

**GENERAL SALES TERMS AND CONDITIONS
FOR OILS – FATS – MEALS - CAKES
RELATED PRODUCTS AND DERIVATIVES**

CLAUSE 1 – GENERAL PROVISIONS

- 1.1 Unless otherwise expressly agreed in writing, these general terms and conditions are applicable to all sales and prevail over all provisions or conditions that might be contained in the buyer's letters, documents or commercial papers.
- 1.2 The meaning of the terminology used in the contract is determined by local practice in Belgium, unless this is expressly deviated from in the general sales terms and conditions.
- 1.3 When the agreement is confirmed by the buyer and the seller (or on his behalf) and a discrepancy exists between the two confirmations in relation to the additional conditions, the wording of the seller's confirmation shall prevail. In the event of a difference between the two confirmations, the buyer shall nonetheless be entitled to give notice of any objection; however, he is required to do so in writing within 48 hours of receipt of the seller's confirmation, and in any event prior to the goods being delivered or accepted, failing which any objection shall fall.
- 1.4 If the agreement provides for more than one delivery period, each part delivery shall be regarded as a separate agreement.

CLAUSE 2 – NOTICE OF AVAILABILITY AND DELIVERY

- 2.1 Unless otherwise provided, the traded goods are at all times sold "ex works" or "ex warehouse".
- 2.2 When the goods are sold as "spot" or "available", they must be collected within five working days after the date of sale.
- 2.3 When the goods are sold for future delivery, the seller may give notice of availability in one or more lots during the entire agreed delivery period. The seller has no obligation to make formal notice of availability of the goods. If the buyer provides the necessary means of transport, he must arrange a time with the seller. The seller shall effect the delivery according to his abilities but as rapidly as possible within the contractual delivery period.
- 2.4 Unless otherwise provided, the goods are delivered in minimum quantities of 20,000 kg.
- 2.5 The collection times are laid down in clause 6.
- 2.6 The costs of loading the goods in the transportation vehicles are borne by the seller.
- 2.7 Unless otherwise stated, all periods are expressed in working days; "non-business" days are those published annually by IMEXGRA ANTWERPEN.

CLAUSE 3 – NON-COLLECTION BY THE BUYER

- 3.1 If the buyer fails to collect within the agreed period goods made available to him, the seller may send him a registered letter referring to this clause and may five days later charge liquidated damages for storage, financing and insurance costs equal to the lesser of 0.25% of the value of the goods per calendar day's delay and 25% of the total sale price of the goods involved. If, in a case of forced storage, the goods are stored separately or on the premises of third parties at the buyer's costs and risk, quality samples will be drawn as provided for in clause 8.3.
- 3.2 Charging and paying the aforementioned damages shall not prejudice the seller's right to demand removal of the goods within eight working days following the date of the notice of default. The buyer may only collect the goods or be given the warehouse receipt once he has paid the purchase price and the aforementioned damages in full.
- 3.3 If the buyer fails to collect the goods within the eight-working-day deadline set down in clause 3.2, the seller shall be entitled:
- either to demand forced performance of the sale;
 - or to regard the agreement as rescinded by operation of law for causes attributable to the buyer and to claim from him such compensation as provided for by law.
- The compensation the seller may claim shall in any event include any difference between the originally agreed price and the market price of the goods at the time of rescission of the contract, together with the aforementioned damages for storage, financing costs, etc. In the event of a dispute, the market price shall be determined by the "Antwerpse Syndicale Kamer voor de Handel in Veevoeders, Rijst en Peulvruchten".
- The seller shall inform the buyer of his decision by registered letter within five calendar days, failing which the notice of default procedure shall be repeated in full.

CLAUSE 4 – NON-DELIVERY BY THE SELLER

- In the event of non-delivery by the seller within the agreed period, eight working days after sending a notice of default that has remained unheeded, the buyer shall be entitled :
- either to demand forced performance of the sale;
 - or to regard the agreement as rescinded by operation of law for causes attributable to the seller and to claim from him such compensation as provided for by law.
- The compensation the buyer may claim shall in any event include any difference between the originally agreed price and the market price of the goods at the time of rescission of the contract. In the event of a dispute, the market price of similar goods shall be determined by the "Antwerpse Syndicale Kamer voor de Handel in Veevoeders, Rijst en Peulvruchten".
- Once the deadline of eight working days reached, the buyer shall within five calendar days inform the seller of his decision by registered letter, failing which the notice of default procedure shall be repeated in full.

CLAUSE 5 – PAYMENT

- 5.1 Unless otherwise provided, payment is due :
- upon direct delivery to the first buyer : at the time of delivery of the goods, i.e. upon first presentation by the seller of the invoice or any document that gives entitlement to delivery of the goods, such as bill of lading, delivery order, etc ...
 - if delivery of the goods is taken by a third party (e.g. in the event the buyer has sold the goods), not later than two working days prior to the day on which the goods are at the buyer's disposal. In such event, the buyer may require a delivery order from the seller.
- 5.2 In the absence of payment on the due date, the seller may, after having informed the buyer by registered letter :
- either suspend the delivery of the trade goods or demand payment of each delivery in advance,
 - or regard the agreement as rescinded by operation of law for causes attributable to the buyer and claim from him such compensation as provided for by law.
- Each invoice unpaid on its due date shall furthermore without prior notice of default and *ipso iure* bear a conventional interest of 12% per annum.
- 5.3 If, in the course of performance of the agreement, the seller is of the opinion that there is a risk of insolvency, he may require delivery from the buyer of a "first demand" guarantee issued by a first class bank in a sum equal to the contractual value of the goods ordered. The costs of this guarantee shall be covered by the seller.
- 5.4 If the buyer is declared bankrupt, ceases his payments or applies for a composition with his creditors, the seller may regard all current sales contracts as rescinded *ipso iure* for causes attributable to the buyer as regards to traded good not yet paid for. Set off shall be effected at the applicable market price on the first working day after the time at which any of the above events occurs. As the case may be, the market price shall be fixed by "Antwerpse Syndicale Kamer voor de Handel in Veevoeders, Rijst en Peulvruchten".
- 5.5 When the buyer sells the goods (prior to taking delivery) to a third party that may then sell the goods further, this is called a "string". In the case of a "string", the difference between the respective invoice amounts and the sum due upon presentation of the document granting title to delivery of the goods (bill of lading, delivery order, etc.) shall be set off not later than three working days prior to the collection / delivery of the goods. Failing which, the party in default shall be held liable for payment of a conventional interest of 12% per annum and all additional costs.
- 5.6 The delivered goods remain the property of the seller until full payment of the invoice plus interests and costs as applicable. The buyer explicitly declares that this clause of reserve of property is known to him and agreed between the parties at the latest at time of delivery.

CLAUSE 6 – DELIVERY

- 6.1 When the delivery date is fixed by the seller whilst the buyer is responsible for transportation, the seller shall inform the buyer of availability of the trade goods with prior notice of eight working days. If a certain period is granted to the buyer for taking delivery, the buyer shall give the seller prior notice of the date on which he wishes to effect collection. If the time indicated is inconvenient to the seller, the buyer shall accord a reasonable extension, provided delivery falls within the originally agreed delivery period.
- 6.2 When both the fixing of the delivery date and the transport are handled by the seller, he shall advise the buyer of the loading date, the means of transportation and the scheduled quantities at least three working days prior to the delivery date.
- 6.3 When the buyer fixes the delivery date but the transport lies with the seller, the seller shall perform the transport within eight working days from the notice of the delivery date.
- 6.4 When both the fixing of the delivery date and the transport are handled by the buyer, he shall give eight working days' prior notice of the date on which he wishes to effect collection and, if the proposed date is inconvenient to the seller, he shall allow a reasonable extension (of a maximum of two working days) provided this falls within the originally agreed delivery period.

CLAUSE 7 – NOTIFICATIONS

- 7.1 Definition
- For the purposes of this clause, the following terms shall have these meanings:
- * call-off : notification by the buyer to the seller of the time of collection.
 - * disposition : notification by the seller to the buyer of the time of availability.
- 7.2 In a string, all notifications for performance of the contract must be passed without delay by fax or electronic courier (e-mail).
- 7.3 Upon request of either party, the day and time of receipt and sending of the call-off or disposition must be given. A call-off or a disposition that is passed on in a string shall make reference to all previous links without resulting in any liability for parties.
- 7.4 Notification by the seller to a third party indicated by the buyer shall in any event qualify, as regards the notification referred to in clause 6, as notification to the buyer himself. If the buyer is established outside Belgium but delivery of the goods is to be effected within Belgium, the seller may require the buyer to indicate a factor, controller or other representative within Belgium in good time prior to the start of the delivery.
- 7.5 The day on which the moment occurs as from which or until which the period is calculated does not count for calculation of the period unless that time falls before 10.00 am or 2.00 pm respectively.
- 7.6 If a seller has also purchased from his buyer or from a subsequent buyer the same quantity of the same goods or a portion thereof under the same terms as those under which he has sold (whether or not at the same price); then with regard to those quantities a circle is formed. The invoices for the relevant quantities are then settled between buyers and sellers in the circle by payment by each buyer to his seller of the sum by which the invoice exceeds the lowest sum in the circle.
- Settlement shall be made on the fifteenth day after the determination of the circle (or the following working day when the fifteenth day is not a working day), but not sooner than the first and not later than the last working day of the delivery period. If the existence of a circle only appears upon disposition, the date of settlement shall be the date of notice of availability of the goods. If the existence of a circle only appears after the delivery order is circulated or presented, payment shall be made as if no circle existed. In the event that one of the parties in a circle has stopped its payments, applied for a payment moratorium or has been declared bankrupt, the market value of the day following the day on which the fact referred to in this regard can be regarded as being generally known shall substitute the lowest invoice value. Settlement shall be effected on the basis of that market value, unless both the seller and the buyer of the aforementioned goods wish to settle on basis of the lowest invoice sum in the circle. If parties do not come to an agreement regarding the aforementioned day and / or the market value, these shall be decided by arbitrators.

CLAUSE 8 – WEIGHT AND QUALITY

8.1 Weights

8.1.1. Meals and cakes

The buyer shall tolerate a deviation of 2% in relation to the overall contract quantity.

8.1.2. Oils, fats and by-products

When trade goods are sold under indication of approximate quantities (“circa” or “approximately”), the seller is entitled to deliver up to 5% more or less of the overall contract quantity. The first 2% shall be invoiced at the contract price and the other 3% at the market price on the day of delivery.

If the buyer provides the transport, he may likewise take delivery of 5% more or less under the same terms as above.

8.2 Quality

8.2.1 Meals and cakes

If a maximum or minimum content is guaranteed, the buyer shall only be entitled to reject the trade goods if the difference amounts to more than five percent units. However, the seller shall be obliged to allow the buyer a reduction in the agreed contract price equal to the percentage that exceeds the guaranteed minimum or maximum content.

8.2.2. Oils, fats and by-products

The goods shall be of sound, good merchantable quality. Minimal deviations in relation to the guaranteed minimum and maximum contents may justify a reduction in the price, but shall in no event justify rejection of the goods.

8.3 Acceptance of weight and quality

Acceptance of both weight and quality shall in all events occur in the factory or storage place of the seller, who shall give the buyer the possibility to check the weight, if necessary by appointing a controller to this effect. The buyer expressly waives any challenge of the weight determined at loading.

Quality acceptance of the goods is effected on the basis of the usual means of samples or specimens previously taken and sealed in the factory. Any complaint regarding the quality of the goods in connection with visible features must be sent in writing to the seller within two working days of receipt or collection of the goods. This deadline shall be extended to ten working days if the complaint relates to hidden defects or specifications, notably defects that can only be detected by analysis. The buyers and the sellers may ask that samples be taken and sealed at their cost and in such a manner as binding by both parties. If either of the duly notified parties is not represented when the samples are taken or refuses to seal the samples, the other party in the presence of either a recognized supervisory body or a bailiff may validly take the samples. For each delivery, four samples shall be taken of equal size in any form of vacuum packaging that can be hermetically closed and sealed.

Two samples shall be placed at the disposal of the buyer, of which, in the event of a dispute, one shall be passed to one of the laboratories recognized by the Contracts Commission (see list attached) within five working days after notification of the complaint by the buyer to the seller. A counter-analysis may be requested and carried out on the same terms at the seller’s request. In the situation where the analysis results differ from one another without the deviation exceeding 1%, the average of the two analyses shall be imposed on the parties. If the deviation of the analyses exceeds 1%, a third analysis may be jointly applied for within five working days as from receipt of the last analysis report. The average of the result of the third analysis and the figure for the previous result that was closest thereto shall be imposed on the parties.

The costs of the third analysis shall be borne by the party that did not have the closest result to the one of the third analysis.

8.4 Fraud

In the event of failure to abide by the contractual provisions or the specifications of the goods as a result of bad faith or fraud on the part of the seller, the buyer shall at all times be able to reject the trade goods and the buyer may regard all current purchase agreements as rescinded by operation of law for causes attributable to the seller, unless the buyer chooses to demand forced performance, all with such damages as are provided for by law.

In the event of failure to abide by the contractual provisions as a result of bad faith or fraud on the part of the buyer, the seller may regard all current sale agreements as rescinded by operation of law for causes attributable to the buyer, unless the seller chooses to demand forced performance, all with such damages as are provided for by law.

CLAUSE 9 – ACTS OF GOD

If as a consequence of an act of God the seller is unable to adhere to all or some of the obligations flowing from the agreement, the performance deadline shall be extended by a period equal to the period during which the act of God prevents the seller from fulfilling his obligations.

The extension thus accorded shall not exceed 60 days.

After the sixtieth day, either party may simply regard the agreement as cancelled to the extent that it has not been performed.

The seller shall inform the buyer as quickly as possible regarding the existence of a act of God and, in any event, before the end of the contractual delivery period. At the buyer’s request, the seller shall produce all evidence justifying the act of God invoked by him.

If the goods are destroyed by an act of God between the time of the notice of availability and the time of delivery, the agreement shall be regarded as set aside in the amount of the quantity destroyed.

When the delivery of a specific product is concerned, all unforeseen circumstances of whatever nature, including a war situation, that prevent the supply of raw materials, derivative products or auxiliary materials necessary for the manufacturing, or prevent the manufacture or dispatch of the product itself, shall be regarded as acts of God.

CLAUSE 10 – BANKRUPTCY OF THE SELLER

If the seller is declared bankrupt, ceases making deliveries or applies for a composition with his creditors, the buyer may regard all current purchase contracts as rescinded by operation of law for causes attributable to the seller for the trade goods not yet delivered.

CLAUSE 11 – TRANSFER OF RISK

Risk is transferred to the buyer at the time of delivery. In the event of non-collection of the goods by the buyer, the risk is transferred on the day when the delivery should have taken place according to the agreement between the parties.

CLAUSE 12 – DUTIES, LEVIES AND TAXES

All increases or new assessments of duties, levies and taxes charged on the products sold or on the raw materials necessary for the manufacture between the day the sale is entered into and that of delivery shall be borne by the buyer; any reduction or cancellation of said duties, levies or taxes during the relevant period shall be to the benefit of the buyer.

CLAUSE 13 – ARBITRATION

Any dispute between the parties, including intermediaries, regarding the interpretation, application or performance of these terms and conditions or agreements subject to these terms and conditions shall be settled by the “Antwerpse Syndicale Kamer voor de Handel in Veevoeders, Rijst en Peulvruchten” according to the rules of that service as applicable at the time the dispute arises.

CLAUSE 14 – APPLICABLE LAW

The contract between the seller and the buyer and any legal relations between the seller and intermediaries shall exclusively be governed by Belgian law.

CLAUSE 15 – FINAL PROVISIONS

- 15.1 These terms and conditions of sale may be referred to as the “F.B.V.O. voorwaarden 2004”, “Conditions F.B.G.H. 2004”, “F.B.V.O. bedingungen 2004” or “F.B.V.O. rules 2004”.
- 15.2 In the event of any discrepancy between the various versions of these terms and conditions, the Dutch text shall have priority and be regarded as binding

ATTACHMENT to FBVO CONTRACT N° 7

The laboratories recognized by the Contracts Commission are :

- OLEOTEST
- AGRILAB
- RIJKSLABORATORIUM GENT (GHENT NATIONAL LABORATORY)
- CHAMBRE D'ARBITRAGE ET DE CONCILIATION D'ANVERS POUR LES GRAINS ET SEMENCES (ANTWERP ARBITRATION AND CONCILIATION SERVICE FOR GRAINS AND SEEDS)