

General conditions of purchase of Meelunie B.V., Amsterdam, The Netherlands

1. Applicability

- 1.1 These purchase conditions are applicable to and are part of all purchase agreements concluded by Meelunie B.V (the purchaser).
- 1.2 The purchaser does not accept any general conditions of sale of the seller/ supplier (the supplier) except if and in as far as they have been accepted by the purchaser in writing.
- 1.3 If the purchaser's order confirmation contains any conditions, which deviate from these general conditions, the condition in the purchaser's order will prevail.

2. Agreement

- 2.1 All purchases by the purchaser must be confirmed by the purchaser in writing (i.e. by fax and/or mail and/or electronic mail).
- 2.2 An order is only binding for the purchaser if it has been confirmed in writing by a duly authorized representative of the purchaser's office.
- 2.3 The supplier is deemed to have accepted the purchaser's order, unless he has notified the purchaser in writing to the contrary within ten working days after the date the confirmation of the purchaser has been sent to the supplier.
- 2.4 The supplier is also deemed to have accepted the purchaser's order if he has started the execution of the order.
- 2.5 Order confirmations from the supplier, which deviate from the purchaser's order confirmations, are only binding to the purchaser in as far as the purchaser has accepted such deviations in writing.
- 2.6 The purchaser's order may contain an abbreviated Incoterm condition (e.g. FOB, CIF, etc.); these Incoterm conditions are to be interpreted according to the most recent definitions published by the I.C.C.
- 2.7 The purchaser's delivery instructions form part of the agreement.
- 2.8 In case the supplier does not fulfil delivery in accordance to the contracted terms and to the general purchase conditions of Meelunie B.V., the purchaser reserves all rights to cancel this and other purchase agreements with the supplier.

3. Price

- 3.1 The price in the purchaser's order confirmation is firm and exclusive of VAT, unless otherwise stipulated.
- 3.2 The price in the purchaser's order confirmation includes the cost of clean, sound and suitable seaworthy packing material.

4. Delivery

- 4.1 The supplier shall deliver the goods in conformity with the agreed specifications, brand and/or markings and fully in accordance with the agreed terms of delivery.
- 4.2 The sole fact of exceeding the time of delivery constitutes default for the supplier, i.e. without any notice or “terme de grace” being required. In such a case the purchaser has got the option to cancel the order in whole or in part, or to require delivery in whole or in part, and in all events to claim damages. This includes all losses and damages caused by replacement purchases.
- 4.3 Delivery shall include all analysis reports, certificates, test reports, etc. as specified in the purchaser’s order and/or the purchaser’s delivery instructions.
- 4.4 The goods will be for the account and risk of the supplier during transportation to the agreed place of delivery.
- 4.5 For each delivery or partial delivery the supplier shall send a delivery notification to the purchaser prior to the dispatch of the goods.
- 4.6 The purchaser may require the co-delivery of one or more representative samples. The cost thereof will be borne by the supplier.

5. Testing and inspection of the goods prior to delivery

- 5.1 At the purchaser’s request the supplier shall enable the purchaser to audit the quality and/or the state of the goods prior to delivery and/or the state and the progress of the manufacturing of the goods. Such testing, inspection and/or verification does not affect the liability of the supplier under the agreement with the purchaser. The purchaser may have a third party to carry out the testing, inspection and/or verification.
- 5.2 The supplier shall provide the person(s) carrying out the testing, inspection and/or verification with such equipment and information as they may reasonably require.
- 5.3 If the results of the testing, inspection and/or verification are not to the reasonable satisfaction of the purchaser, the purchaser is entitled to cancel the order without prejudice to his other rights and without the seller being entitled to any compensation.
- 5.4 The purchased material shall comply with applicable laws and regulations in the country of its destination, with current EEC regulations as far as they have already been adopted or else Codex Alimentarius, when available, whichever is stricter and apply. If the purchaser has determined specific limits for its own needs, the strictest of the four shall apply.

- 5.4.1 Food grade: The requirements of the Regulation (EC) No 852/2004, on the hygiene of foodstuffs or Codex Alimentarius; CAC/RCP 1-1969, Rev. 4-2003 Recommended International Code of Practice - General Principles of Food Hygiene, shall be met.
- 5.4.2 Feed grade: The requirements of Regulation (EC) No 183/2005, laying down requirements for feed hygiene or Codex Alimentarius; CAC/RCP 54-2004 Recommended Code of Practice on Good Animal Feeding, shall be met.
- 5.4.3 The requirements of the commission regulation: (EC) No 396/2005, on maximum residue levels of pesticides in or on food and feed of plant and animal origin; and (EC) No 1881/2006, setting maximum levels for certain contaminants in foodstuffs; or (EC) No 2002/32, on undesirable substances in animal feed, as far as they have already been adopted shall be met, or else, comply with those maximum residue limits established by the Codex Alimentarius Commission for this commodity, whichever is stricter/apply.
- 5.5 A consignment will not be made up out of more than 3 batches/ Lots. Taking into account the following definitions of a consignment and a Lot/ batch.
- 5.5.1 Consignment:
A quantity of material transferred on one occasion and covered by a single set of shipping documents. It may consist of one or more lots or portions of lots.
- 5.5.2 Lot/ Batch:
A quantity of material which is known or assumed to be produced under uniform conditions.
Meelunie BV assumes "lot" and "batch" to be synonymous.
- 5.6 When preparing loading of containers or other means of transport, these must be examined in a systematic and efficient manner, taking into consideration their cargo worthiness, security, safe handling, and non-contamination or infestation of cargo. Things to look for when examining a container means of transport include:
- 5.6.1 Structural faults in floors, walls, doors and ceilings which may allow the entry of water, insects or contaminants, or have the potential to damage the product or product packaging.
- 5.6.2 Moisture.
- 5.6.3 Live insects, eggs or mould.
- 5.6.4 Paint which is cracked or flaking and will potentially contaminate the cargo.
- 5.6.5 Any residue or odour from previous cargoes, from cleaning chemicals or odour-masking
- 5.6.6 Chemical residues.
- 5.6.7 Rust which is flaking or causing structural damage.
- 5.6.8 Odiferous fresh or uncured paint, the solvents or odours of which may taint cargoes.
- 5.6.9 Oil stains or hydraulic fluid that has leaked from forklifts or other items of handling equipment. The container means of transport should be cargo worthy, i.e. in sound, safe and weatherproof condition fitted with good door gaskets, functional door securing & sealing components.

6. Guarantee

- 6.1 The supplier guarantees that the goods are in conformity with the specifications and description in the purchaser's order and that they are suitable for human consumption or to be used in the manufacturing of products which are intended for human consumption.
- 6.2 The applicability of article 7:23 BW (Dutch Civil Code) is excluded.
- 6.3.1 If the goods turn out not to be in accordance with the agreed specifications, the supplier shall, at the purchaser's request, replace at the supplier's expense and risk all goods and products produced with the goods by the purchaser or by a third party. This obligation of supplier includes the obligation to carry out a recall of the goods and/or products produced with the goods.
- 6.4 In case the goods are not in conformity with the agreed specifications, the purchaser is entitled, of so desired, to require the supplier to make good any deficiencies, or to provide a new delivery, or to dissolve the agreement. In all events the purchaser is entitled to compensation of damages. If the purchase price has not been paid (in full) the purchaser is entitled to withhold the (unpaid portion of the) payment until the supplier has carried out his obligations under the agreement and/or to set off the unpaid portion of the payment against the amount of damages he is entitled to.
- 6.5 The supplier shall comply with all legal regulations of any nature, which have to be fulfilled in connection with the manufacturing, storage, transportation and delivery of the goods to the agreed destination.
- 6.6 The supplier holds the purchaser not accountable for any claims from the third parties in connection with the goods delivered by the supplier under the agreement, e.g. (and not limited to):
- 6.6.1 in the event of non-compliance with article 6.5 by the supplier;
- 6.6.2 in the event the goods are not in conformity with the agreed specification and/or;
- 6.6.3 in the event of a claim by the purchaser or third party based upon product of liability.
- 6.7 The supplier guarantees a minimum remaining shelf life of the goods at time of delivery of 2 years, unless otherwise has been agreed in writing. Registrating on packing and document shall be in conformity.
- 6.8 Retention samples (sealed) and records must be kept by the supplier for each batch of product for a minimum time period of at least the shelf life of the relevant batch.

7. Deviations

- 7.1 Approval by the purchaser of any specifications, samples or other information from the supplier shall not imply approval of any condition deviating from the specifications in the purchase order if not confirmed explicitly in writing by a duly authorized representative of the purchaser.

- 7.2 If the goods delivered by the supplier upon delivery do not meet the agreed specifications, the purchaser will inform the supplier by fax and/or mail and/or electronic mail of his findings. If the supplier does not agree with these findings, certified experts will be nominated by the parties to verify the quality of the goods against specifications in the agreement. The findings of such experts will be binding for both parties. The expenses of the expert will be for account of the party whose position in respect to the quality of the goods turns out to be contrary to the findings of the experts.

8. **Secrecy**

The supplier will treat as confidential all information provided by the purchaser and shall not make such information available to any third party, except and in as far as this is necessary in connection with the performance of the supplier under the agreement. This condition remains in force also after the agreement has been carried out or dissolved.

9. **Packing**

- 9.1 Unless specifically agreed otherwise in writing and prior to loading, all purchaser's orders are to be supplied in the packaging as confirmed by the purchaser in the Purchase Contract.

Furthermore, no suppliers' marks, signs, logos, documentation or references of any other kind are to be included, printed or attached to the packaging, pallets, slip sheets or any other place of the interior or exterior of the container or truck.

Failing compliance with this instruction, the purchaser reserves the right to reject the goods whether at origin or at destination which will then be kept at the supplier's disposal for collection. Any costs resulting from such a situation will be for the supplier's account and will be charged by the purchaser to the supplier.

10. **Trademarks and patents**

- 10.1 The supplier holds the purchaser not accountable for all claims from third parties resulting from the use by the supplier of any trademarks, brands or indications of whatever nature in respect to the goods.
- 10.2 The supplier holds the purchaser not accountable for all claims of third parties, based upon a patent which is, or may have been infringed by the manufacturer and/or the use of the goods anywhere in the world.

11. **Payment**

- 11.1 The purchaser shall pay the agreed price 30 days after receipt of the invoice and the documentation as agreed upon, unless otherwise has been agreed in writing.
- 11.2 The purchaser is entitled to set off any claims against the supplier and/or against any company which is affiliated to the supplier.

12. **Applicable law**

12.1 The agreement is governed by Dutch law.

12.2 The applicability of the UN Convention On Contracts For the International Sale of Goods (CISG), concluded in Vienna on 11 April 1980, is excluded.

13. **Disputes**

13.1 All disputes that arise from or in connection with the agreement or further agreements resulting there from will be subject to the exclusive jurisdiction of the competent court in Amsterdam, The Netherlands. Except that the purchaser has the option to submit the dispute to the competent court at the location of the headquarters of the supplier, or the offices of the supplier that have actually been involved in the conclusion of the agreement or to submit the dispute to arbitration.

13.2 In case of arbitration, such arbitration will take place in Amsterdam, in English and the disputes will be finally settled by three arbitrators, in accordance with the Arbitration Rules of The Netherlands Arbitration Institute (Nederlands Arbitrage Instituut).