

GENERAL PURCHASING CONDITIONS of the private limited company VAN VLIET THE CANDY COMPANY, VAN VLIET PRODUCTION, VAN VLIET HOOGEZAND, Trade Register numbers 28033771, 02085702 and 62120999

Article 1: applicable conditions

1. These General Purchasing Conditions apply to all invitations to tender issued by Van Vliet The Candy Company B.V., Van Vliet Production B.V. and Van Vliet Hoogezand B.V. (referred to below as 'Van Vliet'), and to all orders and agreements regarding the provision of goods and associated services (referred to below as 'deliverables') to Van Vliet.
Departure from or supplementation of these General Purchasing Conditions is permissible only if and insofar as it has the explicit, written agreement of Van Vliet.

Article 2: ordering and order confirmation

A supplier's offer is irrevocable for a period of thirty days from its receipt by Van Vliet, unless the offer contains an explicit written statement to the contrary. A supply contract is agreed when Van Vliet issues a written order confirmation accepting a supplier's written offer. However, if an order confirmation is sent after expiry of the period referred to in clause 1, or if its content differs from the offer in any significant respect, a supply contract will come into being in accordance with Van Vliet's order confirmation, unless the supplier immediately rejects the order confirmation in writing. Neither Van Vliet's acceptance of goods or services that do not conform to the written order confirmation referred to in the previous clause, nor Van Vliet's payment for such goods or services implies acceptance of the nonconformities. An agreement or subsequent additional arrangement or amendment made by a subordinate Van Vliet worker or employee is not binding upon Van Vliet if and insofar as it is not confirmed in writing by Van Vliet. In that context, 'subordinate' implies lacking authority to make the agreement, arrangement or amendment in question.

Article 3: quality and nature of the deliverables

The supplier makes the following guarantees:

- a. Supplied goods are of good quality and free of faults; services provided are performed by suitably competent personnel using new materials.
- b. The delivery as a whole is in accordance with the supply contract, the applicable specifications and the reasonable expectations of Van Vliet concerning the properties, quality and reliability of the deliverables.
- c. The deliverables are suitable for their inherent purpose or for the purpose stated in the order.
- d. The deliverables satisfy all applicable Dutch statutory requirements and conform to all applicable Dutch and international regulations.
2. The supplier is aware that Van Vliet is active in the food industry. More particularly, the supplier guarantees that any foodstuffs, whether in solid or fluid form, are safe. Unsafe foodstuffs are:
 - a. Foodstuffs that are immediately or over time detrimental to public health, in which context the concept of food safety is to be interpreted in its widest sense.
 - b. Foodstuffs that are unfit for human consumption, i.e. contaminated by the presence of foreign substances or by other means, including deterioration, putrefaction or decay; in that context, the acceptability of a product to a consumer shall be decisive in determining whether that product is fit or unfit for human consumption.

A product is unsafe if, for example, the product itself or its packaging:

- contains an excessive concentration of or a prohibited chemical (contaminant, pesticide, additive or veterinary pharmaceutical);
- contains pathogenic microorganisms or an excessive concentration of undesirable microorganisms;
- has an abnormal taste or smell of known or unknown origin; or
- is incorrectly labelled and consequently represents a potential hazard to public health in general or to the health of a particular population group.

3. If the supply contract makes reference to any technical, safety, quality or other regulation or document that is not appended to the contract, the supplier is considered to be familiar with the regulation or document in question, unless the supplier promptly informs Van Vliet that that is not the case. In the latter circumstance, Van Vliet shall inform the supplier accordingly.

Article 4: packaging and shipment

The supplier shall package the deliverables as economically, safely and carefully as possible and in a manner that facilitates handling in transit and when unloading. The supplier shall ensure that the deliverables reach the place of delivery in good condition.

The supplier shall mark the consignment as requested by Van Vliet and shall ensure that it bears the correct name and address for delivery. A packing list detailing the contents of the consignment shall be attached to the outside of the packaging. Van Vliet is entitled to refuse a delivery that does not satisfy the requirements of this article.

Article 5: delivery

Delivery shall be on a duty-paid basis ('franco') and in accordance with the version of the Incoterms in force at the time of the order, notwithstanding any of these conditions' other provisions.

The delivery date(s) or delivery term(s) specified in the supply contract apply to the deliverables as a whole and shall be strictly interpreted; non-compliance shall be fatal. If a circumstance arises that is liable to result in non-compliance with the specified delivery date(s) or delivery term(s), the supplier is to inform Van Vliet in writing without delay. In the event of non-compliance with a specified delivery date or delivery term, the supplier shall be deemed in breach of contract, without notice to that effect being required. Under such circumstances, Van Vliet is entitled, without prior notice of default or other written communication being required, to apply an immediately payable penalty of 1 per cent of the price of the deliverables for each calendar week or part thereof that delivery is delayed, up to a maximum of 10 per cent.

The application, collection or offset of a penalty shall not prejudice Van Vliet's entitlement to order fulfilment, compensation or contract cancellation.

Article 6: inspection

Van Vliet is entitled to have the deliverables inspected prior to delivery while they are still in the supplier's possession. The supplier is required to facilitate such inspection without charge. No rights may be derived from the inspection results by the supplier.

Van Vliet is entitled to inspect the deliverables within a reasonable period following delivery. If Van Vliet rejects the deliverables or inspection leads to the identification of shortcomings, Van Vliet shall inform the supplier accordingly and may, at its discretion, require replacement or rectification, or cancel or annul the supply contract. The exercise of Van Vliet's right to require the replacement or rectification of the deliverables, or to cancel or annul the supply contract, shall be without prejudice to Van Vliet's entitlement to compensation for damages.

Article 7: transfer of ownership and risk

Risk for the deliverables is transferred to Van Vliet upon delivery. Ownership of the deliverables is transferred to Van Vliet upon delivery, unless, within the reasonable period referred to in article 6, Van Vliet rejects the deliverables or inspection leads to the identification of shortcomings.

If Van Vliet rejects the deliverables, or if inspection leads to the identification of shortcomings, or if Van Vliet on good grounds exercises its right to require the replacement or rectification of the deliverables, or to cancel or annul the supply contract, risk for the deliverables shall remain with the supplier.

Article 8: price, invoicing and payment

The agreed price shall be fixed, shall be payable in euros, shall exclude Value Added Tax and shall include all costs relating to the deliverables, up to and including delivery.

Invoices shall bear the relevant order reference numbers and shall be itemised. If an invoice does not bear the relevant order reference numbers and/or is not appropriately itemised, Van Vliet is entitled to postpone its payment obligations until the shortcomings are rectified.

Van Vliet shall pay the price of the deliverables, plus Value Added Tax, within thirty days of the transfer of ownership of the deliverables or, if the invoice is received after ownership has been transferred, within thirty days of such receipt.

Payment shall be entirely without prejudice to any right to dispute fulfilment of the order. Van Vliet shall always be entitled to offset any sum receivable from the supplier against what Van Vliet owes to the supplier.

Article 9: contract variations

Van Vliet is entitled to revise the amounts deliverable, even if that results in an increase or decrease in the contracted works. If the supplier asserts that a revision has implications for the agreed price or delivery time, the supplier shall promptly inform Van Vliet accordingly in writing and, if there is to be an increase in the contracted works, shall provide Van Vliet with a written tender detailing the associated price and delivery term and stating the implications for the other works to be undertaken.

If a revision implies an increase in the contracted works, the supplier shall not undertake any additional work or make any associated procurement until explicit written order confirmation has been received from Van Vliet. An increase in the contracted works specifically excludes additional activities that the supplier could or should have recognised were necessary for fulfilment of the order as agreed or that are necessitated by a culpable error on the part of the supplier.

Article 10: liability

The supplier is liable for all damages incurred by Van Vliet as a result of a fault or shortcoming in the deliverables.

The supplier is additionally liable for all damages and costs arising out of any recall of goods supplied by or on behalf of Van Vliet that is demonstrably attributable entirely or partly to a fault or other shortcoming in deliverables provided by the supplier. The damages and costs referred to above shall include all those arising out of measures that the Netherlands Food and Consumer Product Safety Authority (NVWA) or the government requires Van Vliet to take, including but not limited to a mandatory recall whereby Van Vliet is obliged to remove an unsafe foodstuff from the market or the food chain and to warn the public accordingly.

The supplier fully indemnifies Van Vliet against third-part claims for damages arising out of the circumstances referred to in this article.

Article 11: force majeure

Insofar as the supplier is unable to fulfil a contractual obligation due to force majeure, the supplier shall not be in default nor liable to pay a penalty or compensation for damages, providing that the supplier informs Van Vliet of the relevant circumstance and its cause and implications in good time and certainly within the period agreed for fulfilment of the obligation in question. Failure to inform Van Vliet as described shall nullify the supplier's entitlement to be excused for non-fulfilment on the grounds of force majeure.

Article 12: dissolution

Without prejudice to Van Vliet's other rights, Van Vliet shall be entitled to fully or partially dissolve the supply contract by written notice, without further notice of default being required, under any of the following circumstances:

- a. If the supplier fails to fulfil one or more obligations under the supply contract
- b. If the supplier is declared insolvent, is granted protection from its creditors, ceases operations or enters liquidation; or if a substantial part of the supplier's assets are attached or seized; or if the supplier's business is transferred to a third party
- c. If the deliverables are rejected following inspection or re-inspection

In the event of dissolution, risk for any items already delivered shall remain with the supplier. Under such circumstances, the item(s) in question shall be made available to and are to be collected by the supplier. Moreover, the supplier shall immediately repay any sum already paid by Van Vliet in respect of the dissolved contract.

Article 13: guarantee

If, following delivery, the deliverables are found not to comply with the requirements of article 3 of these conditions, the supplier shall, at its own expense and at first request, within two weeks and at Van Vliet's discretion replace, rectify or re-execute the deliverables, without prejudice to Van Vliet's other legal rights.

If the supplier continues to fail to fulfil its guarantee obligations, or if it becomes apparent within the period referred to in the previous clause that the supplier will not fulfil its guarantee obligations, Van Vliet shall be entitled to replace, rectify or re-execute the deliverables at the supplier's expense, whether by engaging the services of a third party or otherwise.

If Van Vliet intends to exercise the latter right, Van Vliet shall wherever possible give the supplier advance notice. Any replacement, rectified or re-executed element of the deliverables shall be guaranteed in the same manner as the original element.

The provisions of this article are without prejudice to Van Vliet's other rights and entitlements under these general conditions.

Article 14: transfer of rights and obligations

The supplier shall neither subcontract fulfilment of the deliverables or any element thereof to a third party or parties, nor transfer or partially transfer its rights and obligations under the supply contract to a third party or parties, without Van Vliet's prior written consent.

Article 15: applicable law and dispute resolution

Any dispute between Van Vliet and the supplier regarding the closure or fulfilment of a supply contract and/or regarding a legal relationship governed by these conditions shall be settled exclusively in accordance with Dutch law as it applies to the Kingdom of the Netherlands within Europe. The provisions of international private law shall not apply. All relevant statutory provisions shall apply, except insofar as these general conditions make alternative provision.

Any matter not provided for in these general conditions shall be subject to the normal rules of law.

The applicability of the United Nations Convention on Contracts for the International Sale of Goods (the 'Vienna convention') is specifically excluded.

All disputes relating to a supply contract or other associated agreement governed by these general conditions shall be settled by the competent court at The Hague, notwithstanding Van Vliet's entitlement to instead refer the matter to another competent court.

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