

General terms and conditions of sale, Kraats Kaas B.V.

1 Definitions

The terms used in these General Terms and Conditions are defined as follows:

- 1.1 Kraats: Kraats Kaas B.V.
- 1.2 Customer: any customer of Kraats under the Agreement, and all parties to which Kraats has made an offer to conclude an Agreement.
- 1.3 Price: the selling price of the Product or Products on offer, not including accompanying charges.
- 1.4 Order: any order placed by the Customer, of any nature whatsoever.
- 1.5 Agreement: any agreement formed between a Customer and Kraats, all amendments or additions to it, and all acts and juristic acts for the preparation and performance of the Agreement.
- 1.6 Products: all items forming the subject of an Agreement.
- 1.7 Complaints: all notifications made by the Customer to Kraats to the effect that the delivered goods do not meet the requirements of the Agreement, specified and submitted in writing within the time limits laid down in Articles 10.1 and 10.2 of these Terms and Conditions.
- 1.8 Weight: for European Customers: in conformity with Directive 1976/211/EEC (e-mark).
- 1.9 Conditions : the general terms and conditions of Kraats.
- 1:10 Incoterms: the terms and conditions of delivery drawn up by the International Chamber of Commerce in Paris, 2010 version.
- 1:11 In writing: notification by letter of fax or by email.

2 Scope of application

- 2.1 These Terms and Conditions form an integral part of all Agreements.
- 2.2 Kraats explicitly excludes the applicability of the Vienna Sales Convention (United Nations Convention on international agreements for the sale of goods, 1980, CISG).
- 2.3 If the parties make reference in an Agreement to an Incoterm, the Incoterm in question will be applicable to its interpretation.
- 2.4 Kraats explicitly excludes the applicability of any general terms and conditions or conditions of purchase or delivery operated by the Customer.
- 2.5 These Terms and Conditions also relate to third parties that Kraats has perform the Agreement in full or in part.
- 2.6 If one or more provisions of these Conditions prove to be void or voidable, the other provisions will remain fully in effect and the Customer and Kraats will enter into consultation to agree on new provisions to replace the void or voidable ones, taking the purpose and tenor of the void or voidable provision as closely into account as possible.

3 Offer and formation of the Agreement

- 3.1 Offers are non-binding unless written statement is made to the contrary.
- 3.2 No Agreement will be formed until it has been confirmed in writing by Kraats.
- 3.3 Amendments and additions to any provision of the Agreement cannot be invoked unless they have been agreed in writing.

4 Prices

- 4.1 Unless otherwise indicated, all prices are denominated in euros and do not include VAT or other governmental levies or taxes or the costs of pallets.
- 4.2 Prices are based on delivery EXW (Ex Works) in conformity with the Incoterms unless another form of delivery (whether or not in conformity with the Incoterms) has been agreed in writing in the Agreement, in which case the prices are based on that other form of delivery.
- 4.3 Kraats explicitly reserves the right to charge the Customer for all changes that are beyond its control and which affect the price.
- 4.4 The Customer indemnifies Kraats against all costs and losses suffered by Kraats as a result of:
 - 1) the Customer not being properly registered for VAT or comparable taxes in any EU Member State, and/or
 - 2) the Customer providing incorrect or untimely information to Kraats and/or the VAT or comparable tax authorities in a relevant EU Member State, or a state outside of the EU.

5 Payment

- 5.1 In the absence of explicit written agreement to the contrary, all payments must be made within 21 days of the invoice date.
- 5.2 The Customer is not under any circumstances permitted to set off or suspend payment unless agreement to the contrary has been made in writing.
- 5.3 Kraats reserves the right at all times to require advance payment, in full or in part. If circumstance affecting the Customer arise that give Kraats good cause - to be decided at its own discretion - to suspect that the Customer may fail to meet its obligations under the Agreement, Kraats will have the right, before performing or continuing to perform the Agreement (or other Agreements), to require the Customer to pay in advance for the deliverable Products or to furnish what Kraats regards as being adequate security.
- 5.4 All payments are to be made to a bank account indicated by Kraats. All payments are to be made in euros unless Kraats stipulates in writing that payment in another currency is permitted.
- 5.5 In the event of the payment term provided for in Article 5.1 being exceeded, the Customer will be liable to Kraats for the payment of interest of 1.5% per month over the outstanding amount. The interest will be immediately due and payable without any demand or notice of default being required.
- 5.6 All judicial and extrajudicial collection costs incurred by Kraats, including the reasonable costs of legal assistance, will be charged to the Customer and are estimated at 15% of the payable principal amount, with a minimum of € 250. Kraats reserves the right to recover all actual debt collection costs from the Customer.
- 5.7 Complaints concerning invoices must be submitted in writing to Kraats within 8 days of the invoice date, in the absence of which the Customer will be deemed to have acknowledged that the invoices are correct.
- 5.8 Notwithstanding any statement to the contrary by the Customer when making payments and their administrative processing by Kraats, the payments of the Customer will at all times be deemed to extend to reducing: firstly, any collection costs and interest payable by the Customer, secondly any claims of Kraats relating to Products already sold on and delivered to third parties by the Customer and, finally, the other outstanding invoices of Kraats in the order of their date (from old to new).
- 5.9 In the event of non-payment of a due invoice, suspension of payment, an application for suspension of payment, bankruptcy, liquidation (of the business) on the part of or affecting the Customer, Kraats has the right, without notice of default and without legal intervention being required, to suspend or dissolve the Agreement (or the part of it that has not yet been performed) and to reclaim any goods delivered but which are still owned by Kraats under these terms and conditions, in which cases all claims of Kraats against the Customer will be immediately due and payable without the Customer having the right to claim compensation for damages.

6 Delivery term

- 6.1 Delivery terms are no more than indicative and do not come into effect until the Agreement has been formed. Kraats will endeavour to ensure that deliveries are made at the agreed times wherever possible. However, the delivery times are not binding to Kraats and cannot be regarded as firm deadlines unless explicit agreement to the contrary has been made. Kraats cannot under any circumstances be held liable for the consequences of the indicated delivery times being exceeded and the Customer has no right to compensation for damages.
- 6.2 In the event of any term being exceeded the Customer will not have the right to dissolve or cancel the Agreement unless the term has been exceeded to such an extent that the Customer cannot reasonably be expected to allow it to remain in effect. In that case the term must in all cases at be exceeded by the originally indicated time of delivery.

7 Delivery and risk

- 7.1 Deliveries are made EXW (Ex Works) in conformity with the Incoterms unless explicit written agreement has been made to the contrary. If the parties make reference in an Agreement to an Incoterm, the Incoterm in question will be applicable to its interpretation.
- 7.2 The risk concerning the Products will transfer to the Customer at the time of delivery, even if the transfer of ownership takes place later.
- 7.3 The Customer has a purchase obligation under which it is obliged, at its own expense, to arrange the prompt unloading of the Products in which waiting times are to be avoided. If the Customer fails to accept the goods or accept them on time, Kraats will have the right, at the Customer's expense, to leave them, or, if necessary, to load, transport and have them stored.

8 Force majeure

- 8.1 If performance of the Agreement is prevented by force majeure, regardless of whether this could have been foreseen

when the Agreement was formed, Kraats will have the right to dissolve the Agreement in full or in part without Kraats thus being obliged to pay any compensation for damages to the Customer.

- 8.2 Force majeure on the part of Kraats is defined as all circumstances beyond Kraats's control, as a result of which it is prevented from meeting its obligations (or the relevant part of them) to the Customer or compliance is delayed or rendered unprofitable or as a result of which Kraats cannot reasonably be expected to meet these obligations. Force majeure includes in all cases: war (or threat of war), riot, full or partial mobilisation, import and export bans, measures of the Dutch or foreign governmental bodies that make Kraats's performance of the Agreement more onerous or expensive than was the case when the Agreement was formed, freezing weather conditions, strikes, fire, epidemics and transport disruptions. The provisions of this Article shall also apply if the circumstances in question arise in respect of a manufacturer, importer or other trader from which Kraats itself obtains the Products or if the Products delivered or to be delivered by third parties to Kraats for the performance of the Agreement fail to meet the quality requirements set for them by Kraats.

9 Retention of title

- 9.1 All Products delivered to the Customer shall remain the property of Kraats until all claims payable by the Customer to Kraats for the Products delivered or to be delivered or the services rendered or to be rendered, and all other amounts payable by the Customer as a result of failing to meet the payment obligation, have been paid to Kraats in full. A Customer acting as a reseller will be permitted to sell and deliver all Products subject to Kraats's retention of title only to the extent that this is normal in the context of its company's normal business operations. In the case of sale on credit the Customer is obliged to stipulate the same retention of title on its customers as that provided for in this Article.
- 9.2 For as long as the ownership of the Products has not been transferred to the Customer, the Customer is not permitted to pledge the Products, to furnish them in ownership as security or to grant a third party any right to them, without prejudice to the provisions of article 9.1 where this relates to the Customer's transfer to a third party in the context of his normal business operations.
- 9.3 The Customer is obliged to treat the Products delivered under retention of title with due care and to mark them as being the property of Kraats during their storage.
- 9.4 If and for as long as Kraats remains the owner of the Products, the Customer will notify Kraats in writing, without delay, if any part of the Products has been lost or has sustained damage. In the event of an attachment, suspension of payment (whether or not provisional), or bankruptcy, the Customer will immediately notify the attaching bailiff, the administrator or the trustee in bankruptcy of the ownership and other rights of Kraats and will simultaneously notify Kraats of this in writing.
- 9.5 If payment has not been received in full within the agreed payment term, Kraats will have the right at all times to repossess the Products delivered under retention of title and the Customer will be obliged to return these Products to Kraats immediately on demand. Kraats will have the right to repossess all Products covered by retention of title even if partial payment has been made within the agreed payment term.
- 9.6 The above retention of title is not applicable to German Customers, but they are subject to a comprehensive, extended retention of title as follows:

Kraats reserves the right of ownership to all of the Products it has delivered as security for all of the claims that it has or will have on the Customer and its affiliated companies under current and future Agreements. The right of ownership of Kraats also extends to new products brought about through the processing of the Products delivered by Kraats under retention of title. The Customer produces the new products for Kraats without itself acquiring any rights of ownership and will store them for Kraats, without this leading to any claims of the Customer in respect of Kraats.

If Products delivered by Kraats under retention of title are mixed with other products subject to the retention of title of other suppliers, Kraats will acquire the co-right of ownership to these new products together with those other suppliers, to the exclusion of any rights of ownership or co-rights of ownership of the Customer. The amount of the co-ownership share of Kraats will correspond to the invoice value of the Products delivered by Kraats under retention of title in relation to the total invoice value of all the products mixed with other products and delivered under retention of title.

The Customer assigns to Kraats, now for then, its claims arising from the sales of the Products delivered and as yet to be delivered by Kraats under retention of title with accompanying rights of security up to the amount of the share of ownership of Kraats in the new products.

In the case of processing in the context of a contractor agreement, the claim for the payment up to an amount in

proportion to the invoice value of the processed Products delivered under retention of title by Kraats is assigned, now for then, to Kraats.

For as long as the Customer properly meets its obligations under the Agreement with Kraats, it is authorised to make use of the Products belonging to Kraats for its normal business operations and to collect the claims assigned to Kraats itself.

In the event of payment arrears or justifiable doubts about the Customer's solvency or creditworthiness, Kraats is entitled to collect the assigned claims and repossess the Products delivered under retention of title.

Payments by cheque or bill of exchange will not be regarded as compliance until the Customer's cheque or bill of exchange has cleared.

The retention of title in this Article 9.6 is governed exclusively by German law.

10 Complaints

- 10.1 In the event of any Product delivered by Kraats proving to be defective upon receipt, this must be reported in writing to Kraats within five working days of receipt of the Products, but this must be done within two working days in the case of soft and fresh cheese. Contrary to the above, the Customer must immediately report damage to the packaging in the delivery slip upon delivery.
- 10.2 In the event of a defect not being established for some time following receipt of the Products, complaints in that regard must be submitted to Kraats within 10 working days of the defect being established. The Customer cannot invoke any claims against Kraats for a defect concerning grated or sliced cheese if more than 4 months have elapsed since delivery.
- 10.3 Kraats is obliged to inform the Customer in writing of its position on this subject within ten working days of receipt of the complaint.
- 10.4 Failure to observe the terms provided for in Articles 10.1 and 10.2 absolves Kraats of all liability to the Customer for any defects.
- 10.5 The Customer cannot under any circumstances invoke any claims against Kraats for defects in Products if it has not yet met any obligation to Kraats.
- 10.6 With regard to the processing and storage of the Products, the Customer is obliged to follow the instructions for use and the statutory regulations governing the standards of care and supervision. A storage temperature between 2 and a maximum of 7 degrees Celsius must be maintained. It is a matter for the Customer to demonstrate that he has actually met all of the foregoing instructions, in the absence of which Kraats will be absolved of all liability for any defects. The submission of complaints does not suspend the Customer's payment obligations.
- 10.7 Products delivered by Kraats can only be returned, regardless of the reason, with the prior written authorisation of Kraats and subject to strict compliance with Kraats's shipment and other instructions. In the case of defects in sliced or grated cheese, the Customer may only claim compliance or dissolution of the Agreement (whether or not with compensation) if the returned Products are delivered to Kraats in their original, sealed packaging. Transport and all related costs are for the Customer's account. From the time of delivery by Kraats the Products are and remain at the Customer's risk unless explicit written agreement to the contrary has been made.

11 Conformity

- 11.1 Images, drawings, measurements and weights and so on issued by Kraats in its catalogues, circulars or otherwise are not binding to Kraats and are intended exclusively to provide an indication of what Kraats has to offer. Non-conformities do not give the Customer the right to refuse receipt of or pay for the Products or to require any payment from Kraats.
- 11.2 The weight of the delivery as established by Kraats is binding to the Customer unless the Customer establishes non-conformities during weighing immediately on arrival. The Customer must report the non-conformity in the weight in writing to Kraats as soon as possible on the same day but by the next working day at the latest, in the absence of which the Customer will be deemed to have approved the weight.
- 11.3 Customers outside of Europe are subject to a weight margin of 5% above and below the stated weight. Kraats will not be deemed to have failed to meet its obligations if the weight non-conformity in the delivered Products is within this margin.
- 11.4 The Customer must ascertain beforehand that the Products he orders, including the accompanying documentation, packaging, labelling and other information, are in conformity with the governmental regulations of the country of destination. If this is not the case, this will be at the Customer's expense and risk unless written agreement has been made to the contrary.

12 Liability and indemnification

- 12.1 Kraats cannot under any circumstances be held liable for any indirect losses and/or consequential losses suffered by the Customer or third parties, including loss of profits, immaterial or operating losses.
- 12.2 The liability of Kraats to the Customer (other than in cases of intentional act or omission or wilful recklessness) is limited in all cases to the invoice value of the Products in question (not including VAT) in each case (where a related series of cases is deemed to be a single case). This liability will not in any circumstances exceed the amount that Kraats receives under its business liability insurance.
- 12.3 Other than in cases of intentional act or omission or wilful recklessness on the part of Kraats, the Customer indemnifies Kraats against all claims of third parties of any nature regarding compensation for damages, costs or interest related either to the Products or the use of the Products.

13 Applicable law and court with competent jurisdiction

- 13.1 All Agreements concluded between the parties are governed exclusively by Dutch law, with the exception of the retention of title provided for in Article 9.6 (see that Article).
- 13.2 The Parties elect domicile in Hoogeveen, the Netherlands, for the performance of the Agreement. The competent court in Hoogeveen is competent to hear disputes to the exclusion of all others.

These General Terms and Conditions of Sale have been filed at the Chamber of Commerce under number 08176762