

GCI NUTRIENTS PURCHASE ORDER TERMS & CONDITIONS

Dear GCI Vendor,

The following document presents the various things GCI Nutrients (hereafter "GCI") expects from its Vendors. We request that you review this document, sign/date and return the original to GCI, while retaining a copy for your files. This letter supersedes any previous correspondence on this subject and is intended to be a one-time communication between GCI Nutrients and you, our Vendor. In the future, a generic version of this letter will be posted to the GCI Nutrients website.

GCI will provide a product specification sheet for each product indicated in a Purchase Order submitted to a Vendor.

P.O. Verification: Within 24 hours of receipt of P.O. from GCI, Vendor will confirm receipt and confirm that all information in the P.O. is accurate. If there are any changes, Vendor makes any changes in writing on the P.O. and faxes it back to GCI (FAX 650-697-6300). Supplier must notify GCI's Purchasing Agent of any nonconformance with product specifications prior to acceptance of an order and/or shipment of the order.

Shelf life: There must be at least **18 months** of shelf life remaining before the expiration date for products sold to GCI. We prefer that our orders be filled from a single lot for each product.

Carrier: In every case, GCI Nutrients will determine the carrier to be used for transporting goods sold to GCI. GCI Nutrients is responsible for advising the designated trucking company of the requested delivery date by including the requested date on the bill of lading to the Vendor.

Our suppliers are expected to deliver orders on the date negotiated between Buyer and Seller. Although delays and problems occur from time to time, we reiterate that suppliers are responsible for notifying GCI Purchasing contact of any problems or delays in the availability of product.

Shipping address and Receiving Dock Hours:

| GCI Site | Receiving Hours | Emergency #'s |
|---|--|--|
| GCI Nutrients 1163 Chess Drive, Unit H Foster City, CA 94404 Ph 650-697-4700 Fax 650-697-6300 | 8 AM- 12 PM, 1-4 PM Mon-Thurs 9 AM - 2PM Friday | Tel : 650-697-4700 ext 126 Fax : 650-697-6300 |

All deliveries **must include** packing list and a Certificate of Analysis for each product lot attached to the shipment.

Certificates of Analysis should contain: Product name, Botanical name (if relevant), Appearance, Assay value for active substance (and test method used) if an active is specified, Solvent(s) used (if relevant), Extraction ratio (if relevant), Excipient/ carrier used and percent of total product weight excipient(s) represent(s) (if relevant), Bulk density, Particle size, Heavy metals (Arsenic, Cadmium, Lead, Mercury), Microbiological counts (Total plate count, Yeast & Mold, E. coli, Salmonella), Manufacturing date, Expiration date, any certifications (e.g. organic, Kosher), Country of Origin.

In addition, the GCI Vendor is asked to provide the following for each product at least one time:

- Kosher certificate (if relevant)
- Organic certificate (if relevant)
- Material Safety Data Sheet (MSDS)
- Allergen statement per the Food Allergen Labeling and Consumer Protection Act of 2004
<http://www.cfsan.fda.gov/~dms/algact.html>
- Testing protocol for assay of active(s) in product
- Manufacturing flow chart

Good condition: We expect that all products be shipped by the supplier in good condition. All products must be properly packaged to ensure that they are delivered to GCI without damage. GCI will consider the products to be improperly packaged or damaged if: Illegible or no product label on the container; Leaking, unclean, rusty and wet containers; Delivered in dirty vehicles; Broken seals, bags or cartons; Sharp or severe dents; Inappropriate or damaged drum; Use of wrong container type; Evidence of pest /or foreign matter; Any other defect affecting product packaging and /or quality.

Our Receiving Department will note all non-conformances on bill of lading.

Improper Performance / Returns / Penalties: All goods must meet the specifications for potency, purity and certain other parameters stated in the specification sheet accompanying the Purchase Order. Product received that does not meet specifications will not be accepted and will be held awaiting Vendor's instructions for return of such goods (for refund or credit) at Vendor's expense. If instructions are not forthcoming after 15 days of GCI's advising Vendor of the problem, such goods will be disposed of at GCI's option and without liability therefore. No defective goods are to be replaced without GCI's written authorization.

In the case of defective product, Vendor agrees to pay:

- the costs of independent testing that GCI incurred to verify that product(s) did not meet specs
- cost of shipping defective product back to Vendor
- penalty of \$200 per lot that does not meet spec.

Invoice: We request that freight and/or other charges appear as separate line item(s) on Supplier invoice. All invoices must reference the following: GCI Purchase Order Number, GCI Product Code, Supplier Lot Number, Net weight (Gross weight only, is not acceptable), Unit of measure, Country of origin.

Payment Terms: Upon submission of proper invoices, Vendor shall be paid the prices specified for goods delivered and accepted. No additional fees or charges of any kind (including charges for boxing, packing or crating) will be allowed unless specifically agreed in writing in advance.

GCI shall have the right (but not the obligation) to set off any of its claims against payments otherwise payable by GCI to Vendor or any other person under the Purchase Order, whether such claims arise out this Purchase Order or otherwise. Vendor may not charge interest or levy late charges or fees on overdue amounts if such overdue amounts are subject to dispute by GCI.

Thank you for your effort in complying with these requirements. If you have any questions or comments regarding our program, its implementation, or your ability to comply, please contact us.

Sincerely,

Mike Cronin
General Manager
GCI Nutrients
1163 Chess Drive, Unit H
Foster City, CA 94404
650-697-4700
650-697-6300 fax
Email: mikec@gcinutrients.com

We request that you acknowledge receipt and confirm your willingness to comply with the policies presented herein by signing below and returning fully executed original of this form to:

Mike Cronin
General Manager
GCI Nutrients
1163 Chess Drive, Unit H
Foster City, CA 94404
650-697-4700
650-697-6300 fax
Email: mikec@gcinutrients.com

ACCEPTED BY:

(Print or type)

(Signature)

(Title)

(Company)