

GENERAL CONDITIONS of PALI Meat B.V. established in 's-Hertogenbosch (Registered under CoC no. 16053774)

Article 1. Applicability general conditions

- 1. These general conditions are applicable to all offers of PALI Meat B.V., established in 's-Hertogenbosch Oss (in the following referred to as: "PALI Meat") and the adoption and the content of, and compliance with all agreements concluded between PALI Meat and their contracting party (in the following referred to as: "the counterparty") in the context of the activities referred to in the following. PALI Meat is active in the field of the wholesale (sale) of/in semi-finished pork products and meat products, the trading in (purchase and sale) slaughter by-products, both nationally and internationally, such in the widest sense of the term, in the following also referred to as "the activities" and "the products".
- 2. The counterparty that has in the past already entered into agreements with PALI Meat is deemed to tacitly agree with the applicability of these conditions to later agreements between them and PALI Meat.
- 3. By "the counterparty" is intended in these conditions: every (legal) person who has concluded an agreement with PALI Meat with regard to the activities, or respectively wishes to conclude such, and besides them, their agent(s), authorised representative(s), successor(s) in title, and heirs.
- 4. The own general conditions applied by the counterparty remain effective to the extent not in conflict with the underlying general conditions. In the event of conflict between both sets of conditions, the general conditions of PALI Meat will take precedence at all times, even if prevalence was stipulated otherwise. General (purchasing) conditions of the counterparty are only applicable if it is expressly established in writing that they are applicable to the agreement between parties to the exclusion of the present general conditions.
- 5. If the court of law has established that one or more provisions from these conditions is/are unreasonably encumbering, the relevant provision will have to be interpreted in light of the remaining provisions of these general conditions and in such a manner that the provision can with all reason be invoked by PALI Meat vis-à-vis the counterparty. The circumstance that the court of law has established that one or more provisions from this agreement are unreasonably encumbering leaves unaffected the effect of the remaining provisions.
- 6. These general conditions are listed on the website of PALI Meat.

Article 2. Offer and acceptance

- 1. All offers made by PALI Meat with regard to their activities, in any form whatsoever, are non-committal, and can be revoked, withdrawn, or modified by them within seven (7) business days after notification by PALI Meat of the acceptance of their offer, unless expressly stated otherwise.
- 2. An offer of PALI Meat is valid during 15 days after the day of signing thereof by PALI Meat, unless a different term of validity was indicated in the offer or the duration of validity for the expiry thereof has been extended by PALI Meat in writing.
- 3. If an offer is made by PALI Meat, an agreement is adopted between them and the counterparty through the acceptance by the counterparty of the offer of PALI Meat or through the implementation of the activities (agreement) for the benefit of the counterparty by PALI Meat. Exclusively the offer of Vitelco Leather or their invoice for the implementation of the activities (agreement) respectively is deemed to correctly represent the content of the agreement.
- 4. If no offer is made by PALI Meat, an agreement is only adopted between parties through the written acceptance or implementation of the activities (agreement) for the benefit of the counterparty by PALI Meat. Exclusively the written acceptance of the activities (agreement) by PALI Meat or their invoice respectively for the implementation of the agreement is deemed to correctly represent the content of the agreement.
- 5. Errors featured in an offer do not bind PALI Meat.
- 6. The sending of offers and/or (other) documentation by the other party never obliges PALI Meat to accept an agreement unless explicitly confirmed by PALI Meat in writing.
- 7. Modifications and/or additions to an agreement concluded between parties are only valid after those modifications and/or additions have been accepted by PALI Meat and the counterparty unambiguously in writing.

Article 3. (implementation) Agreement

1. PALI Meat carries out the activities to the best of their abilities and makes sure that the products are compliant with the requirements of safety, hygiene. PALI Meat is certified and the current certificates are published on their website.



- 2. PALI Meat has the right, if they deem such desirable or necessary for the proper implementation of their activities and, if necessary, following consultation with the counterparty, to deploy third parties for the implementation of the activities.
- 3. The activities are carried out in mutual consultation between PALI Meat and the counterparty, the manner, however, in which these are implemented is determined by PALI Meat, unless such is in conflict with reason and fairness or it was established otherwise.
- 4. In case of a defect in the activities, PALI Meat has the right to restore such within a reasonable term, without becoming liable for damages on such account and/or without the counterparty having the right to terminate the activities and/or to cancel the agreement or to (let) rescind them, all matters with due regard for reason and fairness.
- 5. If the counterparty wishes that PALI Meat carries out additional activities and/or delivers additional products, it is bound to communicate this in writing to PALI Meat. PALI Meat has the right at all times to refuse these additional activities/deliveries.
- 6. PALI Meat has the right in case of special circumstances, such as swine disease, veterinary limitations and of a shortage of pork, to carry out the activities in stages and at a later time than was established, such to the extent the agreement between parties permits such and with due regard for reason and fairness.
- 7. PALI Meat makes use of the services of a credit insurer. If this credit insurer sets specific requirements with regard to the activities to be carried out by PALI Meat for their counterparty/parties, these will be imposed by PALI Meat on the counterparty, unless such is in conflict with reason and fairness.
- 8. All costs that are the result of circumstances that PALI Meat did not reasonably have to take into consideration upon the adoption of the agreement are borne by the counterparty.
- 9. In the context of the implementation of the activities, the counterparty guarantees the correctness, completeness, and reliability of the data and information provided by or on behalf of it to PALI Meat.

Article 4. Delivery and transport

- 1. The delivery (and the transport) of the products by PALI Meat to the counterparty as a rule is done by themselves or by third parties.
- 2. The transport of the products in the Netherlands is carried out at the address of the counterparty, unless parties have expressly established otherwise. The products count as having been delivered if they have arrived on the premises of the counterparty. The products are at the expense and risk of the counterparty from such time. If the products are picked up by the counterparty itself, they count as having been delivered upon leaving the premises of Meat
- 3. In case of cross-border deliveries of the products, the Incoterms 2020 are applicable.
- 4. PALI Meat may, both for what is established in section 1 and in section 2 of this article, continue to consider the address submitted by the counterparty as such until the counterparty has communicated a new address to them in writing. The counterparty is obligated to receive the pork at that address and at the time indicated by PALI Meat.
- 5. The counterparty takes care of the customs and other formalities (permits) in the country of delivery.

Article 5. Delivery terms

- 1. The delivery terms submitted by PALI Meat to the counterparty were established to the best of their knowledge based on the information known to them upon adoption of the agreement and will be observed by PALI Meat as much as possible. PALI Meat does not fall into default through the mere overrunning of a term and the counterparty cannot derive the right from the mere overrunning of a term submitted by PALI Meat to terminate the activities completely or partially or to completely or partially rescind the relevant agreement.
- 2. In case the counterparty does not timely, or incorrectly, insufficiently, or inappropriately provide or fulfil the information and/or obligations required for PALI Meat in the context of the activities, this may affect the established date, start and/or duration of the (implementation of the) activities, which will be at the expense and risk of the counterparty. The additional costs caused as a result must be compensated by the counterparty to PALI Meat. The counterparty is obligated to inform PALI Meat of all events and circumstances that may be of importance for the proper implementation of the activities. This also applies for events and circumstances that become known only after the adoption of the agreement.

Article 6. Price and price increase

- 1. The prices for the activities applied by PALI Meat are exclusive of VAT, other government-imposed levies, and other funds owed to third parties, unless indicated otherwise in writing. If the amount of the VAT rates is altered by the authorities, the new changed rates apply.
- 2. The counterparty is obliged to provide PALI Meat with a VAT number.



- 3. If during the time situated between the date of the quotation or offer and that of the implementation of the activities, the prices of cost undergo an increase, such as, though not limited to, as a result of government measures, import duties, etc. or, in the event instalments apply, the prices of cost undergo increases during those instalments, PALI Meat has the right to correspondingly increase the price to be billed to the counterparty.
- 4. If clear calculation errors are made by PALI Meat in the price and/or price increase, these can be corrected by them at all times.
- 5. All prices applied by PALI Meat are listed in euros, unless established otherwise in writing.

Article 7. Payment

- 1. The counterparty must pay the invoice/invoices sent by PALI Meat in the context of the activities to the counterparty within the payment term stated on the invoice to PALI Meat, to the bank account indicated on the invoice, without any discounts and/or setoffs, unless established between parties otherwise in writing.
- 2. If the invoice is not paid in full by the counterparty after expiry of the payment term, they fall into default and they owe, from such time, the statutory commercial interest over the unpaid amount, increased by 2 percentage points. After having been properly declared in default to such effect by PALI Meat and in case payment fails to occur, the counterparty will in such case also owe the extrajudicial costs and legal costs to PALI Meat, which extrajudicial costs are fixed at 15% of the principal sum.
- 3. PALI Meat has the right to let serve payments from the counterparty first to settle the interest owed and any possible claims on the counterparty flowing from shortcomings of the counterparty in implementing the activities flowing from the agreement (undertakings).
- 4. The records of PALI Meat provide, barring proof to the contrary, full proof of what is owed to them by the counterparty on any account whatsoever.

Article 8. Cancellation and modification

- 1. PALI Meat reserves itself the right to apply minor modifications to the activities (as stated in the quotation) without becoming liable for damage and/or without the counterparty having the right to cancel the activities or to (let) rescind the relevant agreement as a result. Such will be the case, for example, if the delivery of the hides is temporarily not possible from a veterinary perspective and/or specific safety and/or environmental regulations and/or other legal regulations (temporarily) cannot be observed.
- 2. The counterparty exclusively has the right to cancel the activities and/or to rescind the relevant agreement if such was established in writing or if the counterparty derives such from the effective regulations. If the counterparty cancels the activities (with legal validity) or rescinds the relevant agreement, the counterparty is obligated to simultaneously terminate exercise of the rights granted on account of the agreement and to compensate PALI Meat for the costs incurred by them in connection with the offer and the adoption and the implementation of the activities.
- 3. If a modification or addition to the activities leads to additional activities by PALI Meat, these will always be billed to the counterparty in accordance with the rates effective at such time. If a modification or addition to the activities leads to fewer activities, this may lead to a reduction of the established price, though PALI Meat reserves itself the right to bill the counterparty for the costs already incurred by them as well as for their loss of profit.
- 4. The counterparty accepts that, if parties establish that the activities are expanded or altered, the time of completion thereof may be affected as a result. PALI Meat will inform the counterparty concerning as soon as possible.
- 5. If the counterparty requests from PALI Meat the application of modifications and/or additions to the activities, PALI Meat will grant such if it lies within their possibilities. Vitelco Leather can never be obliged to grant such requests. They will carry out these activities, if possible. A modification must be communicated by the counterparty to PALI Meat in writing.
- 6. If the counterparty, after an agreement has been adopted, wishes to cancel the activities flowing therefrom, 10% of the established price (exclusive of VAT) is billed as cancellation costs, without prejudice to the right of PALI Meat to claim the exceeding damage from the counterparty, also including the loss of profit.

Article 9. Termination

1. Without prejudice to what is established in the other articles of these conditions, the counterparty is considered to be legally in default if it does not, does not properly, or does not timely comply with any obligations that may flow for it from the activities (and the relevant agreement), as well as in the case of bankruptcy, (application for) suspension of payments, liquidation of its enterprise or in the event an attachment is or has been levied on the whole or a part of the assets of the counterparty and such attachment will not be lifted within the foreseeable future. The counterparty is obliged to immediately inform PALI Meat of the entry into effect of the events intended in this article.



PALI Meat has the right in such case, without any default notice and without judicial intervention, to suspend the implementation of the activities or to completely or partially rescind the relevant agreement, such at the option of PALI Meat, without being bound to pay any damages, though without prejudice to their right to compensation of the damage that is the result of the attributable shortcoming and the suspension or rescission. In these cases, any claim that PALI Meat has at the charge of the counterparty becomes instantly and immediately exigible.

- 2. What is established in the previous section with regard to the right of PALI Meat to rescind the agreement is not applicable if the shortcoming, in view of its special nature or minor importance, does not justify this rescission with its consequences.
- 3. PALI Meat never owes the counterparty any compensation of damages on account of the termination of the activities and the suspension of the activities flowing from the relevant agreement (undertakings) on grounds of the events intended in the previous section, without prejudice to their right to compensation for the damage which is the result thereof.
- 4. If the agreement has been rescinded, the performances already received by the counterparty for the implementation of the agreement and the associated payment obligations of the counterparty are not subject to an unwinding obligation, unless PALI Meat is in default with regard to those performances. In connection with the performances conducted or the monetary sums invoiced before or upon the rescission of the agreement by PALI Meat, the counterparty is bound to settle immediately after rescission.

Article 10. Retention of title

- 1. The products delivered by PALI Meat remain their property until the counterparty has fulfilled all its obligations from the (purchase) agreements concluded with them, also including:
 - the performance(s) in compensation regarding the activities (delivery of the products), also including full payment of the established price;
 - the performance(s) in compensation regarding such activities as may have been or may have to be conducted by PALI Meat pursuant to the purchase agreements;
 - any possible claims on account of non-compliance by the counterparty with these agreements.
- 2. The products delivered by PALI Meat which pursuant to the previous section fall under the retention of title may only be resold within the framework of normal business operations. In case of bankruptcy or (application for) suspension of payments of the counterparty, resale is not permitted either within the framework of normal business operations.
- 3. If the counterparty does not fulfil its obligations or there is a legitimate fear that it will not do so, then PALI Meat has the right to (let) recover the delivered products subject to the retention of title mentioned in the previous section, from the counterparty or third parties that are keeping the products for the counterparty. The counterparty grants permission for this beforehand and is obligated to render all assistance for this, on pain of a fine of 15% of the amount owed to PALI Meat on account of the agreement, without prejudice to the right of PALI Meat to claim the entire damage from the counterparty.
- 4. The counterparty must keep the products delivered under retention of title marked as the property of PALI Meat, by, for example, not removing the packaging and/or the certificates or other written characteristics regarding the products and keep them in a correct and diligent manner, clearly separated from other goods.
- 5. If third parties wish to establish or enforce any right on the products delivered under retention of title or any other event occurs or threatens to occur that may damage the delivered hides, the counterparty is obligated to accordingly inform PALI Meat as soon as may reasonably be expected.
- 6. If a third party proceeds with the payment of the amount owed by the counterparty to PALI Meat, PALI Meat keeps its retention of title until the payment is irrevocable.
- 7. As long as the property of the hides has not passed to the counterparty, it is not permitted to it to pawn the hides or to encumber them otherwise or to cede them in use.
- 8. The counterparty is obligated to insure the hides for the duration of the reserved property against all calamities, including theft and illnesses and to present such for perusal to PALI Meat upon first request.

Article 11. Retention of title in Germany

(Eigentumsvorbehalten in Deutschland)

 In derogation to what is established in article 10 of these general conditions, with regard to the products delivered by PALI Meat to counterparties established in Germany, the following applies: (In Abweichung vom im vorgehenden Artikel Festgelegte, gilt bezüglich der vom PALI Meat an in Deutschland etablierte Abnehmer gelieferten Sachen folgendes:)



- 2. Das Eigentum an den gelieferten Waren bleibt zur Sicherung aller Ansprüche vorbehalten, die PALI Meat aus der gegenwärtigen und künftigen Geschäftsverbindung bis zum Ausgleich aller Salden gegen den Abnehmer und seine Konzerngesellschaften zustehen.
- 3. Das Eigentum des PALI Meat streckt sich auch auf die durch Verarbeitung der Vorbehaltware entstehende neue Sache. Der Abnehmer stellt die neue Sache unter Ausschluss des eigenen Eigentumserwerbs für PALI Meat her und verwahrt sie für ihn. Hieraus erwachsen ihm kleine Ansprüche gegen PALI Meat.
- 4. Bei einer Verarbeitung der Vorbehaltsware vom PALI Meat mit Waren anderer Lieferanten, deren Eigentumsrechte sich ebenfalls an der neuen Sache fortsetzen, erwerbt PALI Meat zusammen mit diesen anderen Lieferanten unter Ausschluss eine Miteigentumserwerbs des Abnehmers Miteigentum an der neuen Sache zu deren vollem Wert (einschließlich Wertschöpfung) wie folgt:
 - a. Das Miteigentumsanteil des PALI Meat entspricht dem Verhältnis des Rechnungswertes der Vorbehaltsware des PALI Meat zu dem Gesamtrechnungswert aller mitverarbeiteten Vorbehaltswaren.
 - b. Verbleibt ein von Miteigentumsvorbehalten zunähst nicht erfasster Restanteil, weil andere Lieferanten den Eigentumsvorbehalt nicht auf die Wertschöpfung durch den Abnehmer erstreckt haben, so erholt sich der Miteigentumsanteil des PALI Meat um diesen Restanteil. Haben jedoch andere Lieferanten ihren Eigentumsvorbehalt ebenfalls auf diesen Restanteil ausgedehnt, so steht PALI Meat an ihm nur ein Anteil zu, der sich aus dem Verhältnis des Rechnungswertes der Vorbehaltsware des Lieferanten zu den Rechnungswerken der mitverarbeiteten Wahren dieser anderen Lieferanten bestimmt.
 - Der Abnehmer tritt bereits jetzt seine Forderungen aus der Veräußerung von Vorbehaltsware aus die gegenwärtigen und künftigen Warenlieferungen des PALI Meat met sämtlichen Nebenrechten im Umfang unseres Eigentumsanteils zur Sicherung am PALI Meat ab. Bei Verarbeitung im Rahmen eines Werkvertrages wird die Werklohnforderung in Höhe des anteiligen Betrages der Rechnung des PALI Meat für die mitverarbeitete Vorbehaltsware schon jetzt am Lieferanten abgetreten.
 - c. Solange der Abnehmer seine Verpflichtungen aus der Geschäftsverbindung mit PALI Meat ordnungsgemäß nachkommt, darf er über die in Eigentum des PALI Meat stehende Ware im ordentlichen Geschäftsgang verfügen und die an abgetretene Forderungen des PALI Meat selbst einziehen. Bei Zahlungsverzug oder begründeten Zweifel an der Zahlungsfähigkeit oder Kreditwürdigkeit des Abnehmers ist PALI Meat berechtigt, die abgetretenen Forderungen einzuziehen und die Vorbehaltsware zurückzunehmen; jedoch liegt ein Rücktritt vom Vertrag nur dann vor, wenn PALI Meat dies ausdrücklich schriftlich erklärt.
 Übersteigt der Wert der eingeräumten Sicherheiten die Forderungen des PALI Meat um mehr als 10%, so wird
- PALI auf Verlangen des Abnehmers insoweit Sicherheiten nach seiner Wahl freigeben.

 5. Hinsichtlich der Vereinbarung von Eigentumsvorbehaltsrechten gilt ausschliesslich deutsches Recht.

Article 12. Late acceptance

- If the counterparty does not accept the products before expiry of the established delivery term and/or the
 counterparty refuses to purchase the products, PALI Meat has the right to hand over the products for safekeeping
 at the expense of the counterparty or to otherwise keep it for the counterparty. PALI Meat will notify the
 counterparty of this safekeeping in writing.
- 2. All costs incurred and to be incurred by Vitelco Leather in the context of the safekeeping of the products are borne by the counterparty.
- 3. The preceding leaves unaffected that the counterparty remains obliged to pay the full purchase price to PALI Meat.

Article 13. Complaints and complaint terms

- 1. Also in view of the nature of the activities, including the delivery of the products (perishable goods), the counterparty is obligated to (let) investigate the products delivered by PALI Meat immediately upon their delivery or otherwise as soon as possible afterwards, though no later than within 48 hours after delivery, and, if necessary to (let) inspect such, as well as to verify thereby whether the products correspond with the agreement. The counterparty must thereby verify whether the products visually do not have a deviating colour and/or other non-usual characteristics, whether they are compliant with the correct quantities, with the quality requirements and if they further correspond with what was established between parties.
- 2. If PALI Meat decides to (let) carry out an own investigation in connection with defects contended by the counterparty with regard to activities conducted by PALI Meat, the counterparty is bound to render its full assistance for this.
- 3. If a complaint about a defect in the opinion of PALI Meat is legitimate, they will, at their option either take back the products without the counterparty owing anything to PALI Meat or deliver the same type of products to the counterparty again. PALI Meat is not bound to pay damages in such situations. The counterparty does not have the



- right to reject the proposal of PALI Meat for the delivery of the same type of products, unless such cannot reasonably be demanded from the counterparty.
- 4. Complaints regarding alleged defects must at all times be submitted in writing within five (5) business days following invoice date, precisely stating the defects.
- 5. Complaints regarding the invoice amount must be submitted within fourteen days after invoice date to PALI Meat by way of registered mail, precisely stating the grounds for the complaint.
- 6. If the counterparty does not comply with what is established in this article, this leads to the lapsing of all claims of the counterparty on PALI Meat in the matter.

Article 14. Liability

- 1. The liability of PALI Meat is limited at all times, if this liability is covered by their liability insurance, to the amount of the disbursement made by the insurer. If the insurer in any case does not proceed to disburse or the demonstrable damage is not covered by the insurer, the liability of PALI Meat is limited to the net invoice value of the (established) activities, to the extent that damage was effectively incurred by the counterparty and paid by it.
- 2. PALI Meat is never bound to compensate indirect damage, also including consequential damage, business damage, and damage due to the loss of time, loss of data and/or the missing out on a financial advantage.
- 3. A liability of PALI Meat can exclusively arise after the counterparty has properly declared their default in writing immediately after the end of the activities or immediately upon identifying the shortcoming and has granted PALI Meat a reasonable term to eliminate the shortcoming.
- 4. The counterparty safeguards PALI Meat against all third-party claims in the matter of damage arisen upon or as a result of the implementation of the activities, towards whom PALI Meat cannot appeal to these general conditions. The counterparty is only bound by this safeguard to the extent PALI Meat is able to appeal to exclusion or reduction of liability vis-à-vis the counterparty as well.
- 5. The limitations of liability included in these general conditions do not apply if the damage can be blamed on wilful intent or gross fault of PALI Meat or of their managing subordinates.

Article 15. Force majeure

- 1. If PALI Meat as a result of force majeure is temporarily unable to carry out their activities as established, they are authorised to suspend the implementation of the agreement completely or partially for as long as the force majeure continues. If PALI Meat due to force majeure is permanently unable to carry out the activities, they have the right to terminate these activities in writing with immediate effect completely or partially and to cancel and/or rescind the relevant agreement.
- 2. By force majeure is intended, among other things, a shortcoming of suppliers of PALI Meat and/or third parties they outsourced activities to and/or other auxiliary persons, stagnation in the production and delivery by suppliers, that PALI Meat requires for the implementation of their activities, swine diseases and/or the fear thereof, with the result that the transport of the meat is not permitted by the authorities or otherwise, disruptions in traffic (such as road blocks), lack of raw material, production malfunctions, delays in transports, work interruptions and/or strikes, excessive illness absenteeism of employees and/or other auxiliary persons, other government measures than those mentioned in the preceding, war conditions, a pandemic, fire, and extreme weather conditions.
- 3. If PALI Meat upon entry into effect of the force majeure have already fulfilled their obligations partially, or are only able to partially fulfil their obligations, they have the right to separately invoice the products already delivered and/or the deliverable part of the products, and the counterparty is obligated to settle this invoice as if it regarded a separate contract.

Article 16. Dispute settlement and applicable law

- 1. Any dispute between PALI Meat and the counterparty is settled, such in derogation to the legal rules for the competence of the civil court, by the court of law competent to such effect of the district of Oost Brabant. PALI Meat is authorised, however, to submit a dispute to the court of law that is competent according to the law or the applicable international treaty.
- 2. Offers of and agreements with PALI Meat are exclusively governed by Netherlands legislation, such with due observance of what is established in article 11 section 5. The United Nations Convention regarding international purchase agreements regarding movable goods of 11 April 1980 is not applicable to offers of and agreements with PALI Meat.

Article 17. Translations

If PALI Meat applies a non-Dutch language version of these general conditions and there are differences between the Dutch-language version and the non-Dutch language version, the Dutch-language version is exclusively binding.