



GENERAL PURCHASE CONDITIONS

SFINC NV¹

(hereinafter the "*Purchaser*")

1. APPLICABILITY

- 1.1. These General Purchase Conditions shall apply to all present and future requests, offers, instructions, orders and agreements relating to the supply of goods or services by a third party (hereinafter referred to as the '*Supplier*') to the Purchaser.
- 1.2. Amendments and supplements to these General Purchase Conditions or diverging terms and conditions of the Supplier are valid only if confirmed by the Purchaser in writing.

2. COMING INTO EFFECT

- 2.1. An agreement between the Purchaser and the Supplier concerning the purchase and delivery of goods or services comes into effect when confirmed in writing by the Purchaser. Verbal agreements are only valid if confirmed in writing
- 2.2. Additionally an agreement comes into effect when an order is placed with the Supplier by the Purchaser based on a document produced from the Purchaser's central Enterprise Resource Planning ("ERP") system and the Supplier has signed the order and returned it to the Purchaser within five ((5)) calendar days following the date of that order.
- 2.3. Next to explicit acceptance, an order from the Purchaser is also accepted by the Supplier if the latter does not inform the Purchaser within five (5) working days² that the order has not been accepted. Finally an order is deemed to be accepted as soon as the Supplier begins to process it.
- 2.4. Both explicit and implicit acceptance of an order imply the acknowledgement of the present General Purchase Conditions by the Supplier as a part of the agreement between the Supplier and the Purchaser.
- 2.5. Requests for prices and quotations by the Purchaser are fully free of engagement. Cost estimates prepared by the Supplier prior to an agreement being entered into shall in no event be charged separately.

3. PRICES

- 3.1. Unless otherwise explicitly agreed on in writing, the price stated in the agreement includes all costs, such as transportation costs, insurance, packaging (material), foreign exchange risk, import duties etc. but excludes VAT. This price is fixed and unchanging and applies to goods or services to be supplied for delivery free domicile and/or to warehouses of the Purchaser or to a receiving address given by the Purchaser.
- 3.2. General price increases and price increases resulting from additional work or additional deliveries can only be charged to the Purchaser if explicitly accepted by the Purchaser in writing. Samples necessary to evaluate the quality and the fitness for a particular use of the delivered goods and/or services shall in no event be charged to the Purchaser.
- 3.3. Faulty goods or services supplied, necessitating the Supplier to perform work and/or incur expenses additional to those that could initially be anticipated when the agreement was entered into, shall in no event be charged to the Purchaser.

4. DELIVERY

- 4.1. Goods will be delivered on the agreed INCO terms. Unless otherwise explicitly agreed on in writing, the delivery should be free domicile and/or to warehouses of the Purchaser "Delivered Duty Paid" (DDP), with the corresponding consignment note. If no INCO terms apply, goods will be delivered, in these conditions including unloading, to the address indicated by the Purchaser. The Supplier must comply with the provisions and instructions applicable at the known delivery address.

¹ As well as the firms, companies and/or enterprises affiliated with SFINC NV (in the meaning of article 11 of the Belgian Companies Code);

² For the purpose of these General Purchase Conditions, a working day shall mean a day on which banks in Belgium are open for daily business for the public, excluding Saturdays.

- 4.2. The time or period of delivery agreed upon in the agreement is fixed. In case of exceeded timing, the Supplier will be in default *de jure*. If no delivery period has been agreed, the goods and/or services must be delivered no later than thirty (30) days after the agreement comes into effect.
- 4.3. The Supplier must report immediately in writing any foreseeable delay with respect to the delivery date to the Purchaser. This does not prejudice any consequences of a delay of the delivery date under the agreement or statutory provisions.
- 4.4. In the event of a late delivery by the Supplier, the Purchaser, at its sole discretion, is:
- entitled to dissolve the agreement, without further notice of default and/or judicial intervention, whereby the Purchaser has the possibility of claiming (integral) compensation. The Purchaser shall under no circumstances be liable for any damage to the Supplier resulting from the dissolution of the agreement;
 - entitled, apart from the case of force majeure, as foreseen under clause 16 of these General Purchase Conditions, on the part of the Supplier, and after notice of default, to lump sum damages of one and a half percent (1.5 %) of the value of the agreement for every week that the Supplier is in breach with the completion of the agreement, or with the delivery of the goods sold to the Purchaser. These lump sum damages are limited to five percent (5 %) of the total purchase price, without prejudice to the Purchaser's right to compensation of all costs, damages and interests effectively suffered by the Purchaser in this regard and which would exceed the agreed lump sum damages. Parties agree that the lump sum damages are reasonable and not exaggerated, and are not to be considered as a conventional fine.
 - entitled to purchase the goods from a third party supplier and charge the Supplier with any loss or damage incurred as a consequence of such substitutions
- 4.5. In the event that the Purchaser is unable to take delivery of the goods, the Supplier will store the goods at its own expense and risk, in such a way that the correct and consistent composition of the goods continues to be guaranteed and the required standard of quality is maintained. The Purchaser excludes any liability resulting from the inability to take delivery of the goods. Partial delivery and delivery of more or less than the agreed quantities, and delivery more than seven (7) days prior to the expiry of the agreed delivery period, will only be accepted if prior written consent is obtained from the Purchaser. Early delivery will not result in changes to the agreed date of payment. The risk with regard to the surplus of goods delivered that are stored at the Purchaser's premises will be borne by the Supplier until an agreement is reached with respect to such surplus. All costs relating to the storage of the surplus will be borne by the Supplier, unless explicitly agreed otherwise in writing.
- 4.6. In the case of delivery of bulk goods, the delivered quantity will be recorded on the basis of the measurements by the Purchaser on the calibrated bridge gauges indicated by the Purchaser and using calibration tables.
- 4.7. The Supplier is obliged to pack the goods properly in accordance with the requirements of transportation and use, to provide the data, the invoice and any other documents required by the Purchaser (such as but not limited to: product specifications, allergen information, certificates of analysis, certificates of conformity, material safety data sheets, and/or other quality related documents), and to comply with any given instructions. The delivery will be deemed to be incomplete in the absence of the abovementioned documents. The Supplier is liable for all damage caused by inadequate packaging.
- 4.8. On the Purchaser's request the Supplier is obliged to send the Purchaser a production or execution plan and/or to assist in a progress check.
- 4.9. The Supplier will at his own expense and risk provide adequate packaging, including pallets and barrels in function of the composition of the supplied goods.
- 4.10. A delivery is deemed complete when the goods to be supplied have been delivered to the address indicated by the Purchaser, in full accordance with the agreement. All risks related to the goods are borne by the Supplier until the delivery is completed.

5. MODIFICATIONS OF THE ORDER

- 5.1. The Supplier shall not modify any specifications given by the Purchaser without the written consent or upon the written request of the Purchaser. If the execution of the order in accordance with these specifications is impossible, the Supplier shall notify the Purchaser thereof and shall propose effective modifications. The Purchaser will only be deemed to have accepted such proposed modifications if accepted in writing.
- 5.2. The Purchaser is authorised to modify the size and/or quality of the goods or services to be supplied at any time, in consultation with the Supplier. All modifications must be agreed in writing.
- 5.3. The modifications and the additions will not in any case result in an increase of the agreed price or an extension of the agreed delivery period.

- 5.4. If the Supplier is of the opinion that a modification will have consequences for the agreed price and/or delivery period, he must inform the Purchaser thereof in writing within five (5) working days after the notification of the proposed modification in accordance with clause 5.2. If the Supplier does not react within five (5) working days of the notification under clause 5.2., the Supplier is deemed to have accepted the modifications at the initial price and delivery period. If the Purchaser estimates that the consequences for the price and/or delivery period are unreasonable, the parties will use their best efforts to reach a mutual agreement. In case the parties fail to reach such mutual agreement, the Supplier shall not be entitled to any rights, nor shall the Purchaser have any obligations other than those resulting from the existing agreement.

6. INSPECTION

- 6.1. Goods or services delivered by the Supplier are only accepted after explicit approval in writing by the Purchaser. Such approval does however not release the Supplier from any obligation under the Agreement, including without being limitative, from any liability for hidden defects. Furthermore, the Purchaser has the right to request a production or confirmation sample at any time.
- 6.2. In case the Purchaser estimates that the goods or services delivered by the Supplier do not correspond to what has been agreed, the Purchaser is entitled to reject these goods or services. The risk with respect to those goods or services shall return to the Supplier as of the rejection of the goods or services by the Purchaser.
- 6.3. The inspection will be carried out at least five (5) working days after receipt of the goods or services. In the event of rejection by the Purchaser, the Supplier must be notified thereof in writing without delay and the Purchaser, at its sole discretion, shall be entitled to:
- a. at the expense and risk of the Supplier require the latter to replace the goods in whole or in part until the goods correspond to the Purchaser's specification or are of the specified quality or, in the case of goods for which no such quality is specified, to replace the goods with respective goods of the best quality. In either case, the Supplier will pay or allow to the Purchaser to deduct from the invoice as liquidated damages a sum calculated at the rate of half a percent (0,5%) based on the respective price indicated on the invoice for every full week between the date when notice is given by the Purchaser and the date when the goods are replaced to the satisfaction of the Purchaser;
 - b. at the expense and risk of the Supplier, return such rejected goods to the Supplier ;
 - c. at the expense and risk of the Supplier, hold such rejected goods for disposal as the Supplier may indicate;
 - d. at the expense and risk of the Supplier dissolve whole or part of the agreement, compensated or not, without further notice of default or judicial intervention being required.
 - e. claim, at the expense and risk of the Supplier, additional services from the Supplier until the result of the services determined under the Agreement is rendered to the satisfaction of the Purchaser.
- 6.4. Unless otherwise explicitly agreed upon in writing, the Supplier must inspect and test the quality and composition of the raw materials, semi-finished products, packaging and other items for processing or use supplied by the Purchaser and shall notify the Purchaser of any irregularities within three (3) working days before processing or use. The occurrence of an inspection (or the lack thereof) shall not release the Supplier of any of his obligations or liabilities under or following the agreement between the Supplier and the Purchaser.

7. GUARANTEE

- 7.1. The Supplier guarantees that all goods as well as all the corresponding documentation supplied under the purchase order:
- meet the agreed specifications, description(s), properties, requirements and the quality standards applied by the Purchaser;
 - are suitable for their intended purpose and use by the Purchaser and, in the absence of specific alternative agreements in this regard, meet the specifications, properties and requirements laid down for these goods in the international trade; and
 - are not perished at the delivery date and will remain so for at least $\frac{3}{4}$ of the total shelf life time, unless otherwise explicitly agreed upon in writing...
- 7.2. The Supplier guarantees that the goods correspond to samples, models, enclosures, drawings provided by the Supplier and/or production or confirmation samples approved by the Purchaser.
- 7.3. The Supplier guarantees that the goods and the corresponding documentation comply with all requirements (including, without limitation, all health, safety and design requirements) of all Directives and Regulations of the European Parliament and of the Council of the European

Union that apply to the goods purchased under the respective order and all relevant statutory provisions in the country of destination with regard to, amongst others, quality, environment, safety, labelling and health, including, but not limited to, the International Food Standards (IFS), the British Retail Consortium Global Standards (BRC) and H.A.C.C.P. The Supplier has also the obligation to fulfil the REACH specifications as foreseen in regulation EC/1907/2006 for all chemicals and/or all goods containing chemicals supplied by the Supplier under the respective purchase order. Finally the Supplier is responsible for obtaining the regulatory registration and/or notification of all chemical components of the goods he supplies to the Purchaser. Registration has to be made in all countries in which the materials are produced and/or transformed as in the countries to which the Supplier ships the products for use in the Purchaser's and/or his affiliated manufacturing locations. The goods must be EEC-registered prior shipment to Belgium or any other country of the EEC. All hazardous and/or dangerous goods have to be clearly marked (international danger symbols, the name of the materials in English, class, packaging, group, etc) labelled and adequately packed.

- 7.4. The Supplier guarantees that the goods will be of good and consistent quality at all times and will have no construction, material nor manufacturing faults, nor any faults or defects in their nature, composition, content or formulation.
- 7.5. The Supplier is obliged to replace the defaulting or defective goods by new goods within a reasonable period, at its own expense and risk, or to render additional services in order to still supply goods or services which correspond to the specifications, properties and requirements, this without prejudice to the Purchaser's other rights.
- 7.6. The Supplier is obliged to bear the financial consequences of a recall by the Purchaser of the delivered goods, even if such goods have been incorporated into other goods by the Purchaser.
- 7.7. The guarantee applies for a period of six (6) months as of the date of expiry, unless otherwise explicitly agreed upon in writing.
- 7.8. The Supplier guarantees the import, export and transit of the goods to be delivered to the known place of (final) destination.
- 7.9. If the Supplier fails to fulfil one of the aforementioned guarantees, the Supplier shall indemnify, keep harmless and defend the Purchaser and its subsidiaries, its/their directors, officers, employees, agents, successors and assigns from and against any and all claims, demands, law-suits, judgements, costs, expenses, fines, penalties, and liabilities of whatsoever kind and nature which it/they may incur, become responsible for, or pay out.

8. PAYMENT

- 8.1. The Supplier shall be obliged to provide the Purchaser with a specified and detailed invoice in duplicate, immediately after delivery of the goods, clearly referring to the concerned purchase order. Furthermore, it shall specify the supplied quantities and the unit price. Value Added Tax (VAT), where applicable shall be shown separately on all invoices that must comply with local (tax) regulatory requirements.
- 8.2. Payment of the invoice (including VAT) will be made within sixty (60) working days from the date of the invoice, providing that the Purchaser receives the Supplier's correct and valid invoice, and provided the goods have been correctly delivered and the Purchaser has accepted them, unless otherwise agreed in writing. If the Purchaser pays the invoice within 10 days a discount of 2% will be applied.
- 8.3. Payment by the Purchaser will under no circumstances imply a waiver of right.
- 8.4. The Supplier is obliged to indicate the order number and the article number on the invoices to be sent to the Purchaser. Lack of such indication can cause delay in the payment. This delay will be at the expense and risk of the Supplier.

9. PROPERTY

- 9.1. In case the Purchaser provides the Supplier with materials, such as raw materials, auxiliary materials, tools, drawings, specifications, recipes and software, to be used for the fulfilment of the latter's obligations under the agreement, these materials will remain the property of the Purchaser. The Supplier will keep these materials separate from materials belonging to itself or to third parties. The Supplier will mark them as property of the Purchaser. The Supplier may only use the aforementioned materials for the execution of the agreement entered into with the Purchaser.
- 9.2. If the materials of the Purchaser (as described above) are incorporated in the goods of the Supplier, the Purchaser becomes the owner of these goods as of the moment of incorporation.
- 9.3. The Supplier guarantees that the goods are not encumbered with any special levies and restrictions imposed by third parties.
- 9.4. The Supplier shall indemnify the Purchaser from any claims of third parties related to any violation of clause 9.1. by the Supplier and shall compensate the Purchaser for any loss resulting thereof.

- 9.5. As soon as the ownership of the goods has been transferred to the Purchaser, the Purchaser shall have the right to alienate, to encumber or to pledge the goods in whatever form or to bring the goods under the control of third parties otherwise.
- 9.6. If the Purchaser makes any payment before delivery or completion of the agreement, the ownership of the goods and/or materials already with the Supplier for use in these goods, shall be borne by the Purchaser as of such payment. The Supplier is obliged to mark the concerned goods as the property of the Purchaser.

10. INTELLECTUAL AND INDUSTRIAL PROPERTY

- 10.1. By acceptance of a purchase order, the Supplier guarantees that each article on the purchase order does not infringe any trade mark, design registration, patent, copyright or any other intellectual property rights, that he will defend any suit that may arise in respect hereto and that he will indemnify and hold the Purchaser and its affiliates³ and its/their directors, officers, employees, agents, successors and assigns harmless from any and all claims, demands, law-suits, costs, expense, fines, penalties, liabilities, loss or damage of whatsoever kind of nature (including the cost of legal proceedings) which the Purchaser or its affiliates may incur, become responsible for or pay out as a result of the Supplier's breach of this provision or due to an infringement of the aforementioned intellectual property rights or the assertion of a third party of any such intellectual property rights with respect to the goods supplied against the purchase order.
- 10.2. Specifications, formulas, working methods, designs, drawings, models, slogans, texts, descriptions, artistic performances, artwork, the original as well as all adjustments, data, including all changes and other publicity material, etc., provided by the Purchaser, or made by or in the name of the Supplier on the instructions or in collaboration with the Purchaser, and the intellectual and industrial property rights relating to that, shall be the exclusive property of the Purchaser who will also be regarded as the sole maker and designer.
- 10.3. The Supplier is entitled to use the information provided by the Purchaser, but only in connection with their agreement. Any provided information is and will remain the property of the Purchaser.
- 10.4. The Supplier will not use the name, trademarks, trade names and the intellectual property rights of the Purchaser in advertisements, other publications or for other purposes without the Purchaser's prior written consent.
- 10.5. The Supplier accepts that it is sufficiently paid for any and all transfers of intellectual property rights provided for under this clause 10 and that such consideration is included in the agreed price for goods and/or services

11. CONFIDENTIALITY

- 11.1. The Supplier must treat the purchase orders, the corresponding agreement and all related business and technical details as trade secrets. In particular, after processing a purchase order, the Supplier must maintain confidentiality with respect to knowledge acquired from the Purchaser. The Supplier is not allowed to apply the aforementioned information for its own use or use by third parties, insofar as this information was not already in the public domain, or would be other than through the actions of the Supplier and not to divulge any part thereof to third parties without the prior written consent of the Purchaser. The provisions of this clause 11.1 apply specifically - but not exclusively - to data and information relating to products, installations and processes developed by the Supplier in collaboration with or pursuant to the instructions of the Purchaser.
- 11.2. The obligations under clause 11.1 will remain in force after the termination of this agreement.

12. INSURANCE

- 12.1. The Supplier must, at its own expense, insure itself for an appropriate amount and keep itself insured against its liability -in the widest sense of the word- vis-à-vis the Purchaser and third parties (including, but not restricted to the insurance of all goods and materials received from the Purchaser under the agreement against all possible damages). The Supplier will present the policy concerned for inspection when requested to do so by the Purchaser.
- 12.2. The Purchaser has the right to demand that it be named in the policy or policies as co-insured principal and also as beneficiary and it should be stipulated that the insures are entitled to directly compensate the Purchaser and/or third parties it indicates. The Supplier is obliged, when the Purchaser so requests, to hand over the insurance policy/policies along with the proof that the corresponding insurance premiums have been paid.

³ Affiliate has, for purpose of these General Purchase Conditions, the meaning as defined under Article 11 of the Belgian Companies Code

13. TRANSFER / ASSIGNMENT PROHIBITION / SETOFF

- 13.1. The Supplier can only transfer an obligation under this agreement to a third party upon prior written consent by the Purchaser.
- 13.2. The Supplier is prohibited, except with prior written consent of the Purchaser, from assigning its claims against the Purchaser to third parties and/or from encumbering them.
- 13.3. The Purchaser is entitled to offset its debts vis-à-vis the Supplier against its receivables vis-à-vis the Supplier or its affiliates, whether or not due. The Supplier is only entitled to any setoff following prior written consent of the Purchaser.

14. IMPUTABLE FAILURE

- 14.1. The Supplier is liable for all costs and damages, including consequential loss, which (i) might be caused to the Purchaser, its officers, its employees, its customers and other third parties, and (ii) are the consequence of any imputable failure of the Supplier, its employees, directors, affiliates and companies assisting it with the fulfilment of its obligations. The Supplier will fully indemnify the Purchaser against all adverse consequences in connection with claims of third parties.

15. SUSPENSION, DISSOLUTION

- 15.1. The Purchaser is entitled to suspend its obligations under the agreement, or to dissolve the agreement wholly or partially, by means of a written statement and without prior notice of default, without judicial intervention and without any obligation to pay compensation to the Supplier, if and as soon as:
 - the Supplier fails to fulfil any obligation under this agreement vis-à-vis the Purchaser or fails to do so timely or adequately;
 - in the event of moratorium, bankruptcy, other procedures as foreseen under the Business Continuity Act of 31 January 2009 and similar concepts under foreign law, shutdown or liquidation of the Supplier;
 - the designation of a “*voorlopig bewindvoerder / administrateur provisoire*”
 - seizure on (a part of) its business properties or goods intended for the execution of the agreement; or
 - the Supplier breaches one or more of the provisions under this agreement.

In these events, the Purchaser is only obliged to pay the Supplier the pro rata price for the delivered goods and only insofar as the delivered goods are actually of use to the Purchaser and/or the Purchaser decides to keep the delivered goods, all of this without prejudice to the Purchaser's right to compensation.

- 15.2. Additionally the Purchaser is entitled to dissolve the agreement immediately by means of a written statement upon payment of the pro rata price of the delivered goods increased with a surcharge of maximum ten percent (10 %) of the remaining agreed price in compensation for the damage and loss (this includes loss of profit), if the Supplier is able to prove that it has suffered damage and loss as a result of the dissolution. The Supplier shall not be entitled to any further additional or alternative compensation.

16. FORCE MAJEURE

- 16.1. In case of force majeure, it will be possible for both the Supplier and the Purchaser to suspend the agreement.
- 16.2. For reasons of clarity, the following are considered to be representative but not limited cases of force majeure: circumstances beyond reasonable control of either party, other than financial, which shall include without limitation fire, flood, earthquake or other casualty, war and other violence, power shortage, physical obstacles or atmospheric conditions or any other cause beyond the control of either party.
- 16.3. The party that invokes a force majeure will notify the other party of the reasons, the circumstances and any known impacts thereof which impede the good execution of the agreement between the parties and the probable duration of the situation.
- 16.4. If a force majeure event lasts for either more than thirty (30) consecutive working days, or more than thirty (30) working days within a period of ninety (90) calendar days and prevents a party from performing its obligations under this agreement, the other party will have the right to terminate the agreement upon written notice to the other party. The other party will not be entitled to compensation.

17. PUBLICITY/AUTHORIZATION

- 17.1. In the event of complaints from third party buyers which are attributable to goods or services purchased by the Purchaser pursuant to these General Purchase Conditions concerning the Purchaser's goods which cause or are likely to cause (negative) publicity, the Supplier gives the Purchaser, an irrevocable and unconditional authority to take appropriate measures, also in his name and at his expense, to prevent and/or limit such publicity.
- 17.2. The Purchaser is entitled to transfer this authority to the third party buyer as referred to in clause 17.1.

18. APPLICABLE LAW / CHOICE OF FORUM

- 18.1. This agreement shall be governed by and construed in accordance with Belgian law. Foreign law and conventions, including the Vienna Sales Convention, are excluded.
- 18.2. The courts of Ghent, Belgium, will have exclusive jurisdiction to settle any dispute which may arise between the parties and in particular with respect to the creation, validity, effect, interpretation or performance of these General Purchase Conditions or otherwise arising in connection with these General Purchase Conditions. The Purchaser has the right to unilaterally waive this jurisdiction clause.

19. CONVERSION / INTERPRETATION

- 19.1. If and insofar as any provision in these General Purchase Conditions cannot be invoked on the grounds of reasonableness and fairness, or due to the unreasonably onerous character of said provision, the interpretation given to this provision will be as similar as possible as regards content and purport, so that this condition can indeed be invoked.
- 19.2. Without prejudice to clause 19.1, if at any time any provision under these General Purchase Conditions is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, the legality, validity and enforceability of such provision under the laws of any other jurisdiction, or of the remaining provisions hereof, shall not be affected or impaired thereby. The parties hereto shall negotiate in good faith to agree an amendment to the provision which is legal, valid and enforceable so that the amended provision has an effect which is equivalent to the intended effect of the original provision.
- 19.3. In this agreement, some legal concepts are expressed in English terms and not in one of the national languages of the country in which the Purchaser has its principal place of business, and the concepts concerned may not be identical to the concepts described by the same English term as they exist under the laws of other jurisdictions. All legal concepts used or referred to in this agreement shall be exclusively interpreted according to their respective meaning under Belgian law

20. TRANSLATIONS

- 20.1. The English text of these General Purchase Conditions shall prevail over translations of this text.