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TERMS AND CONDITIONS OF SALE

These terms and conditions of sale, together with any documents issued by TIC Gums, Inc. (“TIC”) that relate to products being purchased from TIC (“Products”) by any purchaser of Products (“Buyer”) contain all the terms and conditions of sale of the Products. All sales of Products by TIC are expressly conditioned upon Buyer’s acceptance of these terms and conditions of sale.

1. Purchase Orders.

(a) Purchase orders may be placed either by telephone or in writing by email, facsimile or mail. TIC shall transmit an order acknowledgement confirming the products, prices, payment terms, and shipping and delivery terms and dates. Order terms that differ or conflict with these terms and conditions of sale or the applicable order acknowledgement are null and void unless expressly agreed to in a writing signed by authorized representatives of both parties.

(b) Requests to make changes to orders already placed will be reviewed by TIC on an individual basis and TIC will make every effort to accommodate them if they have not already been processed. Changes to orders requiring special handling, packaging or labeling, if requested within 72 hours of shipping, will be subject to restocking fees as required by TIC in its sole discretion.

2. Shipping, Delivery and Payment Terms.

All orders will be filled Ex Works, TIC’s facility unless otherwise agreed in writing by the parties, without regard to which party pays for transport of the products. Requests for orders to ship within 24 hours of placement are subject to a rush fee of \$75.00 USD. If TIC anticipates that it will not be able to timely deliver all or a portion of any Product order, TIC shall promptly notify Buyer of the delay and the parties will work in good faith to agree on a different delivery date, or Buyer may cancel the order if Buyer notifies TIC of its intent to cancel within three days of receiving notice of delay. If Buyer fails to reject all or any portion of any Product order within seven days of delivery, Buyer will be deemed to have accepted the full order. Standard payment terms are Net 10 days unless otherwise agreed in writing by the parties, with late fees accruing at a rate of 1% per month on late payments. Neither party is liable for any failure to perform any obligation to the other if the failure is caused by a contingency, the non-occurrence of which was a basic assumption on which the agreement to perform was based, or by operation of law. Upon cancellation by TIC for nonpayment, Buyer shall pay any restocking fees required by TIC, up to the full purchase price of the Products ordered in the case of custom orders, or other damages as may be provided by law. Buyer may return nonconforming Products within ten days of rejection in accordance with the shipping terms agreed upon by the parties. TIC may, at its sole discretion, accept returns of full or partial orders of conforming products, in which case the buyer will be charged a restocking fee determined by TIC at its sole discretion. In this case, TIC shall issue a credit memo, which will remain valid for a period of one year from the date of issuance.

3. Warranties and Disclaimers.

(c) TIC warrants that no Product sold to any Buyer are adulterated or misbranded within the meaning of the United States Federal Food, Drug and Cosmetic Act, Title 21 U.S.C § 301 et seq. All TIC Products are produced and shipped in compliance with the law. TIC will be liable for any nonconformities to the applicable TIC Product specification if identified by the Buyer prior to the “Retest After Date” on the Certificate of Analysis accompanying each Product, other than those not caused by TIC. Buyer shall not reject any product conforming to the warranties provided in

this section. ***TIC HEREBY DISCLAIMS ANY EXPRESS OR IMPLIED WARRANTY NOT STATED ABOVE, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OF THE PRODUCTS OR THEIR FITNESS FOR A PARTICULAR PURPOSE. TIC WILL NOT BE LIABLE FOR DAMAGES EXCEEDING THE PURCHASE PRICE OF THE NONCONFORMING PRODUCTS.***

(d) In the case of samples of any TIC Product offered to any Buyer or potential Buyer for evaluation purposes ("Samples"), Samples are provided "AS-IS," and the recipient assumes all risks associated with their use. Samples may not be subject to the same quality controls as Products available for sale, and are not guaranteed to be fit for human consumption. For this reason, none of the foregoing warranties are made by TIC with respect to Samples, and any warranty express or implied is hereby disclaimed by TIC with respect to any Sample.

4. Indemnification and Insurance.

(a) Buyer agrees to use TIC Products in end use food or beverage applications only and not to resell TIC Products or distribute TIC Products for resale without the express written consent of TIC. Buyer is liable for any damages arising from any unauthorized use of TIC Products and hereby indemnifies TIC against any loss or liability resulting from the unauthorized use of any TIC Product.

(b) Buyer represents that it carries the following minimum insurance coverages:

General and Product Liability - \$1,000,000 per occurrence; \$2,000,000 aggregate
Excess or Umbrella Liability - \$5,000,000 per occurrence
Recall - \$10,000,000 per occurrence
Worker's Compensation – as required by statute

5. Confidential Information. The manufacturing processes and formulations of TIC products are confidential and proprietary to TIC, as are the sources of materials used in their production. Buyer shall not reverse engineer any Product or Sample, or use TIC Product information for any reason other than determining suitability for its application or complying with the law.

6. Miscellaneous. Failure or delay of either party to exercise any right under this agreement is not a waiver of that right. These terms and conditions are severable, and if any are held invalid or unenforceable by an authority of competent jurisdiction, the remaining terms and conditions will remain valid and enforceable to the extent permitted by law. Any adversarial proceeding arising under these terms and conditions is governed by the laws of the State of Maryland, USA without respect to its conflicts of law principles and shall be adjudicated exclusively within a state or federal court within the State of Maryland, USA.