

GENERAL TERMS AND CONDITIONS OF SALE - INSECTOCYCLE

1. About InsectoCycle

InsectoCycle is a tradename of InsectoCycle Projects B.V., a Dutch private limited liability company with its registered office at Heideweg 1, 3381 KH in Giessenburg, The Netherlands and registration with the Chamber of Commerce under number 91256666 (**InsectoCycle**). InsectoCycle VAT number is NL865596761B01.

2. Definitions and interpretation

2.1. In these General Terms the definition shall have the meaning as defined below:

Acceptance: has the meaning set out in clause 4.4.

Acceptance Test: has the meaning set out in clause 4.3.

Affiliates: any entity that directly or indirectly Controls, is Controlled by, or is under common Control with a Party, and **Affiliated** shall be construed accordingly.

Agreement: the agreement for the sale of the Product which comes into existence in accordance with clause 3.2.

Buyer: the legal person or the natural person, acting for purposes of his/her trade, business, craft or profession, who purchases the Product from InsectoCycle.

Confidential Information: means any non-public information that would be regarded as confidential by a reasonable businessperson relating to InsectoCycle's (i) operations, (ii) research and development, (iii) processes, (iv) current and future products, (v) know-how, (vi) designs, (vii) trade secrets and (viii) or software.

Commissioning Fee: has the meaning set out in clause 4.2.

Commissioning Services: has the meaning set out in clause 6.1.

Control: the beneficial ownership of more than 50% of the issued share capital of a company or the legal power to direct or cause the direction of the general management of the

company, and **Controls, Controlled** shall be construed accordingly.

DCC: The Dutch Civil Code (*het Burgerlijk Wetboek*).

Delivery: has the meaning set out in clause 4.1.

Delivery Location: has the meaning set out in clause 4.2.

Force Majeure: means force majeure within the meaning of article 6:75 DCC, provided that events which constitute force majeure for InsectoCycle shall without limitation include (i) any law or any action taken by a government or public authority, such as an export or import restriction, quota or prohibition, or failing to grant a necessary licence or consent, (ii) pandemics and diseases (iii) fire, explosion or accident, (iv) any labour or trade dispute, strikes, industrial action or lockouts, (v) shortage of raw materials for the Product and (vi) non-performance by InsectoCycle's suppliers. (vii) Code red and orange areas indicated by the Dutch government.

General Terms: these general terms and conditions of sale.

InsectoCycle: SmartCrops B.V., as further identified under clause 1.

Product: the product as described in the Agreement.

Purchase Price: has the meaning set out in clause 6.1.

Representatives: (former) employees, hired contractors and any other representatives of Buyer and its Affiliates.

Specifications: InsectoCycle's description or specification of the Product in writing.

Warranty: has the meaning set out in clause 7.1.

Warranty Period: has the meaning set out in clause 7.1.

2.2. These General Terms apply to all offerings and quotations of InsectoCycle. InsectoCycle encourages Buyer to print a copy of these General Terms or to save them on Buyer's system for future reference.

2.3. In these General Terms:

- a) "written" or "in writing" shall also include electronic communication by e-mail;
- b) a reference to a clause shall mean a reference to a clause in these General Terms;
- c) a reference to "the Agreement" shall include the provision set out in these General Terms; and
- d) any terms and dates, except for payment terms, quoted for delivery are approximates only and shall not be deemed strict deadlines (*fatale termijnen*).

3. Agreement

3.1. InsectoCycle's offer constitutes an offer by InsectoCycle to sell the Product to Buyer in accordance with these General Terms.

3.2. InsectoCycle's offer shall be deemed accepted when Buyer issues a written acceptance of the offer, at which point the Agreement shall come into existence.

3.3. Any samples, drawings, sizes or advertising produced by InsectoCycle, and any descriptions or illustrations contained in InsectoCycle's catalogue or on its website are produced for the sole purpose of giving an approximate idea of the Product referred to in them and shall not form part of the Agreement.

4. Delivery and acceptance

4.1. Unless otherwise agreed in the Agreement, InsectoCycle shall deliver the Product to Buyer DAP at the place of business of Buyer within the meaning of the most recent version of the Incoterms (the **Delivery Location**) on the date communicated by InsectoCycle to Buyer in writing (**Delivery**).

4.2. Upon Delivery InsectoCycle shall travel to Buyer's premises to install and commission the Product (the **Commissioning Services**).

4.3. Upon completion of the Commission Services, Parties shall carry out a site acceptance test (the **Acceptance Test**).

4.4. Acceptance of the Product shall be deemed to have occurred on whichever is the earliest of:

- a) the signing by Buyer of the document with regard to the Acceptance Test; or
- b) the use of Product by Buyer in the course of its business.

5. Risk and ownership

5.1. The risk in the Product shall pass to Buyer upon completion of the Acceptance Test.

5.2. Ownership of the Product shall not pass to Buyer until InsectoCycle receives full payment of the Purchase Price and the Commissioning Fee. In this

respect, InsectoCycle retains title (*behoudt zich het eigendom voor*) to the Product.

6. Price and payment

6.1. The price of the Product is set out in the Agreement and is composed of two parts: the purchase price of the Product (the **Purchase Price**) and the fee for the Commissioning Services (the **Commissioning Fee**).

6.2. InsectoCycle may, by giving written notice to Buyer at any time before Delivery, increase the price of the Product to reflect any increase in the cost of the Product that is due to:

- a) any factor beyond InsectoCycle's control (including foreign exchange fluctuations, increases in taxes and duties, and increases in transport, energy, labour, raw materials and other manufacturing costs);
- b) any request by Buyer to change the delivery date, Delivery Location, way of transportation or type of Product ordered; or
- c) any delay caused by any instructions of Buyer or failure of Buyer to give InsectoCycle adequate or accurate information or instructions.

6.3. Unless otherwise agreed in the Agreement:

- a) the price of the Product excludes amounts in respect of value added tax (VAT) and other taxes and import duties and costs and charges of packaging, insurance and transport of the Product, which shall be invoiced to Buyer; and
- b) InsectoCycle may invoice Buyer the full amount if the price is less than €25.000; or
- c) else InsectoCycle may invoice Buyer for the Product in accordance with the following payment scheme:

Moment in time	Percentage
Upon conclusion of the Agreement	60%
Shipment of the Product	30%
Completion of the Acceptance Test	10%

6.4. Buyer shall pay InsectoCycle's invoice in euros within the payment term and at the bank account set out in the invoice.

6.5. Buyer shall pay all amounts due under the Agreement in full without any set-off, counterclaim, deduction or withholding. InsectoCycle may at any time, without limiting any other rights or remedies it may have, set off any amount owing to it by Buyer against any amount payable by InsectoCycle to Buyer or its Affiliates.

6.6. At any time InsectoCycle has the right to demand the provision of security by Buyer (*zekerheid verlangen*) for the performance by Buyer of its obligations under the Agreement, including without limitation the right to demand an undisclosed pledge (*stil pandrecht*) on the Product for the duration of the retention of title

(*eigendomsvoorbehoud*) under clause 5.2.

7. Warranty

- 7.1. On Acceptance and for a period of twelve months thereafter (the **Warranty Period**), the Product shall conform in all material respects with the Specification and shall be fit for any purpose stated by InsectoCycle in writing (the **Warranty**).
- 7.2. For the avoidance of doubt, the Warranty only applies to the technical part of the Product. Nothing in this General Terms is construed to have InsectoCycle warrant or ensure (i) a certain amount of output of egg production to Buyer or (ii) a certain quality of the produced eggs.
- 7.3. Subject to clause 7.4, InsectoCycle shall, at its option and as a sole remedy for Buyer, repair or replace the defective (part of the) Product, or refund the price of the defective (part of the) Product taking into account a depreciation of 20% per year on a pro rata basis on the Purchase Price, provided that:
- Buyer gives notice in writing to InsectoCycle in time and during the Warranty Period;
 - InsectoCycle is given a reasonable opportunity of examining such (part of the) Product; and
 - Buyer (if asked to do so by InsectoCycle) returns such (part of the) Product to InsectoCycle's place of business at Buyer's cost.
- 7.4. InsectoCycle shall have no obligations nor be liable for the Product's failure to comply with the Warranty in any of the following events:
- the defect was accepted during the Acceptance Test;
 - Buyer makes any further use of such Product after giving notice in accordance with clause 7.3 under sub (a);
 - the defect arises because Buyer failed to follow InsectoCycle's written instructions as to the storage and use of the Product or (if there are none) good trade practice regarding the same;
 - Buyer alters the Product without the written consent of InsectoCycle;
 - the defect in the Product arises as a result of normal wear and tear, or abnormal working conditions; or
 - the Product differ from their description because of changes made to ensure they comply with applicable statutory or regulatory requirements.
- 7.5. Except as provided in this clause 7, InsectoCycle shall after Acceptance have no further obligations and liability, on whatever ground, to Buyer in respect of the Product's failure to comply with the Warranty or not being in conformity with the Agreement.

8. Limitation of liability

- 8.1. InsectoCycle's total liability on whatever ground, including breach of contract, non-conformity, wrongful ac, strict liability or otherwise shall be for Direct

Damages only and shall not exceed the Purchase Price (exclusive of VAT).

- 8.2. InsectoCycle's liability for other damages than Direct Damages is expressly excluded.
- 8.3. Nothing in the Agreement shall exclude of limit InsectoCycle's liability:
- caused by intent (*opzet*) or wilful recklessness (*bewuste roekeloosheid*) of InsectoCycle or its managerial staff (*bedrijfsleiding*); or
 - that cannot be excluded or limited under the law.
- 8.4. The exclusions and limitations of liability as set out in the Agreement can also be invoked by and any person Affiliated with or contracted by InsectoCycle in connection with the execution of the Agreement. This article is construed to be an irrevocable third-party stipulation (*derdenbeding*) for the benefit of any of such persons, provided that the applicability of article 6:254 DCC is excluded.
- 8.5. All Buyer's claims shall lapse (*vervallen*) by the mere expiry of twelve months after the claim arose.
- 8.6. Buyer warrants that its Representatives shall adhere to Buyer's obligations under the Agreement and Buyer shall be liable for the acts of its Representatives as if it were its own acts.
- 8.7. Buyer shall indemnify InsectoCycle against and all third claims and damages suffered or incurred by InsectoCycle arising out of or in connection with any claim made against InsectoCycle arising out of or in connection with the use of the Product.

9. Confidentiality

- 9.1. Buyer shall (and shall procure that its Representative shall):
- keep the Confidential Information in strict confidence and not share or disclose the Confidential Information in whole or in part to third parties without InsectoCycle's prior written approval;
 - only bring the Confidential Information to the attention of its Representatives, who need to know this Confidential Information in connection with operating or using the Product; and
 - not use the Confidential Information for any other purpose than operating or using the Products.
- 9.2. InsectoCycle reserves all rights in the Confidential Information. No rights in respect of the Confidential Information are granted to Buyer other than those expressly stated in the Agreement.

10. Intellectual property rights

- 10.1. Buyer acknowledges and agrees that all intellectual property rights in the Product, and any part thereof, shall remain with InsectoCycle. Nothing in the Agreement is construed to assign intellectual property right from InsectoCycle to Buyer.
- 10.2. The (embedded software) supplied to Buyer as part of the sale of the Product incorporate intellectual

- property rights of InsectoCycle and its licensors. InsectoCycle hereby grants Buyer a non-exclusive, non-assignable, non-transferable license, without right of sublicense, to use such intellectual property right only as necessary to operate the Product at Buyer's site.
- 10.3. Buyer shall supervise and control use of the Product and ensure that the Product is used by its Representatives in accordance with aforementioned licence.
- 11. Termination**
- 11.1. Each Party has the right to terminate (*ontbinden*) the Agreement, in whole or in part, by giving written notice with immediate effect if any of the following events occurs:
- a) the other Party commits a breach of an essential obligation under the Agreement and, if the breach is capable of remedy, fails to remedy the breach within thirty days of a written notice of default; or
 - b) any action or proceedings under any bankruptcy or insolvency law are taken against the other Party, either by the Party itself or by a third party.
- 11.2. Buyer acknowledges and agree that its obligations under clauses 6.4, 6.6 and 10 shall in any event be considered to be essential obligations under the Agreement.
- 11.3. On termination of the Agreement, for whatever reason, Buyer shall immediately pay to InsectoCycle all of InsectoCycle's outstanding unpaid invoices and statutory (commercial) interest.
- 11.4. The applicability of articles 6:271 and 6:272 DCC is expressly excluded.
- 11.5. Any provision of the Agreement that expressly or by implication is intended to come into or continue in force on or after termination shall remain in full force and effect.
- 12. Miscellaneous**
- 12.1. If InsectoCycle is prevented, hindered or delayed in or from performing any of its obligations under the Agreement due to Force Majeure, InsectoCycle shall not be in breach or otherwise liable for any such failure or delay in the performance of such obligations.
- 12.2. Buyer rights to suspend its obligations or to set-off any claim are expressly excluded.
- 12.3. If any provision of the Agreement is or becomes invalid or non-binding, Parties shall remain bound by all other provisions hereof. In that event, Parties shall replace the invalid or non-binding provision by provisions that are valid and binding and that have, to the greatest extent possible, a similar effect as the invalid or non-binding provision, given the contents and purpose of such provision and the Agreement.
- 13. Governing law and jurisdiction**
- 13.1. These General Terms and the Agreement shall be governed by and construed in accordance with the laws of The Netherlands. The applicability of the United Nations Convention on Contracts for the International Sale of Goods (CISG) 1980 is expressly excluded.
- 13.2. Any dispute arising out of or in connection with an Agreement shall be exclusively referred to the competent court in Arnhem, The Netherlands.