wishes to make changes to what has been agreed – which request must always be made in writing – the Company will only be obliged to cooperate if these changes are reasonably feasible. The Buyer is obliged to bear the additional costs resulting from that change, including the costs that already incurred in connection with the execution of the original agreement.

5. Delivery

- (1) Delivery times agreed with the Company are indicative and not deadlines.
- (2) Unless otherwise agreed in writing, delivery shall be ex-warehouse or, if applicable, ex-storage.
- (3) If the Company arranges transport, it will also determine the method of transport and insurance during transport, both of which may be charged to the Buyer. Transport is at the Buyer's risk.
- (4) The Buyer is obliged to take delivery of the purchased goods at the time of delivery. If Buyer refuses to take delivery or fails to provide the information or instructions necessary for delivery, the goods will be stored at the Buyer's risk. The Buyers will in that case be liable for the payment of all additional costs, at least including storage and transport costs.
- (5) The Company is entitled to deliver the Goods in parts.
- (6) If contagious diseases that may be harmful to Legro and other customers are detected or suspected in products/goods delivered by Buyer to Company (for blending), Legro is entitled to stop or suspend the production/blend process and all its other obligations under the Agreement.

6. Payment

- (1) Invoices of the Company shall be paid within the payment term as mentioned at the invoice unless otherwise stated by the Company. Orders from Buyers from outside the EU must be paid upfront. Payment is to be made in the agreed currency. Buyer is not entitled to deduct/set off any amounts from the payable invoices on account of an asserted counterclaim. Nor is Buyer entitled to suspend the fulfillment of its payment obligation if Buyer lodges a complaint with the Company regarding the products delivered, unless the Company expressly agrees to suspension in exchange for security.

- (2) In the event of late payment, all payment obligations of the Buyer, regardless of whether the Company has already invoiced them, shall become immediately due and payable. The Company shall notify Buyer in writing if the Company invoices this provision and send an appropriate invoice. In that case, the Company is entitled, among other things, to suspend its delivery obligation and may require sufficient security as referred to in Article 8 of these General Terms and Conditions or shall have the right to dissolve the agreement – in part or otherwise – as referred to in Article 12 of these General Terms and Conditions.
- (3) In the event of late payment, Buyer shall be liable for interest in the amount of the statutory commercial interest rate.
- (4) If Buyer fails to fulfil one of its obligations or fails to do so on time, in addition to the agreed price and costs, all extrajudicial collection costs shall be borne by the Buyer, which also includes the costs of preparing and sending reminders, making a settlement proposal and gathering information. The extrajudicial costs are calculated according to the scale of extrajudicial collection costs scale (Buitengerechtelijke incassokosten, BIK). If the Company proves to have incurred higher costs, these are also eligible for reimbursement.
- (5) If the Company is held accountable by the Buyer on any grounds whatsoever and the Company is thus forced to engage an expert to establish the facts on which the Buyer bases its claim, Buyer shall be obliged to reimburse the Company for the costs charged to the Company by this expert and insofar as the claim or claims of the Buyer, whether or not after invoking the General Conditions, prove to have been unjustified. Buyer has seven (7) days to submit claims once the expert's investigation is completed.
- (6) Payments made by or on behalf of the Buyer shall serve successively to pay the extrajudicial collection costs, the legal costs, the payable interest, and then, in order of age, the outstanding principal sums, regardless of any indication to the contrary by the Buyer.
- (7) Buyer can only object to the invoice in writing within fourteen (14) days of the invoice date.

7. Retention of title

- (1) Goods delivered by the Company remain the property of the Company until Buyer has fulfilled all the following obligations under all purchase agreements concluded with the Company:
- the consideration(s) in respect of item(s) delivered or to be delivered;
 - the consideration(s) in respect of services performed or to be performed by the Company under the purchase agreement(s);
 - any claims for non-performance of these agreements by the Buyer(s).
- (2) Unless the Company stipulates otherwise, the implications under property law of an item destined for export are governed by the law of the country of destination of the item in question if the retention of title under the law of the destination country does not lose its effect until the full price has been paid.
- (3) Goods delivered by the Company, subject to retention of title pursuant to paragraph 1 of this article may only be resold in the normal course of business. Furthermore, Buyer is not authorized to pledge the goods or to establish any other right on them.
- (4) The Company hereby reserves, now for then, the rights of pledge referred to in Section 3:237 of the Dutch Civil Code as additional security for claims, other than those referred to in paragraph 1 of this article, that the Company may have against Buyer on any account whatsoever, in respect of goods delivered that have passed into the ownership of Buyer through payment. The authority provided in this paragraph also applies to items delivered by the Company which have been treated or processed by the Buyer, resulting in the Company losing its retention of title.
- (5) If third parties wish to establish or assert any right to the goods delivered under retention of title, the Buyer is obliged to inform Company in writing of this as soon as can reasonably be expected.
- (6) If the Buyer fails to fulfil its obligations or if there is fear that it will not do so, the Company shall be entitled to collect or cause to be removed delivered goods of which the retention of title referred to in paragraph 1 is vested in the Buyer or third parties who hold the goods for the Buyer. The Buyer is obliged to cooperate fully and if will be obliged to pay a penalty to the Company of 10% of the amount owed by him to the Company per day if he fails to do so, without prejudice to the Company's right to claim damages and/or performance.
- (7) The Buyer undertakes at the Company's first request to:
- insure and keep insured the goods delivered under retention of title against fire, explosion and water damage and theft and to make the insurance policy available for inspection;
 - pledge all claims of the Buyer against insurers in respect of the goods delivered under retention of title to the Company in the manner prescribed in Section 3:239 of the Dutch Civil Code;
 - pledge to the Company the claims that the Buyer acquires against its customers when reselling goods delivered by the Company under retention of title in the manner prescribed in Section 3:239 of the Dutch Civil Code;
 - mark the goods delivered under retention of title as the property of the Company;
 - to otherwise cooperate with all reasonable measures the Company wishes to take to protect its property rights in respect of the goods and which do not unreasonably hinder the Buyer in the normal conduct of its business.

8. Security

- (1) By accepting these Terms, Buyer undertakes to the Company to provide (additional) security for all existing and all future claims of the Company against Buyer, on whatever grounds, at the Company's first request, to the satisfaction of the Company. This must always be designed,

and if necessary replaced or supplemented by the Buyer to the satisfaction of the Company, that the Company has satisfactory and sufficient security on an ongoing basis. The Company is entitled to suspend compliance with its obligations for as long as Buyer has not complied with the above.

(2) If Buyer has not complied with a request as referred to in paragraph 1 of this article within fourteen (14) days of a written demand to that effect, all its obligations shall become immediately due and payable.

9. Complaints, Duty to investigate, Prescription Term and Performance

- (1) The Buyer is obliged to examine upon delivery and within 24 hours at the latest after delivery (if not possible otherwise by random sampling) to ascertain what has been delivered complies with the agreement i.e.:
- whether the right articles have been delivered;
 - whether the delivered goods comply with the agreement in terms of quantity (e.g. number and quantity);
 - whether the delivered goods meet the agreed quality requirements or - if these are lacking – the requirements that may be set for normal use or commercial purposes.
- (2) If this is not the case and Buyer does not inform the Company of this in writing within eight (8) days after examination, The Buyer shall forfeit all rights in respect of non-compliance relating to the non-compliance of what has been delivered with the agreement. If the Company does not receive written notification within eight days after the examination that what has been delivered does not comply with the agreement, it shall be deemed between the parties as proof that what has been delivered complies with the agreement.
- (3) Claims and defenses based on facts or assertions to the effect that what has been delivered does not comply with the agreement shall lapse one year after delivery. Claim rights of The Buyer expire 1.5 years (548 days) after delivery.
- (4) If the delivered goods do not comply with the agreement, the Company shall, at its discretion, only be obliged to deliver the missing goods, repair the delivered goods or replace the delivered goods.
- (5) The provisions of this article apply mutatis mutandis to the provision of services, with the proviso that both the period of eight days after delivery referred to in paragraph 2 and the period of three (3) days referred to in paragraph 1 in the case of services shall relate to one month after completion of the provision of services.

10. Figures, measurements, weights and other data

- (1) Minor deviations concerning stated dimensions, weights, numbers, colors and other such data are not deemed to be deficiencies.
- (2) A minor deviation is defined as a margin of up to 10% more or less weight/volume than the stated specification. Samples shown or provided are indicative only.
- (3) Samples shown or provided are for indicative purposes only, without it being necessary for an item that is the subject of a contract of sale or service to correspond to them.
- (4) The Goods to be supplied comply with the quality requirements or standards set by Dutch laws and regulations. Insofar as the items delivered in the Netherlands are to be used outside the Netherlands, Buyer is responsible for ensuring that the Goods to be delivered meet the quality requirements or standards set in the country concerned unless otherwise agreed. Any other quality requirements imposed by the Buyer on the goods to be delivered that deviate from the usual standards must also be explicitly reported by the Buyer when concluding the purchase agreement.

11. Packaging

- (1) Buyer is obliged to return loaned packaging (containers and pallets) within the period stipulated in the agreement or, if there is no such period, at the Company's request within a reasonable period of time, empty and in undamaged condition. If Buyer fails to fulfil its obligations concerning the loaned packaging, all costs resulting from this shall be for its account. Such costs include those arising from late returns and replacement, repair or cleaning costs.
- (2) If Buyer does not return loaned packaging after a reminder within the period specified in the first paragraph, the Company shall be entitled to proceed to replace the loaned packaging in question and charge the costs thereof, provided that the Company has referred to these steps in its reminder.

12. Non-Performance

- (1) The claims of the Company against Buyer shall be immediately due and payable if:
- after the conclusion of the agreement, Buyer does not fulfill its obligations under the agreements (including these Terms) or circumstances come to Company's knowledge that give good cause to presume that Buyer will not fulfil its obligations;
 - the Company has requested Buyer to provide security for fulfillment, and such security is not forthcoming within the specified period or is insufficient;
 - the Buyer's assets are seized or the Buyer loses free control over his assets in any form;
 - Buyer is declared bankrupt, applies for a suspension of payments, requests the application of the debt restructuring for natural persons or is subjected to an attachment of all or part of its property;
 - Buyer ceases its business operations partial or in whole or otherwise liquidates and/or is dissolved.
- In those cases, the Company shall be entitled to suspend further performance of the agreement or to dissolve the agreement, without prejudice to the right to claim damages.
- (2) The Company shall be entitled to dissolve the agreement if circumstances arise concerning persons or equipment the Company uses in the performance of the agreement of such a nature

that the performance of the agreement becomes impossible or so onerous or disproportionate that fulfillment of the obligation under the agreement can no longer reasonably be required.

(3) Force majeure means circumstances which prevent the fulfillment of the obligation and which cannot be attributed to the Company.

This includes (if and to the extent such circumstances make performance impossible or unreasonably onerous): fire, strikes in companies other than those of the Company, wildcat strikes or political strikes in the company, a general lack of necessary raw materials and other items or services required for the realization of the agreed performance; epidemics or pandemics; possible quality problems affecting the Company or the Company's supplier, unforeseeable stagnation among suppliers or other third parties on which the Company depends and general transport problems.

(4) The Company shall also be entitled to invoke force majeure if the circumstances preventing (further) fulfillment occurs after the Company should have fulfilled its obligations.

(5) During force majeure, the Company's delivery and other obligations shall be suspended. If the period in which fulfillment of the obligations by the Company is not possible due to force majeure lasts longer than 5 working days, both parties are authorized to dissolve the agreement without any obligation to pay compensation in that case.

(6) If the Company has already partially fulfilled its obligations when the force majeure occurs, or can only partially fulfil its obligations, it shall be entitled to invoice the part already delivered or the deliverable part separately, and Buyer shall be obliged to pay this invoice as if it were a separate contract.

13. Liability and Damages

- (1) The Company shall make every effort to deliver substrate and Goods that are free of quantities of organisms harmful to humans, animals or plants. Growth media, especially organic growth media and their components, contain a wide range of beneficial microorganisms essential for their functionality. Therefore, they are not sterile and the occurrence of common human and plant pathogens, including - but not limited to - pathogens known in the mushroom growing industry, cannot be ruled out. Microorganisms may be indigenous or colonise growing media during storage or cultivation, depending on the season and growing conditions. By far the largest percentage of all growing media contains high percentages of organic matter that is naturally exposed to microbial degradation by fungi, bacteria, actinomycetes and other organisms. Saprotrophic organisms may be present in small numbers in growth media. The addition of nutrients and lime can promote the growth of saprotrophic organisms. Therefore, the presence of saprotrophic organisms and their effects, such as fungi, does not constitute a non-conformity in the substrate and Goods.
- The Company's liability is excluded if the damage occurs:
- due to incompetent use or use contrary to the intended purpose of the delivered goods or the instructions, (cultivation) advice, directions for use and so on provided by or on behalf of the Company;
 - due to the Goods becoming unusable due to fungi or any microbiological activity, the occurrence of pathogens or organic action otherwise;
 - due to the residues of crop protection products;
 - due to the common colonisation of micro-organisms, as well as by the common presence of saprophytic organisms;
 - due to preservation (storage) of the delivered Goods which is not in line with the preservation guide. See www.legrogroup.com for our storage conditions;
 - due to errors or omissions in the data, documents or materials provided or prescribed to the Company by or on behalf of Buyer;
 - due to directions or instructions from or on behalf of Buyer;
 - because Buyer has requested the Company, outside the standard range of the Company, to add components (whether or not processed by the Company) to or mix them into the Goods;
 - due to other work, processing, treatment or adjustments being performed by or on behalf of Buyer on the delivered goods (including drying of the growing media) without the express prior consent of the Company.
- (2) Any form of oral or written advice by the Company is given from the best available knowledge and based on Company's experience.
- (3) If the Company has failed imputably in the fulfillment of any of its obligations or has committed a wrongful act towards Buyer, the Company shall only be liable to Buyer for damages it has suffered in that connection if Buyer proves that this damage is due to the intentional act or gross negligence of the Company or its managerial subordinates. The Company is never liable for indirect damages such as -but not limited to-: loss of profit, loss of margin and reputation damages, and also never for crop damages or yield loss caused by plant pathogens or pathogens known in mushroom cultivation that may be inherent to organic products.
- (4) Notwithstanding the above, the total liability of the Company shall be limited to the amount of the payment made by the insurer of the Company plus the Company's deductible. If the insurer doesn't pay and rejects the claim, then the assumed liability shall be limited to a maximum of the amount of the purchase price of the Goods in the last order (excluding VAT). If the agreement consists of partial deliveries, the obligation to pay compensation is limited to a maximum of the purchase price of the respective partial delivery. The Company shall not in any event be liable for indirect, special, consequential, punitive or liquidated damages or penalties, including claims for lost revenue, profits or business opportunities, even if the Company had or should have had any knowledge, actual or constructive, of the possibility of such damages.

- (5) Buyer shall indemnify the Company and the (auxiliary) persons engaged by it in the performance of its obligations against all claims of third parties on account of damage suffered by these third parties arising from or related to the Company's performance of the agreement or delivery of the Goods unless there is intent or gross negligence on the part of the Company or the (auxiliary) persons it has engaged in the performance of the agreement.
- (6) The right of Buyer to dissolve all or part of the agreement with the Company in the event of an attributable breach by the Company is excluded.
- (7) All limitations of liability in favor of the Company are also applicable to its auxiliaries and other hired third parties.

14. Applicable Law and Competent Court

- (1) All national and international legal relationships between the Company and Buyer shall be governed by Dutch law. The applicability of the Vienna Sales Convention 1980 (CISG) is excluded.
- (2) Notwithstanding any non-mandatory law applicable to the legal relationship between Parties, all disputes between Parties shall be submitted to the Dutch court with absolute jurisdiction to the exclusion of all other courts. Notwithstanding any non-mandatory provisions of law between the parties, the court of the Company's place of business shall have relative jurisdiction, to the exclusion of all other courts. However, the Company is entitled to seek another relatively competent judicial authority if it initiates proceedings as a plaintiff or applicant.

15. Conversion

If and insofar as any provision or part of any provision in these Terms cannot be invoked due to conflict with applicable law, that provision shall have the meaning that corresponds as far as possible, in terms of content and purport, to what was intended when the relevant (partial) provision was drafted, so that it can still be invoked by the parties.

16. Dutch Text Prevails

These General Terms and Conditions have been drawn up for use in national and international agreements. As part of this, these Terms will also be translated from Dutch into other languages. If the parties disagree on the interpretation of a non-Dutch version of these General Terms and Conditions, the Dutch text of these General Terms and Conditions of Sale shall prevail over any translations thereof.

17. Amendment of the Terms and Conditions

- (1) The Company is entitled to unilaterally amend these General Terms and Conditions with due regard to the requirements of reasonableness and fairness. Amendments shall also apply in respect of agreements already concluded as far as it concerns obligation(s) under the agreement to which the Company has committed itself and which have not yet been fulfilled in full or in part.
- (2) The Company will inform Buyer of the amendments by e-mail or otherwise verbally or in writing. The amended General Terms and Conditions will take effect 30 days after Buyer has been informed of the amendments.
- (3) If Buyer disagrees with the announced changes, Buyer has the right to dissolve the agreement.