

GENERAL PURCHASE CONDITIONS

of

HAP FOODS HOLLAND BV

Article 1 - General -

- 1.1 The name “Hap Foods” means Hap Foods Holland BV, registered with the Chamber of Commerce under number 23075765, and with its registered office in Hendrik Ido Ambacht, the Netherlands.
- 1.2 The term “conditions” means the general conditions of Hap Foods.
- 1.3 The term “Vendor” means the Vendor / Supplier or a legal entity/natural person on behalf of the Vendor / Supplier.
- 1.4 The term “agreement” means the agreement and/or further or subsequent agreements between Hap Foods and the Vendor.
- 1.5 The term “force majeure” means, amongst other things, circumstances not attributable to Hap Foods which prevent the fulfilment of an obligation. This will also be deemed to include (if and insofar as these circumstances make performance impossible or unreasonably difficult): Hap Foods employee strikes or sickness, strikes by customs or other third parties involved in the agreement's performance, breach of contract or a case of force majeure or unlawful action on the part of customers of Hap Foods, carriers or other third parties involved in the agreement's performance, traffic hold-ups, natural forces, war or mobilisation, impeding measures of any authority, fire and other accidents in the Hap Foods business, as well as other circumstances which result in it not being reasonable to demand performance/further performance by Hap Foods of all or part of the agreement.

Article 2 - Applicability -

- 2.1 These general conditions apply in all cases in which Hap Foods concludes an agreement with its supplier, hereinafter referred to as the “vendor”, regardless of the nature of the activities to be performed by Hap Foods, as well as to the statements (including offers, and offer requests and acceptances) which the parties make within the scope of this.
- 2.2 The provisions of these general conditions do not affect the right of Hap Foods to also exercise rights assigned by legislation or a treaty which are not described here.

- 2.3 Departures from these conditions only apply if explicitly agreed in writing. Such departures have no effect on other existing/future agreements.
- 2.4 The applicability of any general conditions of sale adopted by the Vendor is explicitly excluded.
- 2.5 These general conditions may be invoked by any person engaged by Hap Foods within the scope of the agreement's performance.
- 2.6 Hap Foods is entitled to amend these conditions at any time.

Article 3 - The agreement's establishment, amendment and supplementation -

- 3.1 An agreement between Hap Foods and the Vendor will only be deemed to have been established after Hap Foods has confirmed in writing a tender, offer or price quotation from the Vendor by placing an order or after Hap Foods has paid all or part of the purchase price.
- 3.2 Hap Foods will not be bound until the agreement has been established in the manner referred to in article 3.1. The Vendor cannot derive any rights from the relationship with Hap Foods until the agreement has been established.
- 3.3 The Vendor may only amend or supplement the agreement if the amendment or supplement has been explicitly agreed in writing between Hap Foods and the Vendor.
- 3.4 If there is justification for doing so, Hap Foods will be entitled to make changes or additions to the agreement, or in particular the size or properties of the goods to be delivered and the vendor will be obliged to agree to any such change or addition, unless this cannot reasonably be demanded of the party.
- 3.5 Before complying with a request for a change to the order, the Vendor must immediately inform Hap Foods of the possible consequences for the agreed price and the delivery date. In the event of changes leading to an increase or decrease in the costs, any resulting change in the purchase price must be agreed in writing between the parties.
- 3.6 In the case of an order change affecting the quantity or volume of goods to be delivered, the price will only be adjusted on a pro rata basis.

- 3.7 The Vendor will be obliged to notify Hap Foods promptly in writing of proposed changes in the construction, method of production or design of the goods to be delivered.
- 3.8 The content of the agreement will only be proven by the order confirmation and any changes or additions to it from Hap Foods.

Article 4 - Prices -

- 4.1 The agreed price includes all the costs incurred in relation to the goods up to and including delivery. Unless explicitly stipulated otherwise, the agreed price will include taxes, other levies, packaging, transport costs, delivery costs and goods in transit insurance.
- 4.2 The Vendor may never unilaterally change the agreed price, unless the written agreement states the circumstances which may lead to price adjustments and determines the manner in which the adjustment is to be made.
- 4.3 If and insofar as it has been agreed that the Vendor is permitted to oncharge Hap Foods for price increases resulting from increases in the price of the Vendor's raw materials, and so forth, the price increase may only be oncharged six months after Hap Foods has received written notice of the increase. Within the aforementioned period, Hap Foods will be entitled to terminate/dissolve the agreement with immediate effect in response to the announced increase, without being obliged to pay compensation for costs or losses.

Article 5 - Payment -

- 5.1 Payments must be made in the agreed currency.
- 5.2 In the event of Hap Foods for any reason not paying the purchase price, the Vendor will grant Hap Foods a further period for payment of at least 14 days. Excluding in a case of force majeure, Hap Foods will only be deemed to be in default if it fails to pay the purchase price within this period, after having been served written notice of default granting a period of at least 14 days.
- 5.3 Hap Foods will be entitled to deduct amounts it owes the Vendor from amounts it is owed on any grounds by the Vendor.

- 5.4 In the event of the Vendor failing in any way to fulfil an agreement, Hap Foods will be entitled to suspend payment of an amount and defer performance of any other action, without judicial intervention and without prior notice to that effect being required.
- 5.5 Payment by Hap Foods does not in any way signify the waiver of rights.

Article 6 - Advance payment -

- 6.1 If it has been agreed that Hap Foods will make an advance payment on the price, each time a component of the price becomes due, a corresponding component of the advance will be set off, regardless of whether the claim for payment of the price has been transferred to a third party.
- 6.2 In the event of failing to deliver goods which conform to the agreement, within the agreed period, to the agreed location and regardless of whether the failure can be attributed to it, the Vendor will owe statutory commercial interest, as referred to in article 6:119a of the Netherlands Civil Code, plus 1% interest per calendar month, on the advance, for the period that the failure continues, whereby part of a month will count as a whole month.
- 6.3 In the event of Hap Foods or the Vendor terminating the agreement in accordance with articles 11.3 and 12, the Vendor must refund the advance to Hap Foods within seven days of the termination; in the event of failing to do so the Vendor will owe statutory commercial interest, as referred to in article 6:119a of the Netherlands Civil Code, plus 1% interest per calendar month, on the advance, starting seven days after termination, whereby part of a month will count as a whole month.

Article 7 - Delivery -

- 7.1 The delivery will be deemed to have taken place on the date that Hap Foods took receipt of the goods at the agreed location.
- 7.2 The delivery dates stated in the order confirmation are binding. In the event of failing to deliver goods which conform to the agreement, within the agreed period, to the agreed location, the Vendor will be in default without any notice being required. The vendor will be liable for any losses suffered by Hap Foods, such as those resulting from the purchase of replacement goods and loss of profits, as a result of the vendor's failure to deliver on time. Moreover, following notice of default granting a period of two weeks, Hap Foods will be entitled to deem the agreement terminated. The termination will not only cover goods as yet undelivered but also goods already delivered on the basis of the same

purchase agreement, if these goods can no longer be used effectively as a result of the failure to deliver the remaining goods.

- 7.3 Upon the purchase agreement's termination, Hap Foods will be entitled to return to the vendor, at the vendor's risk and expense, any goods which can no longer be used effectively which have already been delivered on the basis of the same purchase agreement, and to reclaim from the vendor payments already made for the goods concerned.
- 7.4 Hap Foods will be entitled to postpone delivery. The Vendor will store separately and identifiably, in proper packaging any goods which have already been produced and will preserve, secure and insure them. Hap Foods will not incur any costs for this during the first four weeks. The Parties will hold timely consultations in connection with any costs payable by Hap Foods for storage after a period of four weeks. The starting point for any such storage costs will be the usual rate in the sector, payable from four weeks after the date on which the goods were ready for shipping or, if later, payable from the delivery date agreed in the purchase agreement.
- 7.5 If the agreement calls for the goods to be supplied by the Vendor in more than one delivery, the Vendor must keep sufficient stocks to fulfil its obligations to Hap Foods and, on request, will immediately deliver the quantity of goods indicated by Hap Foods.

Article 8 - Transfer of title -

- 8.1 The title to the goods and the associated risk will be transferred from the Vendor to Hap Foods at the time of delivery.

Article 9 - Specifications and testing -

- 9.1 Although not obliged to do so, Hap Foods will be entitled, at its own expense, to inspect the goods and/or arrange for them to be tested at any time during their production, processing and storage, as well as after delivery. Immediately upon being requested to do so, the Vendor will provide Hap Foods or the latter's representative with access to the production, processing or storage location. The Vendor will cooperate free of charge in the testing.
- 9.2 If testing as referred to in this article cannot take place at the intended time owing to the Vendor's actions, or if a test has to be repeated, the resulting costs incurred by Hap Foods will be payable by the Vendor.

- 9.3 In no case will Hap Foods lose its right to invoke a breach of the agreement in the event of the goods not corresponding with the agreement or any specifications stipulated by Hap Foods.
- 9.4 In the event of rejecting the goods following their arrival and taking delivery of them, or finding them unacceptable upon inspection, Hap Foods will notify the Vendor to that effect within a reasonable period. Within five days of the aforementioned notification, the Vendor will repair or replace the delivered goods and collect the rejected goods at its own expense from Hap Foods. In the event of the Vendor failing to comply with this obligation, Hap Foods will be entitled to purchase the required goods from a third party and to deliver or arrange for the delivery of the rejected goods to the Vendor at the Vendor's expense, without detriment to any other rights or claims.
- 9.5 Following termination, the vendor will immediately be obliged to refund Hap Foods any amounts already paid towards the purchase price as well as any other amounts.

Article 10 - Guarantees and liability -

- 10.1 The Vendor guarantees that the goods fully conform to the agreement and any further specifications stipulated by Hap Foods and that they are suitable for their intended purpose.
- 10.2 The Vendor explicitly guarantees, possibly contrary to the agreed Incoterm, that the goods and their packaging/method of packaging are suitable for transport to the agreed destination and conform to all relevant national and international regulations under public law, such as, but not limited to, veterinary, health or import regulations.
- 10.3 By way of supplement to article 10.2, the Vendor explicitly guarantees, possibly contrary to the agreed Incoterm, that the goods will remain sound, tradable and suitable for human consumption for a period of at least 30 days after their arrival at the designated destination.
- 10.4 The Vendor must provide Hap Foods with the required documentation and other documentation within the period agreed. If necessary, the Vendor will be obliged to provide product information in Dutch or English with the delivered goods at no extra charge.

10.5 The Vendor will be liable for any losses resulting from defects in goods it has delivered. The Vendor's liability also covers damage to third-party goods, trading losses and other indirect consequential losses which Hap Foods or third parties suffer.

Article 11 - Force majeure -

11.1 If Hap Foods is unable to fulfil its obligation(s) to the Vendor, performance of the obligation(s) will be suspended for the duration of the case of force majeure. Hap Foods will inform the Vendor immediately of the case of force majeure.

11.2 If any circumstances occur or become foreseeable which would prevent fulfilment of its obligation to deliver on time, the Vendor must notify Hap Foods to that effect immediately in writing, indicating the nature of the circumstance or circumstances, the measures it has taken or will be taking and the probable duration of the delay; in the event of failing to do so, the vendor will subsequently no longer be entitled to invoke the circumstance or circumstances concerned.

11.3 If the case of force majeure lasts thirty days or longer, both Hap Foods and the Vendor will be entitled to terminate the agreement entirely or partially by written notice and without any judicial intervention being required, insofar as the goods have not yet been delivered.

11.4 In no case will Hap Foods be obliged to pay compensation or make any other payment, if it terminates the agreement on the grounds stated in this article.

11.5 If Hap Foods has already partially fulfilled its obligations upon commencement of the case of force majeure, it will be entitled to reclaim the part already fulfilled and the vendor will be obliged to implement this with immediate effect.

Article 12 - Termination, performance and suspension -

12.1 In the event of the Vendor failing to fulfil completely, properly and on time any obligation arising from the agreement, other agreements, or these conditions, the Vendor will be in default, without any notice of default being required, and Hap Foods will be entitled, without being obliged to pay compensation of any kind and without detriment to its further rights, to suspend, with immediate effect and without judicial intervention, the performance of all its obligations and/or to terminate entirely or partially the agreement and/or other agreements with the vendor, and/or to demand compensation

and/or performance. In such a case, Hap Foods will also be entitled to demand from the vendor payment at once of any amounts Hap Foods has paid.

12.2 In the event of termination by Hap Foods, at its discretion Hap Foods may opt for compensation in the form of:

- a. any adverse difference between the contract price and the market value of the goods concerned on the date of non-performance, or;
 - b. the difference between the contract price and the price of the covering purchase;
- without this affecting the right of Hap Foods to additional or alternative compensation.

12.3 Moreover, without being obliged to pay compensation of any kind and without detriment to its further rights, Hap Foods will be entitled, with immediate effect and without judicial intervention, to terminate the agreement with the Vendor, if:

- a. the Vendor has been granted a moratorium or is insolvent, or this is impending, or if any part of its assets is subject to attachment;
- b. the Vendor ceases its operations, decides to go into liquidation, otherwise loses its legal personality or transfers or merges its business;

without this affecting the right of Hap Foods to additional or alternative compensation. In such cases all claims of Hap Foods against the vendor will be immediately due and payable.

12.4 In the event of Hap Foods being obliged for any reason to pay the Vendor compensation/damages, the amount will always be limited to the amount paid under the business liability insurance in the case concerned and, insofar as the claim is not paid by the insurer, to the amount of the purchase price (exclusive of turnover tax) and/or other levies but in any case subject to a sum not exceeding € 100,000.

Article 13 - Transfer of an obligation -

13.1 The Vendor requires Hap Foods' written consent to transfer an obligation based on the legal relationship with Hap Foods to a third party. Hap Foods may attach conditions to any such consent.

Article 14 - Indemnification -

14.1 The Vendor indemnifies Hap Foods against the financial consequences of any third-party claims connected in any way with the performance of its obligations arising from the agreement. Hap Foods will notify the vendor immediately and send the necessary details, if such a third-party claim is

brought against Hap Foods. The loss will also be deemed to include judicial and extrajudicial costs Hap Foods has been obliged to incur to defend itself against third-party claims.

- 14.2 The indemnification also covers damage to third-party goods, trading losses and other indirect consequential losses which Hap Foods or third parties suffer.

Article 15 - Penalty -

- 15.1 Without any demand or further notice of default being required, in the event of failing to deliver goods which conform to the agreement, within the agreed period, to the agreed location, the Vendor will owe Hap Foods an immediately due and payable penalty of 1% of the agreed price of the goods, plus any turnover tax, up to a sum not exceeding 50% of the agreed price, for each day that the failure continues. If delivery has become permanently impossible, the whole penalty will be due at once.
- 15.2 The penalty will go to Hap Foods without detriment to and in addition to any other rights or claims, including claims for compensation.
- 15.3 Hap Foods may set off the penalty against any amounts owed by Hap Foods.

Article 16 - Auxiliary persons -

- 16.1 Insofar as Hap Foods makes use of the services or products of auxiliary persons for the performance of its obligations arising from these conditions or the agreement, these conditions will likewise apply as far as possible on their behalf vis-à-vis the Vendor.

Article 17 - Other provisions -

- 17.1 Any provision of these conditions which lacks legal validity or is null and void will not affect the legal validity of the other provisions of these conditions. In such cases the conditions will be interpreted as if they do not include the provision which lacks legal validity or is null and void.

Article 18 - Language -

- 18.1 These conditions have been drafted in Dutch and translated into German, English and French. The Dutch text will prevail in any dispute concerning the interpretation of these conditions.

Article 19 - Prescription -

19.1 All claims against Hap Foods will in any case become prescribed one year after the date of the agreement.

Article 20 - Applicable law -

20.1 All agreements Hap Foods concludes are subject exclusively to Dutch law, or in the event of it otherwise being applicable, Regulation (EC) 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I) and the United Nations Convention on Contracts for the International Sale of Goods (CISG), concluded in Vienna on 11 April 1980, as well as national implementation acts based on them.

Article 21 - Jurisdiction -

21.1 Unless prevented by mandatory law, any disputes arising between Hap Foods and the vendor which are subject to these general conditions will be settled by the court with jurisdiction in the region in which Hap Foods is registered, without detriment to the right of Hap Foods to institute legal proceedings against the vendor in a court which has jurisdiction in other respects.
