

GENERAL PURCHASE CONDITIONS, 01/02/2018

1. Definitions

In these general purchase conditions, the following terms and phrases are defined as follows:

- (a) *GPC*: these purchase conditions;
- (b) *Services*: the services to be performed by the Supplier to provide for a specific need of the Client, not being the delivery of Products;
- (c) *Supplier*: the Client's other party;
- (d) *Client*: Industrie- en Handelonderneming Vreugdenhil B.V., as well as any legal entities affiliated with it;
- (e) *Agreement*: the agreement between the Client and the Supplier for the purchase of Products and/or Services by the Client from the Supplier, including these GPC;
- (f) *Parties*: the Client and the Supplier jointly;
- (g) *Products*: all physical items and IT products delivered to the Client under an Agreement;
- (h) *Written or in Writing*: by letter, fax or email.

2. Realisation of Agreement

- 1. The Agreement will only be concluded if and insofar as the Client accepts an offer by issuing a written order confirmation.

3. Applicability

- 1. These GPC apply to all Agreements between the Parties, as well as to any offers or quotations provided by the Supplier to the Client, order confirmations, purchase orders, call-offs, and instructions from the Client to the Supplier relating to Products and/or Services.
- 2. The applicability of any general terms and conditions of the Supplier or third parties engaged by the Supplier, howsoever named, is hereby expressly rejected and will under no circumstances apply to the legal relationships referred to in this Article 1. By entering into an Agreement with the Client or by starting its execution, the Supplier waives any stipulated applicability of such general terms and conditions, so that all Agreements are solely governed by these GPC.
- 3. Deviations from these GPC in the other documents belonging to the Agreement will only be binding upon the Client if and insofar as these have been explicitly laid down in writing and have been confirmed by the Client in writing. The Supplier can derive no rights from any agreed deviations from these GPC in relation to follow-up agreements.
- 4. Every quotation/offer by the Supplier is free of charge and not without obligation, unless agreed otherwise.
- 5. The "Supplier Code" posted on the Client's website, which can be found at <http://www.vreugdenhildairyfoods.nl/globalassets/corporate/contact/download-s-pers/supplier-code-vreugdenhil-dairy-foods.pdf>, applies fully to all Agreements entered into and to all deliveries of Products and Services. The Supplier expressly agrees to the applicability of the Supplier Code and its online availability.

4. Changes

- 1. During the term of the Agreement, the Client is entitled to instruct the Supplier in writing to change the scope and/or quality of the Products and/or Services to be provided and/or request additional deliveries of Products and/or extension of the Services after the execution of the Agreement. The Supplier will then be obliged to make the changes under the same conditions and at the same unit price as agreed in the Agreement and will be bound as though these changes were stipulated in the Agreement.
- 2. If the Supplier believes that a change under Article 4.1 has consequences for the agreed set price and/or delivery time, it will notify the Client thereof in writing as soon as possible, at least within five (5) working days after being notified of the requested change, before implementing the change. The Supplier will only be entitled to increase the price or extend the delivery time compared to the previously agreed unit price/delivery time, if the Supplier can reasonably demonstrate that delivery under the same conditions is not possible. If the Client finds these consequences for the price and/or delivery time unreasonable, the Client will be entitled to cancel the change and/or terminate the Agreement by means of a written notice to the Supplier, unless this would be manifestly unreasonable. Termination under this article will entitle the Parties to compensation.

5. Use of third parties

- 1. The Supplier is not permitted to transfer the Agreement or its obligations thereunder in whole or in part, or to outsource any part of the Agreement to a third party, without prior written permission from the Client.
- 2. If the Client gives permission for the situation provided in Article 1, it will be entitled to attach conditions to this permission. Even if permission has been granted, (i) this third party will be fully bound by the provisions of these GPC as well as by what was agreed with the Client in respect of the Agreement or relevant part thereof, and (ii) the Supplier will remain fully responsible and liable to the Client for the proper fulfilment of its obligations under the Agreement and/or any resulting agreement(s). The Supplier will indemnify the Client for claims, on any grounds or title whatsoever, from third parties engaged by the Supplier.
- 3. Claims from the Supplier against the Client cannot be transferred without written permission from the Client.

6. Prices

- 1. Unless expressly agreed otherwise in the Agreement, the agreed prices in an Agreement do not include VAT but do include taxes and other government levies owed, and they constitute full compensation for the costs that the Supplier incurs in the execution of the Agreement, including but not limited to social security premiums and wage tax in connection with people engaged by the Supplier for the execution of the services under the Agreement, in accordance with the agreed applicable Incoterms. The prices of the Services always include all travel and lodging expenses, as well as any other costs associated with the use of staff of the Supplier and third parties engaged by the Supplier.

2. Unless agreed otherwise in writing, the Supplier will be liable for any exchange rate risks.
3. The Supplier will not increase the agreed prices during the term of the Agreement. The Supplier is liable for and cannot pass on any changes in wages, materials, duties, taxes, import and export duties, excises or other costs on the basis of which the price stated in the Agreement has been set.
4. If the Supplier is obliged to increase the prices under a mandatory provision, the Client will be entitled to terminate the Agreement with immediate effect.

7. Payments

1. Unless agreed otherwise in writing and provided that the Supplier meets its obligations under the Agreement, invoices are payable within 60 days. Only correctly addressed and specified invoices as agreed upon will be payable. Incorrect invoices will be returned and not paid.
2. Payment by the Client does not in any way constitute a waiver of any right to or approval of the delivery and does not release the Supplier of any liability in respect thereof. The Client is entitled to offset any amounts it owes the Supplier against any amounts the Supplier may owe the Client, now or in the future, under the Agreement or on any other grounds.
3. The Client will be entitled to postpone payment if the Supplier defaults on its obligations under the Agreement. The Supplier is under no circumstances entitled to postpone its obligations under an Agreement.
4. Payment of an invoice releases the Client from every obligation to pay for the invoiced services or deliveries, and the Supplier cannot regard it as payment for any other alleged receivable from the Client.

8. Delivery dates

5. Agreed delivery times for both Products and Services are deadlines, and failure to meet a delivery date means that the Supplier is in default without notice of default being required.
6. The Supplier will notify the Client immediately of any delay in the execution of the Agreement, stating the circumstances causing the delay. Such a notification does not release the Supplier from its obligation to meet its delivery obligation in full and on time.
7. If the Client deems the announced failure to meet the delivery date unacceptable, it can terminate the Agreement in question with immediate effect by means of a written statement, without being liable for any compensation to the Supplier and without prejudice to any other rights vested in the Client.

9. Delivery and packaging of Products

1. Delivery is made in accordance with the applicable Incoterms to the location specified by the Client, accompanied by the proper bill of lading or packing slip, and at the agreed time.
2. The Supplier is obliged to pack and preserve the Products properly, in such a way that they arrive at the delivery location in a good condition and can be safely unloaded, subject to the applicable laws and regulations.
3. At the Client's request, the Supplier will take back the packaging material used by the Supplier and dispose of it in a responsible manner at its own expense and risk.

4. Delivery of greater or smaller quantities is not accepted, unless agreed with the Client in writing in advance. Any additional costs will be for the account of the Supplier.
5. The Supplier is obliged to make the accompanying mandatory documentation, including certificates, available to the Client prior to or at the time of the delivery.

10. Transfer of risk and title

1. The Supplier guarantees the transfer of the full and unencumbered title to Products.
2. In accordance with the applicable Incoterms, the Supplier will remain liable for Products and/or Services until they are delivered.
3. Acceptance of Products is confirmed by sending the Supplier a notification. Acceptance by the Client does not detract from the Supplier's obligation to ensure that the Products meet the agreed requirements and specifications and any warranty obligations of the Supplier under the Agreement.
4. Ownership of Products will pass from the Supplier to the Client at the time of delivery, unless agreed otherwise between the Parties, or Products are rejected by the Client in accordance with the provisions of Article 11.

11. Quality, warranty, inspection

1. The Supplier guarantees that the delivered Products and the performed Services including the mandatory documentation meet the applicable laws and regulations as well as the agreed specifications, requirements and/or properties. If nothing has been agreed, the standard documentation, specifications, requirements and/or properties in accordance with the common trade rules will apply.
2. The Supplier guarantees that Products are suitable for their intended use, are of good quality, and do not display any defects.
3. If the Client finds upon or after delivery that the delivered Products or the performed Services fail to meet all or some of the requirements set in Articles 1 and 2, the Supplier will remedy the defects found without reservation within five (5) calendar days or replace them properly forthwith. In the case of Services, the Services will be performed again in whole or in part. The Supplier will be liable for all costs and/or remedies required to repair defects as well as for all ensuing fines and/or losses or damage.
4. The Client is entitled to return the rejected Products at the Supplier's expense or to keep the same in its custody at the Supplier's risk and expense. The Supplier is obliged to collect Products within five (5) calendar days of a request therefor from the Client, unless agreed otherwise in writing between the Parties. If the Supplier remains in default, the Client can, with common-sense act accordingly with regard to these Products.
5. Unless agreed otherwise, the minimum warranty period for Products is eighteen (18) months, counting from the moment the Client puts them into use or, if this is not the case, from the moment of delivery. Expiry of the warranty period does not prejudice the Client's rights under the law and the Agreement. A different warranty period of sixty (60) months applies with respect to hidden defects.
6. In the event that parts are repaired or replaced during the warranty period, the full warranty period stated above will recommence for the repaired or replaced Products.

12. Intellectual and industrial property rights

1. Unless the Agreement expressly stipulates otherwise, the intellectual property rights to (i) delivered Products, (ii) performed Services or (iii) the results of those Services, including documents, drawings, specifications and calculations that have been specifically developed for the Client (jointly referred to as "the Works") are vested in the Client.
2. The Supplier hereby irrevocably consents to the transfer of all intellectual property rights to the Works, and agrees to cooperate in any further act or deed required for such a transfer.
3. The Supplier guarantees that the use of the Works does not infringe the rights of third parties, including but not limited to intellectual property rights. The Supplier indemnifies the Client against all claims or legal actions based on infringement claims on condition that the Client notifies the Supplier in writing of the existence and purport of such claims and leaves the action of such claims to the Supplier. In the event that the use of the Works is prohibited, the Supplier is required, at its own expense and in consultation with the Client:
 - (a) to buy a licence for the use of the Works;
 - (b) to modify the Works in such a way that they no longer constitute an infringement;
 - (c) to replace the Works with Products and/or Services with the same properties that do not constitute an infringement; or
 - (d) to accept return of the Works upon repayment of (the relevant portion of) the price.
4. Without prejudice to the other provisions of this article, if third parties hold the Client liable for infringement of intellectual property rights, the Client will be entitled to terminate the Agreement in whole or in part, in writing, without court intervention, with or without retroactive effect, and without prejudice to its other rights.
5. The Supplier is entitled to use the information, documentation and materials provided by the Client solely for execution of the Agreement. This information is and will remain the property of the Client, and the Supplier will not use it for any purpose other than for which it has been made available, and will not in any way whatsoever reproduce this information, make it available to third parties or give it to third parties for inspection, in whole or in part, without the Client's express written consent.

13. Liability and indemnification

1. The Supplier is liable for any claim for compensation for loss or damage ensuing directly or indirectly from or relating to the Supplier's non-performance of the Agreement, overdue or improper fulfilment of contractual or other obligations towards the Client or third parties or infringement of those obligations or applicable laws and regulations. The Supplier is obliged to indemnify and hold the Client harmless against any and all claims from third parties on account of any loss or damage ensuing directly or indirectly from or relating to the Supplier's non-performance of the Agreement, overdue or improper fulfilment of contractual or other obligations towards the Client or third parties or infringement of those obligations or applicable rules and regulations.

2. The Client is not liable for loss, damage or injury inflicted upon the Supplier, upon third parties involved in the performance or otherwise engaged by the Supplier, upon any property of the Supplier or third parties, howsoever caused, except in the event of intent or deliberate recklessness of the Client and its managerial staff. This also applies to all loss or damage ensuing from liability to third parties. The Supplier is under no circumstances liable for any loss or damage caused by non-managerial staff of the Client or third parties engaged by the Client, indirect loss, consequential loss, immaterial loss, operating loss, environmental damage, including loss of turnover and profit, any loss incurred, loss of market share, stagnation of production, investments made, acquired goodwill, and reputational damage.
3. The Supplier will take out sufficient insurance against the liability referred to in this article and allow the Client, if desired, to inspect the insurance policy taken out to this end.

14. Equipment and resources of Client

1. Any equipment and/or resources made available to the Supplier by the Client for the execution of the Agreement will remain the property of the Client. The Client will mark these resources and materials as recognisable property of the Client to the maximum extent possible.
2. The Supplier is obliged to keep any equipment and/or resources made available in a good condition and separate from the equipment and/or resources belonging to the Supplier or third parties and to insure them against all risks for the period that they are in the Supplier's custody.
3. The Supplier must make the equipment and/or resources immediately available to the Client at the Client's request, in any event no later than upon the final delivery for which they are required.
4. Any changes to or deviations from equipment and/or resources that are in the Client's possession are only permitted with the Client's prior written permission.
5. The Supplier will not use, or have a third-party use, the equipment and/or resources for or in relation to any purpose other than the execution of the Agreement without the Client's prior written permission.

15. Confidentiality and non-disclosure

1. The Supplier is obliged to maintain confidentiality with regard to all information obtained or originating from the Client, including all information relating to the Client that comes to the Supplier's attention in connection with a request for an offer, an order and/or the execution of the Agreement, and to demand the same from staff and third parties it engages in relation to issuing an offer, assessing an order and the execution of an Agreement. The provisions of this article apply specifically – but not exclusively – to formulas, specific expertise, production procedures/processes, prices, other confidential business and technical information, documentation and other materials provided to the Supplier by the Client. The Supplier is prohibited from using the information for personal purposes or for third parties. If the Supplier has to disclose any information from the Client to third parties in the execution of the Agreement, the Supplier will only do so with the Client's written permission.

2. Without prior written permission from the Client, the Supplier will refrain from any form of publicity about the Agreement and instruct its directors, employees, representatives and any third parties to act accordingly.
3. The confidentiality obligations stipulated in the Agreement will remain in force even after termination of the Agreement.

16. Site instructions and regulations

1. The Supplier must at all times adhere to the rules that apply on the sites and in the buildings of the Client, such as hygiene and safety regulations.
2. Access to the Client's sites will only be granted to those individuals of whom the Client has been notified by the Supplier and whose access has been approved by the Client.

17. Termination of the Agreement

1. The Client reserves the right to terminate the Agreement (prematurely) by means of a written notification to the Supplier for any reason whatsoever subject to a reasonable period of notice. The Supplier will cease the execution of the Agreement immediately upon receipt of the written notification.
2. The Client is entitled to postpone the execution of the Agreement or to terminate the Agreement at its discretion and without prejudice to any other remedies, if the Supplier:
 - (a) defaults on its obligations under the Agreement; or applies for a moratorium;
 - (b) is declared bankrupt or files for bankruptcy; or
 - (c) applies for statutory debt rescheduling; or
 - (d) decides to terminate its professional practice or
 - (e) business in whole or in part.
3. In any of the cases outlined under b. through to e., the Supplier will be in default by operation of law and the Client will be entitled to terminate the Agreement unilaterally in whole or in part without notice of default or court intervention by means of a written notification to the Supplier. In that event, the Client will also be entitled to assign the execution of the Agreement in whole or in part to third parties, without the Client being liable for any compensation and without prejudice to any other rights vested in the Client, including the Client's right to full compensation.
4. If the Supplier finds itself in any of the situations referred to Articles 1 and 2, all claims from the Client against the Supplier will be immediately exigible and statutory interest, as referred to in Section 6:119a of the Netherlands Civil Code, will be due thereon as of that moment or any earlier due date. In addition, the Client will be entitled to postpone, cancel or terminate any other agreements with the Supplier.
5. In the event of a (planned) takeover of the Supplier or if the control of the Supplier's organisation changes otherwise, the Supplier must immediately notify the Client thereof in writing. In that case, the Client will be entitled to terminate the Agreement with immediate effect or to continue it for a period to be determined by the Client.
6. If the Supplier fails to fulfil any of its obligations, all costs incurred by the Client to reach an out-of-court settlement will be borne by the Supplier. The Supplier must also compensate the Client for all costs reasonably incurred in connection with any legal actions resulting in a ruling given entirely or largely against the Supplier. These costs will in any

event comprise the fees of external experts, bailiffs and lawyers, even if these costs exceed the amount awarded by the Court.

18. Applicable law and disputes

1. These GPC, all Agreements and the execution thereof, including any ensuing or related disputes, are governed by Netherlands law, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (1980).
2. In the event of any disputes ensuing from or related to these GPC, the Parties will attempt to settle them out of court. If this proves impossible, any such dispute will be brought before the Court within whose jurisdiction the Client's business is based, without prejudice to the Client's right to bring the dispute before the competent Court within whose jurisdiction the Supplier's business is based.

19. Other provisions

1. The Supplier must at all times comply with all applicable national and international laws and regulations concerning (the delivery of) the Products and/or (the performance of) the Services.
2. Any failure of the Client to exercise its rights, or to do so on time, in relation to a breach of contract on the part of the Supplier does not prejudice the rights that the Client has in relation to the same breach or a subsequent breach.
3. If any of the provisions of these GPC have no effect or become invalid, the other provisions will remain fully effectively. In that case, the closest interpretation of the purport of that provision is to be used.
4. Third parties will not become a party to any agreement between the Client and the Supplier under an implicit or explicit third-party clause in the Agreement. Section 6:254(1) of the Netherlands Civil Code does not apply.

20. ADDITIONAL TERMS AND CONDITIONS CONCERNING SERVICES AND THE CONTRACTING OF WORK FOR THE BENEFIT OF THE CLIENT

21. Use of tools and materials, coordination of work

1. The Client is authorised to inspect and test all materials and tools to be used by the Supplier in the execution of the Agreement, and to ascertain the identity of staff involved in the execution of the Agreement by the Supplier.
2. The Supplier accepts that other work may be performed in the vicinity of the location where it executes an Agreement. The operational management of the Client will take binding decisions with regard to the coordination of the execution of an Agreement and any such work.

22. Staff

1. Staff engaged in the execution of the Agreement by the Supplier will meet the specific requirements set by the Client or, in the absence thereof, the general requirements of professional skill and expertise.
2. If any staff of the Supplier are insufficiently qualified in the Client's opinion, the Client will be entitled to require immediate replacement by staff who do meet the provisions of Article. 21.1.
3. The Supplier is obliged to use foolproof attendance system for the staff engaged by it.
4. If staff of the Supplier are seconded or otherwise engaged by the Client for the execution of an Agreement, their working hours and conditions will be the same as the working hours and conditions of the Client's staff. The parties must agree on the prices for those working hours in the relevant Agreement.

5. The Client may only be charged for any overtime worked if the Client has given its permission therefor in advance.
6. Staff of the Supplier seconded to the Client are only allowed to take leave in consultation with the Client. The Supplier is not permitted to charge the Client for such leave.
7. The Supplier guarantees Client will comply strictly with all applicable statutory provisions in relation to its staff, as well as with all current local provisions and regulations, including those relating to safety, health and the environment.
8. The Supplier and its executives, employees or agents will not be deemed to be employees of the Client and are not entitled to any terms of employment of the Client whatsoever. The Supplier indemnifies the Client against and holds the Client harmless for all pertinent claims from staff of the Supplier.
9. The Supplier is liable for all taxes and expenses payable for its staff. The Supplier indemnifies the Client and holds the Client harmless for all claims, liabilities, fines, losses or damage, rulings, investigations and costs, including lawyer's fees, ensuing from any bodily injury or material damage, of any nature whatsoever, that are entirely or partly the result of any actions or omissions on the part of the Supplier, its staff, agents and subcontractors, and hereby releases the Client of all liability for such claims.

23. Work on the Client's site, supply and storage

1. The Supplier will ensure that its presence and the presence of its staff on the site and in the buildings of the Client do not interrupt or impede the progress of the work carried out by the Client and third parties.
2. Prior to starting the execution of the Agreement, the Supplier and its staff must familiarise themselves with the conditions on the site and in the buildings, as well as the substance of the regulations and codes that apply on the site and in the buildings of the Client, including those relating to safety, health, hygiene and the environment, and act accordingly.
3. The Client will provide the Supplier with a copy of the aforementioned regulations and codes upon request.
4. Materials, tools, equipment, etc. of the Supplier must be brought to and stored on the Client's site(s) in consultation with and with the approval of the Client's operational management. The Client accepts no liability for any loss or damage howsoever arisen or inflicted upon the Supplier's property.

24. Obligations of the Supplier

1. The Supplier is responsible for successfully completing the work independently and under its own responsibility, subject to the applicable regulations regarding, for example, safety and the environment.
2. Any authorised representatives of the Supplier will, in principle, be available on the work site during working hours. Their absence, replacement and availability will be coordinated and approved by the Client.
3. The Supplier must have a valid certificate of registration with its industrial insurance board and a permit to establish a business, insofar as this is required. The Supplier must show the Client the aforementioned documents upon request.
4. At the Client's request, the Supplier must:
 - a) present the Client with an overview containing the surnames, given names, addresses, dates

and places of birth, personal public service numbers and terms of conditions of all staff used by the Supplier on a weekly basis for the execution of an Agreement;

- b) present payrolls or time-sheets for staff used by the Supplier on a weekly basis for the execution of an Agreement.

5. Whenever the Client so requires, the Supplier must provide the Client with a copy of its payment record from the industrial insurance board and the collector of taxes on income, profits and net wealth.
6. The Supplier will perform the Agreement as may be expected from a reputable, experienced and professional service provider.
7. The Supplier is required to dispose of any waste and packaging material arising from the provision of the Services.

25. Project execution

1. All projects under an Agreement will be carried out under the responsibility of the Supplier. The Parties will specify the deliverables to be produced as part of the project in the relevant Agreement.
2. The parties have to reach agreement on the timetable for the execution of each project. This timetable must be divided into phases. Unless agreed otherwise in writing, the execution of each phase is an obligation for the Supplier to produce a deliverable and the timetable constitutes a deadline. If the timetable is disregarded, the Supplier will be in default without the Client having to give notice of default.
3. The Supplier guarantees that it will carry out each project as may be expected from a reputable, experienced and professional service provider that provides similar services as those performed as part of a project.
4. The Client will put in the necessary effort to provide the Supplier will all assistance and information that the Supplier reasonably requests for the execution of a project.
5. The parties may agree on a fixed price for the project, in which case invoicing and payment will follow the payment schedule agreed upon between the parties. If a fixed price is agreed upon, the Supplier is only allowed to charge the Client the fixed price for the execution of the project, without any other costs or prices being applicable.
6. The parties may agree that paid staff of the Supplier are regarded as key staff for the project in question to ensure the organisation of the necessary organisational roles and consultations. The Supplier is required to appoint such key staff for the duration of the project in question and is not allowed to replace these key staff without the prior written permission of the Client.

26. Data protection and security

1. If and to the extent that the Client provides the Supplier with personnel data and the Supplier incorporates this in the execution of an Agreement, both the Client and the Supplier will be subject to the applicable privacy laws and regulations, and the Client will be regarded as the principal and the Supplier as the processor within the meaning of the aforementioned laws and regulations.
2. The parties will comply strictly with the applicable privacy laws and regulations and enter into a processor agreement with regard to the processing of the personal data by the Client or the Supplier. The Client will submit this processor agreement to the Supplier for signature.