

GENERAL CONDITIONS OF SALE

1. Applicability

Unless explicitly agreed otherwise in writing, the present terms and conditions shall be applicable to all present and future sales agreements between Konings and Buyer (as mentioned on the order confirmation of Konings) for goods as mentioned on any order confirmation.

No provision whatsoever in the Buyer's documents (including its general purchase terms and conditions) is applicable to the sales that have been/are to be concluded between Konings and the Buyer. In the event that explicit preference is given in writing to the terms and conditions of Buyer or to any special agreement whatsoever, the following terms and conditions shall remain valid in a supplementary way.

2. Order

Orders are considered to be binding for the Buyer. The Buyer shall have no right to cancel orders without written permission of Konings. This permission shall depend upon the payment of all damages caused by the cancellation. Irrespective of the right for Konings to claim execution, parties agree that a cancellation by the Buyer entails an indemnification of minimum 30% of the cancelled order for costs and loss of earnings, without Konings having to prove the existence or the volume of the damage, and notwithstanding the right of Konings to prove and claim it suffered higher damages.

All changes to an order have to be made in writing and within 5 working days after the initial order at the latest. In the event Konings already started partial or full execution of the order, after the orderconfirmation, Buyer cannot withhold the non-execution of the changes.

3. Prices – Taxes

The transaction will be concluded at the prices mentioned on the order confirmation. Prices include neither V.A.T. nor any other costs whatsoever (transport, packaging, insurance, import and export taxes, and the like). These costs are to be paid by the Buyer.

Prices shall be subject to increases in the event that between the period of the order and the period of delivery, wages and other components that may have an influence on the price (e.g. fiscal tariffs, social security premiums, transport costs, raw material prices, energy costs, exchange rates, and the like) rise for at least 5%, except in case the goods are delivered within 30 days after passing on the order.

4. Payments – Credit limits – Penalties

Invoices that have not been protested by means of a registered letter within eight working days after they have been sent, shall be considered to have been fully accepted by the Buyer.

The Buyer must pay all invoices within 30 days after invoice date, unless otherwise agreed, into the bank account mentioned on the front of the invoice. Employees, agents, distributors or representatives of Konings are not authorised to collect payments.

All invoices are payable at Konings' place of business.

The exchange-risk is for the account of the Buyer.

In case of arrears or in the event of infringement of credit limits, Konings has the right to postpone delivery, without notice of default, until full settlement of all invoices and/or until the buyer's credit is back within its allowed limits.

Possible use of promissory notes, cheques or the permission to draw a bill of exchange by way of covering the agreed price shall never be deemed a novation of the original invoice nor will it void any right of retention, agreement or territorial competence.

Overdue payment of one invoice shall cause that all other invoices, for which a particular instalment term has been agreed on, will become immediately due, without previous formal notice of default.

Partial payments will firstly be deducted from interests, penalties and possible costs and only then from unpaid invoices.

All invoices that have not been settled by the due date will *ipso jure* be liable to an interest for late payment of 1% per month, as from its due date, without written formal notice of default being necessary. Moreover Konings will have the right to charge 10% on the full amount of the orders by way of compensation, with a minimum of 50 EUR per invoice.

In the event that the Buyer does not pay within the agreed term of payment, Konings will be entitled to a reasonable compensation from the Buyer for all relevant collection charges caused by the arrears, without prejudice to its right to compensation for legal costs.

5. Warranties

If Konings' trust in the solvability of the Buyer is damaged because of indicative events, like judicial procedures against the Buyer, Konings retains the right to demand Buyer for suitable warranties or advance payment. If the Buyer does not provide these warrants, Konings reserves the right to annul the entire order or a part of it, even when some goods were already sent, notwithstanding the right of Konings to claim damages and payment of the outstanding invoices and additional costs and interests for late payment.

6. Retention of title

All the goods shall remain the property of Konings until complete payment of all invoiced amounts, including interest, costs, penalties and any taxes.

The Buyer shall assume the risks upon delivery.

In the event of payment by cheque or any other commercial paper, payment shall only be realised on actual encashment.

The Buyer shall do the necessary in order not to jeopardise this retention of ownership. The Buyer expressly undertakes to put the goods at the disposal of Konings and grant access to those places where the unpaid goods are located at the first request of Konings.

Should the goods (or any of them) be converted into a new product, whether or not such conversion involves the admixture of any other goods or material whatsoever and in whatever proportions, the conversion shall be deemed to have been effected on behalf of Konings and Konings shall have the full legal and beneficial ownership of the new products, but without accepting any liability whatsoever in respect of such converted goods in relation to any third party, and the Buyer hereby indemnifies Konings in relation thereto.

Konings expressly reserves the right to take back unpaid goods, upon first demand, at any place where it finds them, without any redress or objection of the Buyer.

Failure to appreciate this right shall constitute a breach of contract and trust and give rise to legal action.

The Buyer is not entitled to re-sell unpaid goods. In case it does – in breach of these terms – sell the unpaid goods, the payment-obligation of the third buyer shall be automatically be transferred to Konings. Konings shall therefore be entitled to claim payment from the third buyer, without prejudice to the payment-obligation of the Buyer.

7. Place of delivery

Unless otherwise agreed upon, delivery takes place at the head office of Konings, always EX WORKS Incoterms 2010, even if delivery is handled by Konings in which case Konings only acts as mandatory of the Buyer. All dispatching costs are to be paid by the Buyer. Dispatch is done at the Buyer's risk.

8. Term of delivery

Mentioned term of delivery is indicative. Delays in delivery can in no case give cause to breach of contract, to a right of compensation or interests, unless explicitly agreed in writing by Konings. In the event that the Buyer's activities or those of a third-party deliverer directly or indirectly involved in the delivery of the goods will be influenced due to a case of *Force majeure* (including strikes), Konings cannot be held responsible for possible problems at delivery. Konings reserves the right to carry out partial deliveries.

In the event that Buyer does not collect the goods within the set period of time or refuses to collect them, buyer is liable for the costs of custody for these goods, which shall at least equal to 150 EUR per pallet and per month, without prejudice to the right of Konings to charge higher costs, if so applicable at that time.

9. Packaging

Except for particular agreements, ordered goods will be delivered in their original package. Konings reserves the right to modify its products and packaging without prior notice. Ordered quantities may be modified in order to meet the standard packaging units.

10. Product warranty

The Buyer guarantees that the contents of the labels and/or recipes and/or formulas as transmitted to Konings by the Company, is in accordance with applicable legislation and does not violate any third party (intellectual property) rights. The Buyer undertakes to indemnify Konings for any and all (direct or indirect) damage (including legal fees) incurred by Konings as a result of a violation of the guarantee under this clause. Should a third party (e.g. a government institute) hold Konings liable for violating applicable legislation or third party (intellectual property) rights in relation with the contents of the labels and/or recipes and/or formulas, the Buyer will immediately intervene in any useful manner – to be indicated by Konings – to ensure maximum indemnification of Konings.

Konings's products are guaranteed against defects and failures due to manufacturing flaws. In consequence, this warranty does not cover any complaint whatsoever as to negligence or wrong use – product modifications – faulty care or maintenance or inadequate storage conditions. This warranty is strictly limited to replacement of products that have been deemed defective by Konings. Products found defective will – after written agreement with Konings – be collected free of charge by Konings. In order to be accepted, all complaints have to be done in accordance with clause 11.

11. Complaints about goods, settlement with regard to taking back the good, recall and liability

In order to be admissible, all complaints with regard to wrong deliveries, lacking, damaged or faulty goods will have to be made in writing to Konings four days after delivery (in the event of visible defects) and within eight days (in the event of hidden or latent defects) after discovery of the hidden defect, and in any event before processing of resale of the goods, mentioning all relevant data, amongst others: order and invoice number, description of the defect, description of the damages... in default of which Konings may consider the complaint as inadmissible.

In any case, complaints based on hidden or latent defects shall have to be made within a period of six months after the date of delivery, or any other term as mentioned on the order confirmation.

A legal claim on the basis of hidden or latent defects will moreover have to be submitted by the Buyer within two months after discovery of such a defect – and this without prejudice to the above mentioned – in default of which the claim will be inadmissible. Konings liability for costs and damages incurred by the Buyer due to defects shall be limited to the selling price of the goods in dispute, with an absolute maximum amount of 5,000,000 euro per event, notwithstanding other and more strict clauses in this agreement. An event being the realisation of damage as a consequence of one fact or a series of similarly caused facts.

The Buyer will safeguard Konings against claims from third parties, like Buyer's clients.

Goods may only be returned after written approval of Konings. Goods returned without written approval will not be credited.

Complaints will give Buyer in no case the right to postpone or defer payment of the price, not even partially, nor the right to compensate damages with outstanding invoices, nor the right to cancel the full order or delivery.

If due to a defect a product is unsafe (within the meaning of Regulation (EC)No 178/2002) and/ or does not comply with applicable food safety laws, the Buyer has the right to recall the relevant product from the consumer market. The Buyer shall not exercise this right

without prior approval of Konings, approval which shall not be unreasonably withheld. The Buyer accepts and acknowledges that Konings' liability in case of recall in accordance with this clause shall be limited to an absolute maximum of 1,000,000 euro for the recall, notwithstanding other and more strict clauses in this agreement.

The foregoing limitations shall not apply in case of fraud or wilful misconduct by Konings.

12. Default of the Buyer

To the extent the Buyer does not observe any payment condition or other obligation whatsoever, Konings will have the right to also suspend or to postpone its obligations relating to other agreements between parties, without notice of default.

After having sent a notice of default by registered mail without effect during 15 days, Konings is moreover allowed to consider the agreement fully terminated or cancelled for the part that has not been executed yet, and this without prejudice to its right for a 30 % indemnification of the amount of invoice by way of compensation for costs and loss of earnings, without Konings having to prove the existence or the volume of the damage.

Konings reserves the right to claim the execution of agreement or to prove that the damages it suffered are larger.

13. Force majeure

The Buyer bears the risk of *Force majeure*. Moreover should the performance of this agreement be hindered or incommensurately be burdened due to *Force majeure*, Konings' obligations will be suspended.

Force majeure includes amongst others: every occurrence which is reasonably beyond Konings' control, including but not limited to strikes, lock outs, delays or disruptions in transport, acts of war, riots, fire, orders, bye-laws or regulations from the government or administration, inability to obtain natural gas, other fuels or natural resources, supply difficulties, scarcity of (raw)materials or lack of products for manufacture, weather conditions that make the execution of the agreement temporarily difficult or impossible, mistakes or delays payable by Konings' suppliers, acts by third parties, one or more manufacturing mistakes in material from one of Konings' suppliers, etc., irrespective of whether these problems occur at Konings or the supplier from whom Konings obtains goods and without Konings being obliged to prove the influence thereof.

14. Governing law and competent courts

All issues, questions and disputes concerning the validity, interpretation, enforcement, performance or termination of the agreement between Konings and the Buyer and these general terms and conditions shall be governed by and construed in accordance with the Belgian law, excluding its conflict-of-laws rules and the United Nations Convention on Contracts for the International Sale of Goods (1980) ("Vienna Convention") (if applicable).

Any dispute concerning the validity, interpretation, enforcement or performance of of or under these general terms and conditions shall be submitted to the exclusive jurisdiction of the Belgian courts in Hasselt.

15. Final clauses

Should the court declare one of the above-mentioned clauses ineffective, the other clauses will remain fully applicable.

Any failure or delay by Konings in exercising any right under an agreement with the Buyer, any single or partial exercise of any right under such agreement or any partial reaction or absence of reaction by Konings in the event of violation by the Buyer of one or more provisions of such an agreement, shall not operate or be interpreted as a waiver (either express or implied, in whole or in part) of Konings' rights under such agreement or under the said provision(s), nor shall it preclude any further exercise of any such rights. Any waiver of a right must be express and in writing. If there has been an express written waiver of a right following a specific failure by Konings, this waiver cannot be invoked by the Buyer in favour of a new failure, similar to the prior one, or in favour of any other kind of failure.