

## GENERAL CONDITIONS

### Article 1: General; application of conditions.

- 1.1 These conditions are applicable to all quotations, contracts of sale and other transactions with Tefco Food Ingredients BV, hereafter referred to as 'the Company'.
- 1.2 Applicability of the Purchaser's general conditions is herewith excluded, unless specifically agreed otherwise in writing. In the case (nevertheless)(any) provisions of the Purchaser's conditions are applicable, these conditions of sale shall prevail in case and in as far as these provisions are in conflict with these general conditions of sale.
- 1.3 Should there be a final determination by a competent authority to the effect that one or several of these provisions, or any part thereof, are invalid or not enforceable, then the remainder of those conditions shall continue to have full force and effect, but the parties shall agree to new provisions, the economic effect of which will approximate as closely as possible that of the invalid or non enforceable provisions.

### Article 2: Quotations; offers; acceptance.

- 2.1 All quotations and offers are free of engagement, unless explicitly agreed otherwise. Orders are only binding after written confirmation by the Company within 8 days of the order or the Company has started to execute the order.
- 2.2 If an acceptance differs from the Company's offer, then this acceptance is deemed to be a rejection of the Company's offer even if it differs only on a small issue.
- 2.3 Communications by or on behalf of the Company in respect of the quality, composition, treatment in the widest sense, application possibilities, properties etc. of the goods, are understood to be indications only and the Company shall not be liable unless these communications have been given in writing and explicitly in the form of a guarantee.

### Article 3: Time and place of delivery.

- 3.1 Delivery shall take place ex works (Incoterms 2008) unless explicitly agreed otherwise. From the moment of dispatch, or in as far the following lays at an earlier moment in time, from the moment the goods are being held at Purchaser's disposal or being held in stock on behalf of Purchaser, all goods and materials will be at the risk of Purchaser. Even if free delivery is agreed upon, delivery is assumed to have taken place ex works, and the Purchaser shall assume risk for damage caused to the goods during transportation and shall properly insure himself against such risks at its own expense. Documents shall be taken up by Purchaser, ship and/or cargo lost or not lost.
- 3.2 Delivery times are approximations. The fact that the delivery time is exceeded shall never constitute a right to indemnification or rescission, even if notice of default has been given.
- 3.3 The Company is at its option entitled to make part deliveries and in such a case separately invoice these part deliveries.
- 3.4 If the Purchaser fails to take delivery the Company has the choice either to store the goods at Purchaser's expense and risk while the purchase price becomes payable immediately, or at any time after such failure to rescind the contract without judicial intervention fully or partially notwithstanding the Company's right to claim full compensation for damages.

### Article 4: Reclamation, annulment.

- 4.1 On delivery of the goods the Purchaser shall immediately inspect the goods and satisfy himself as to their condition. Reclamations as to the condition of the goods should be made immediately and in writing but at the latest within ten days of delivery date after expiry of which term the Company cannot be held liable for any defects of the goods. The condition of the goods at the moment of shipment shall be decisive. In case of a reclamation the Purchaser will enable the Company to take samples of the goods.
- 4.2 The usual tolerances for measurements and weights customary for manufacturers in the branch shall apply.
- 4.3 In case the Company (partially) accepts a reclamation, then the Company shall have the choice of revision of contract (without judicial intervention) or to replace the goods without costs or to give a reasonable price reduction while leaving the goods with the Purchaser.

### Article 5: Terms of payment.

- 5.1.1 Unless otherwise agreed upon, all prices are considered as ex works (Incoterms 2008) excluding VAT and, if any, excluding packing. All prices are based on the monetary rates of inland and foreign currencies, import duties and other taxes and duties that affect the purchase price and which are in force at the time of the conclusion of the agreement. In case of modification of one or more of these factors before the delivery in accordance with the agreed time of delivery, the Company has the right to adjust its prices in such a way that reasonable allowance is made for the modification occurred.
- 5.1.2 The consequences of any governmental orders or restrictions, also in the frame of the EC, including all taxes, duties, levies, monetary compensation amount etc., if and so far not included in the price are at Purchaser's risk and for Purchaser's account.
- 5.1.3 Any increase in the rate of freight or additional freight surcharges at the time of shipment are for Purchaser's account.
- 5.2 Unless explicitly agreed otherwise payment will be due in cash at the Company address within 8 days after the date of invoice.
- 5.3 In case of non-payment the Purchaser shall be deemed to be in default of payment without further notification necessary on expiration of the term of payment.
- 5.4 Purchaser shall not be entitled to any discount, right of set off or compensation.
- 5.5 The Company reserves the right at any time (also before delivery) to demand from the Purchaser prepayment

or security of payment by way of bank guarantee, an irrevocable letter of credit or similar instrument, assignment of claims or otherwise. If the Purchaser does not provide such security at first request then the Purchaser shall be deemed to be in default of payment and of acceptance of the goods and the Company shall be entitled to (partially) undo or suspend the contract without judicial intervention being necessary without prejudice to its right to claim damages and costs.

- 5.6 In case default of payment the Purchaser shall be liable for the following costs:
- interest at the statutory rate under article 120 of Book 6 of the Dutch Civil Code plus 2 %;
  - extrajudicial collection fees to be fixed on 15 % of the principal amount;
  - judicial costs actually incurred by the Company;
  - any losses incurred by the Company because of changes in exchanges rates if the purchase price is not payable in Euro
- 5.7 Irrespective of other indications or mention by the Purchaser, his payments will serve in the first place to deduction of the Companies cost, pertaining to collection and/or retention of its claim(s); next to deduction of interest due by the Purchaser and finally to deduction of the oldest unpaid invoices/debts.

**Article 6: Liability.**

- 6.1 The Company shall not be liable for any loss, cost, damage or expense caused by any delay or failure to perform any of its obligations, if such delay or failure arises from any circumstances that cannot be imputed to its fault, nor those that would come for its account in virtue of law, legal act, or conceptions commonly considered valid including without limitation war, warlike operation or hostilities, public riots or disorder, earthquakes, storms, floods, fires or other calamity of nature, accidents, blockades or suspension of transportation facilities, strikes or other forms of industrial stoppage or interruption of production, complete or partial default of a third party from whom goods or services are to be received, lack of raw materials, limited available production capacity, boycotts, or actual order of governmental authorities (whether valid or not) or lack of required import or export licenses. On the occurrence of any of the foregoing events or circumstances, the Company thereby shall give written notice and at its option shall be entitled to suspend or cancel the contract.
- 6.2 The Company shall not be liable for any consequential losses or damages whatsoever because of a default under the contract.
- 6.3 The total liability of the Company under a specific order shall be limited to the net principal amount charged by the Company for that order. The liability of the company will furthermore be limited at all times to the amount paid to the Company in the relevant case by its third-part company insurance.

**Article 7: Retention of title.**

- 7.1 The goods delivered shall remain the property of the Company until the Purchaser has effected full payment of all and any outstanding debts related to goods delivered or to be delivered under any existing or future contract including debts for service rendered or to be rendered under such contracts and including all payments due with regard to claims for default, legal costs and interest under such contracts. The Purchaser shall not be entitled to transfer the ownership thereof except in the ordinary course of business or pledge these goods with third parties and the Purchaser shall store the goods separately from other goods preserving all identifying marks. In the event the Purchaser fails to fulfill any obligation towards the Company under the contract or in case the Purchaser is made bankrupt or placed into receivership or liquidation or enters into a scheme of arrangement with its creditors or takes any legal steps itself to cause the above to occur or ceases to do business at any time during 30 consecutive days, then the Company shall be entitled to take back the goods without notice of default or judicial intervention being required. Without prejudice to the above Purchaser is responsible for the compliance with national and international legislation and any other rules and regulations applicable to the goods and or its packing.
- 7.2 The Purchaser is obliged at first request of the Company to pledge the goods with the Company, if possible by way of qualification at the time of transfer of the ownership of the goods, as a security for all outstanding and future debts of the Purchaser to the Company including debt collecting costs and interests.

**Article 8: Supply failure.**

- 8.1 The Company shall be free of its obligation and warranties under the sales agreement with Purchaser if and in so far as the Company with respect to related goods, under a supply contract entered into prior to its contract with Purchaser is not, too late, with damage, or under different conditions supplied through no fault of the Company and the Company has informed Purchaser thereof accordingly within a reasonable period of time. If the failure of the Company's supplier to deliver the goods is of a permanent nature the Company is entitled to cancel the contract without any liability for damages. If the failure of the Company's supplier is of a temporary nature only Purchaser will be entitled to cancel the contract.
- 8.2 The Company is obliged at first request of Purchaser to show and proof the existence of a related supply contract and to transfer its right there under to Purchaser if and after the Company has called upon clause 1 of this Article.

**Article 9.**

- 9.1 All offers, order confirmations and agreements shall be exclusively governed by Dutch law.
- 9.2 All disputes that might arise between the Company and the Purchaser, will be adjudicated by the competent magistrate of the district where the Company is located, or at domicile of the Purchaser, at choice of the Company.