

GENERAL TERMS AND CONDITIONS (POTATO) OF LAMB-WESTON/MEIJER V.O.F. AND ALL ITS AFFILIATED COMPANIES

I. GENERAL PROVISIONS

The following provisions of Chapter I. General provisions apply to all Agreements with LW.

1. Terms

The capitalised terms in these General Terms and Conditions have the meaning attributed to them in this article:

- "LW": The general partnership <u>Lamb-Weston/Meijer V.O.F.</u>, having its registered office and business address at Topaasstraat 54, 4817 HW Breda (the Netherlands), registered in the trade register under CoC number 22036226, also including all its affiliated companies.
- "Other Party": The party, for example a natural person or legal entity, grower, trader, processor or buyer, that concludes an Agreement with LW, whether or not through representation.
- "General Terms and Conditions": These General Terms and Conditions. The following annexes in digital form are included in these General Terms and Conditions for information purposes:
 - ANNEX 1: Inspection regulations;
 - ANNEX 2: VAVI Purchasing Terms and Conditions for Industry/Trade Link 2009;
 - ANNEX 3: VAVI Purchasing Terms and Conditions for Industry/Cultivation Link 2021;
 - ANNEX 4: VBNA/VENEXA Terms and Conditions;
 - ANNEX 5: General Terms and Conditions for Trading Seed Potatoes;
 - ANNEX 6: RUCIP Terms and Conditions;
 - ANNEX 7: VAVI Terms and Conditions of Sale;
 - ANNEX 8: Arbitration Regulations of the Agricultural Disputes Foundation c.a.
 - ANNEX 9: Supplier Code of Conduct
- "Inspection Regulations": The document "Keuringsmethodiek en Keuringsreglement" (Inspection Method and Regulations) (version 2021) (ANNEX 1).
- "Agreement(s)": All agreements, i.e. legal relationships relating to, among other things, the purchase and sale of potatoes and propagating material, and related services and/or (other) activities, between LW on the one hand and the Other Party on the other, that are governed by, and therefore constitute an inseparable part of, these General Terms and Conditions.
- "Annex(es) to the Agreement": Documents relating to the Agreement, including, but
 not limited to, the Inspection Regulations, documents containing further/deviating
 arrangements (an Update Form), documents containing an explanation of the price
 breakdown, etc.
- "Vienna Sales Convention": The United Nations Convention on Contracts for the International Sale of Goods, Vienna, 11/04/1980.
- "Sector Terms and Conditions": In these General Terms and Conditions, the term "Sector Terms and Conditions" means the following sets of Sector Terms and Conditions:
 - "VAVI Purchasing Terms and Conditions for Industry/Trade Link 2009": Purchasing Terms and Conditions and Arbitration Regulations for the purchase of potatoes in the industry/trade link (as laid down by VAVI (Dutch Potato Processing Association)), version 2009 (ANNEX 2).
 - "VAVI Purchasing Terms and Conditions 2021": the General Terms and Conditions for the Purchase and Contract Cultivation of Potatoes in the Industry/Cultivation Link (as laid down by VAVI and LTO (Dutch Agri- and Horticultural Association), version 2021 (ANNEX 3). Source: https://vavi.nl/nl/downloads/
 - "VBNA/VENEXA Terms and Conditions": the General Terms and Conditions for the Wholesale Potato Trade and corresponding arbitration regulations (as laid down by V.B.N.A. (Association for the Promotion of the Dutch Potato Trade) and VENEXA (Association of Dutch potato exporters), version 1986 (ANNEX 4)
 - "AHP Terms and Conditions": the General Terms and Conditions for Trading Seed Potatoes and corresponding arbitration regulations (as laid down by NAO (Dutch Potato Organisation), LTO, VAVI and NAV (Dutch Arable Farming Union), version 2018 (ANNEX 5). Source: https://www.nao.nl/nl/markt/handelsvoorwaarden.
 - "RUCIP Terms and Conditions": the RUCIP Trading Terms and Conditions and corresponding expertise and arbitration regulations, version 2021 (ANNEX 6). Source: https://rucip.eu/.
- "Plot": A contiguous section of potatoes with one potato variety.
- "Written/In Writing": The terms "Written" and "In Writing" include communications by letter, registered or not, and also communications by email, fax or other electronic communication means (except communications via social media, e.g. Twitter, Facebook, Instagram, etc.).

2. Applicability

- 2.1. <u>Applicability</u>. These General Terms and Conditions apply to the Agreement, also after its termination.
- 2.2. <u>Additional applicability</u>. Insofar as not deviated from below, Sector Terms and Conditions additionally apply depending on the nature of the relevant Agreement. This means that insofar as the Agreement and/or Annex(es) to the Agreement and/or these General Terms and Conditions do not describe and therefore provide for a certain arrangement and/or situation, the

Sector Terms and Conditions declared applicable below for the following individual agreements additionally apply:

- purchase of ware potatoes from traders/processors the VAVI Purchasing Terms and Conditions for Industry/Trade Link 2009, with the exception of Article 14;
- purchase of ware potatoes from growers the VAVI Purchasing Terms and Conditions for Industry/Cultivation Link 2021, with the exception of Articles 6.3-6.11, 7.8 last sentence, 7.9, 9.2, 9.3, 10.1 and 12.1 up to and including 13;
- purchase of seed potatoes the General Terms and Conditions for Trading Seed Potatoes, with the exception of Articles 33 up to and including 43 and 46 up to and including 52;
- sale of ware potatoes the VBNA/VENEXA Terms and Conditions, with the exception of Article 37 paragraph 3;
- sale of seed potatoes the General Terms and Conditions for Trading Seed Potatoes;
- 2.3. <u>Ranking</u>. If the provisions of the Agreement and/or Annex(es) to the Agreement and/or these General Terms and Conditions and/or the Sector Terms and Conditions are in conflict with each other, the following ranking applies:

I. the Agreement

II. the Annex(es) to the Agreement;

III. these General Terms and Conditions;

IV. the Sector Terms and Conditions.

- 2.4. <u>General terms and conditions of the Other Party</u>. Agreements with LW are explicitly not subject to any general terms and conditions referred to in any way or declared applicable by the Other Party.
- 2.5. <u>Deviations</u>. Deviations from these General Terms and Conditions are hereby explicitly rejected, unless explicitly confirmed In Writing by LW to the Other Party for each individual Agreement.

3. Set-Off

- 3.1. The Other Party may not set off any claims against LW against any payments or other obligations the Other Party owes to LW. Nor may the Other Party defer fulfilment of its obligations in such events.
- 3.2. LW may at any time set off its claims against the Other Party and/or natural persons or legal entities affiliated to the Other Party against any payments and/or obligations it owes to the Other Party and/or natural persons or legal entities affiliated to the Other Party.

4. Liability

- 4.1. LW will never be liable for loss or damage suffered by third parties (not being the Other Party or its employees). The Other Party will indemnify, defend and protect LW and its affiliated companies as well as their respective officers, directors, employees, shareholders, agents and authorised contractors against and from such claims and/or demands, loss, damage, liabilities, costs and expenses.
- 4.2. LW will in no circumstances be liable towards the Other Party or any other person for special, additional or consequential loss or damage or punitive loss or damage, costs or expenses, including, but not limited to loss or damage in the form of loss of goodwill, loss of sales, loss of proceeds, loss of profit, work interruptions, production interruptions, unspecified flat-rate claims, sanctions, penalties, damage to other potatoes or otherwise, whether or not the loss or damage in question results from or is related to a guarantee breach, breach of contract, misrepresentation of facts, negligence or otherwise.
- 4.3. LW's liability for each single event or series of relating events, insofar as resulting from one and the same cause, will at all times, regardless of the basis of the claim (either from contract, negligence, unlawful act or otherwise), be limited to the net invoice amount of the delivery concerned up to a maximum of €5,000 or its equivalent in another currency as at the payment date.
- 4.4. LW will not be able to invoke the liability exclusions and restrictions referred to above only in the event of intent or deliberate recklessness of the officers responsible for the management of the company to be demonstrated by the Other Party according to objective standards.
- 4.5. Each right of claim against LW will expire after one year has passed from the moment the claim in question arose.
- 4.6. The Other Party will be obliged to provide complete and correct information, in particular with regard to the collection of VAT in the context of intra-Community transactions. In the event of non-performance by the Other Party, it will indemnify, defend and protect LW against and from any and all claims in that respect and it will waive its right to submit a claim or complaint against LW in that respect.

5. Force majeure

5.1. In addition to the applicable Sector Terms and Conditions, force majeure on the part of LW is understood to include any special circumstance making it impossible or inconvenient for LW to fulfil its obligations, to the effect that fulfilment cannot reasonably be expected from LW,



including war, mobilisation, pandemics, strikes, labour disturbances, revolution, riots, disturbances, storm, floating ice, flood emergencies, flooding, power or water supply stagnations, company fire, cooling defects, business interruptions as a result from machinery breakdowns or power supply problems, traffic obstructions, complete or partial crop failures, abnormal draughts or continuous rain, crop diseases, pest plagues, defaulting suppliers, consequences of terror threats/attacks and relating business operation and transport restrictions imposed by competent authorities, etc. Force majeure on the part of LW's suppliers, including installers and growers, and its customers will be considered to be force majeure on the part of

- 5.2. Government measures impeding or financially affecting the import, transit or export of sold or bought seed or other potatoes entitle LW to dissolve the Agreement, to the extent that it has not been performed, without LW being obliged to pay any damages.
- 5.3. In the event of force majeure on the part of the Other Party, LW may suspend performance of the Agreement for the duration of the force majeure. If a force majeure situation on the part of the Other Party lasts longer than fourteen (14) days, LW may terminate the Agreement with immediate effect without court intervention by Written notice, without this giving rise to any entitlement to damages. Force majeure on the part of the Other Party does not in any case include: lack of staff, strikes, breach of contract by third parties engaged by the Other Party, transport problems on the part of the Other Party or third parties engaged by the Other Party, equipment failures, liquidity or solvability problems on the part of the Other Party or government measures affecting the Other Party.
- 5.4. After 1 November of the calendar year in which the potatoes to be supplied were grown, the Other Party's right to invoke force majeure on account of complete or partial crop failure expires.

6. Termination

- 6.1. LW may defer performance of any Agreement in full or in part or terminate or dissolve any Agreement with immediate effect without prior notice of default or court intervention, without LW being obliged to pay any damages, if:
- the Other Party fails to fulfil one or more of its obligations under the Agreement or any related agreements.
- LW has reason to suspect that the Other Party is not or will not be capable of fulfilling its
 obligations under the Agreement,
- LW is of the opinion that the direct or indirect ownership or control of the business of the
 Other Party is being changed considerably or if the business of the Other Party is being
 terminated or sold.
- 6.2. In the event of termination or dissolution, LW will in no event be liable for any damages. The Other Party will be obliged to indemnify LW against claims instituted by third parties as a result of or in connection with termination or dissolution of the Agreement.
- 6.3. The Other Party cannot terminate this Agreement without court intervention.
- 6.4. If and insofar as the Other Party terminates the Agreement(s) or part thereof, regardless of the cause, the Other Party will pay a compensation at least equalling 25% of the purchase price of the Agreement(s) without prejudice to LW's entitlement to additional damages and performance of the agreement. LW will in that case also be entitled to charge all costs incurred until that moment. Article 6:92 of the Dutch Civil Code (DCC) is excluded.

7. Other provisions

- 7.1. <u>Transfer.</u> The Other Party may not transfer its rights and/or obligations under the Agreement, including these General Terms and Conditions, without LW's prior Written permission. LW has the right to transfer the Agreement(s) and all rights and obligations arising therefrom, as well as all its legal relationships with the Other Party. The Other Party, by concluding an Agreement with LW, renders its irrevocable cooperation in advance.
- 7.2. <u>Validity</u>. If any of the provisions (or part thereof) of these General Terms and Conditions or any part of the underlying Agreement appears to be invalid or unenforceable, this will not affect the substance of the other provisions and the General Terms and Conditions, and the underlying Agreement will remain in effect.
- 7.3. In that event, the parties will replace the invalid or unenforceable provision by a valid and enforceable provision that is as close as possible to the essential purpose of the invalid or unenforceable provision.
- 7.4. <u>Language</u>. In the event of a dispute on the meaning of the translation of these General Terms and Conditions, the Dutch text will set the standard.
- 7.5. <u>Scope of protective provisions</u>. All individual subcontractors, agents, representatives, employees and others who have received an assignment from, or have been engaged or employed by LW, have the same protection and are entitled to the same liability exclusions, exemptions and restrictions that apply to LW on the basis of this Agreement, including these General Terms and Conditions.
- 7.6. <u>Confidentiality</u>. The Other Party is obliged to observe strict confidentiality of all confidential information about LW and its business that the Other Party and its employees become aware of in the context of the Agreement, both during the term of the Agreement and for a period of five (5) years after its termination, both with regard to third parties and the Other Party's employees.

- 7.7. Confidential information is broadly defined and comprises all non-public information that, if made public, may be harmful in any way to LW or useful to its competitors and in any case comprises details of customers and/or other relations, prices, business models and volumes of LW that the Other Party and its employees become aware of in the context of the Agreement.
- 7.8. Confidential information does not comprise any confidential information that is requested on the basis of a statutory obligation or by a government body. The Other Party will notify LW thereof
- 7.9. <u>Correspondence</u>. All notices or other communications to LW regarding this Agreement, including these General Terms and Conditions, will have effect from the moment of receipt and will be submitted In Writing.
- 7.10. LW's address and contact details are included below for this purpose:

Lamb-Weston / Meijer v.o.f. Stationsweg 18a 4416PJ Kruiningen Email: rawinfo@lambweston.eu

3. Applicable law

- 8.1. The Agreement and all legal relationships and/or obligations arising from or relating to the Agreement, which are governed by these General Terms and Conditions, including all matters relating to the existence, validity or termination of the Agreement and including noncontractual disputes, will be exclusively governed by Dutch law, unless stipulated otherwise in these General Terms and Conditions.
- 8.2. The provisions of the Vienna Sales Convention are excluded.

9. Dispute resolution

- 9.1. <u>Arbitration</u>. All disputes between the parties arising from or relating to the Agreement and all legal relationships and/or obligations arising from or relating to the Agreement, including all matters relating to the existence, validity or termination of the Agreement and including noncontractual disputes subject to these General Terms and Conditions, will exclusively be resolved by arbitration in accordance with the arbitration regulations contained in the Sector Terms and Conditions that are additionally applicable pursuant to Article 2.2. The arbitration procedures, including the oral procedure, will take place in Wageningen (the Netherlands). They will be conducted in Dutch.
- 9.2. If no Sector Terms and Conditions apply, or if the applicable Sector Terms and Conditions do not contain valid and effective arbitration provisions and/or regulations, or if the arbitration provisions are excluded pursuant to Article 2.2, all disputes arising from or relating to the Agreement and all legal relationships and/or obligations arising from or relating to the Agreement, including all matters relating to the existence, validity or termination of the Agreement and including non-contractual disputes subject to these General Terms and Conditions, will be exclusively resolved in accordance with the arbitration regulations of the Agricultural Disputes Foundation c.a. in Wageningen (the Netherlands). The arbitration proceedings will take place in Wageningen (the Netherlands). They will be conducted in Dutch. A copy of these arbitration regulations is attached to these General Terms and Conditions as ANNEX 8 and they can be consulted at www.iar.nl.
- 9.3. <u>Competent court.</u> Notwithstanding the foregoing, LW is free to submit claims regarding payments that have become payable, the payability of which has not been disputed In Writing within four (4) weeks of the invoice date, to the District Court of Zeeland-West-Brabant, location of Breda (subdistrict sector).
- 9.4. <u>Prescription/expiry</u>. Notwithstanding other provisions of these General Terms and Conditions regarding prescription and/or expiry, all claims against LW prescribe by the passage of one (1) year after they have arisen. The right to institute proceedings against LW expires after two (2) months after this right has arisen, or at an earlier moment as provided for in these General Terms and Conditions or the Sector Terms and Conditions that are additionally applicable.

II. PURCHASE

With due observance of the Sector Terms and Conditions declared additionally applicable in Article 2.2, the following provisions of Chapter III. Food safety, Chapter IV. Certificates and Registration, Chapter V. Supply, Chapter VI. Weight determination, Inspection and Quality, and Chapter VII. Price and Payment, apply to the Other Party in the capacity of (selling) grower and/or trader/processor, unless indicated otherwise by the word "(cultivation)" following the article heading, if the relevant article only applies to the Other Party in the capacity of grower, or "(trade)" following the article heading, if the relevant article only applies to the Other Party in the capacity of trader/processor.

If the Other Party is a trader/processor, it will ensure that all provisions of Chapter III. Food Safety and Chapter IV. Certificates and Registration are included in the agreement with its supplier. This supplier will also include them in the agreement with its supplier, etc. up to and including the primary company.

III. FOOD SAFETY

10. Administrative and European legislation



All potatoes purchased by LW will at the time of delivery meet all regulations set under national (country where the potatoes were grown and country where they were processed) and European legislation regarding (i) the use and application of crop protection products, pesticides and other products, (ii) tolerances for residues of crop protection products, pesticides and other products, heavy metals, and (iii) all other regulations and/or rules regarding the use and/or processing of potatoes.

11. Products

- 11.1. <u>Test phase</u>. The use of crop protection products that are still in the test phase is not permitted without LW's prior Written permission.
- 11.2. <u>Re-entry and waiting periods</u>. The Other Party may not supply potatoes on which products have been used of which the re-entry and waiting periods have not expired at the time of delivery.
- 11.3. <u>Unsafe products</u>. During their cultivation or storage, potatoes may not be treated with products that, or the residues of which, constitute a health hazard. Only products that are undisputedly safe and do not involve any risk of reputational damage to LW may be used.
- 11.4. <u>Extra-statutory requirements</u>. LW may from time to time (even after the Agreement has been concluded) set extra-statutory requirements regarding crop protection products and/or other products/substances to the potatoes to be supplied. The Other Party will at all times comply with such requirements. Any extra costs incurred as a result will be paid by LW after Written approval of a specification or estimate of such extra costs provided by the Other Party.

12. Plots

- 12.1. <u>Product-foreign matter.</u> The Other Party is obliged to supply potatoes to LW that are free from product-foreign matter, such as ammunition, golf balls, animal material, large stones, glass, chunks of foliage, residues of previous crops (including carrots, chicory roots, maize stems, (flower) bulbs), iron, wood, sprout sticks, poisonous plant components, weed seeds, manure or fertiliser residues, peat clumps, plastic material, poles and/or other unwanted and/or unsafe substances and/or materials
- 12.2. The Other Party is obliged to check a strip of ten (10) metres along roads and paths for the product-foreign matter referred to above and, if any product-foreign matter is found, to remove it before harvesting the potatoes.
- 12.3. The Other Party is obliged to remove or cause the removal of the product-foreign matter referred to above before loading the potatoes.
- 12.4. If any of the product-foreign matter referred to above is found in the potatoes delivered, on the plots and/or in the storage shed, LW may reject the potatoes. If a consignment is approved and subsequently appears to be contaminated with product-foreign matter, LW also has the right to reject the consignment or clean it up for the account of the Other Party (i.e. clean-up and transport costs).
- 12.5. The Other Party has unrestricted liability and indemnifies LW against direct, indirect (consequential) loss or damage, as well as claims, costs, penalties, government measures, recalls, etc. arising from and/or related to the delivery of potatoes containing, for example, product-foreign matter and/or an overly high concentration of (residues of) crop protection products, pesticides and other products.
- 12.6. <u>Soil decontamination</u>. The Other Party may not supply potatoes grown on plots that were decontaminated after the harvest year of 1999.
- 12.7. <u>Contaminated soil</u>. The Other Party may not supply potatoes grown on plots with contaminated soil and/or plots known to have been used as landfill site.
- 12.8. Other purpose of the soil. If the potatoes were grown on a plot used in the past for purposes other than arable farming, animal breeding, forestry or nature, it must be demonstrated on the basis of an environmental hygiene certificate as referred to in the Dutch Soil Quality Decree [Besluit bodemkwaliteit] and the Dutch Soil Quality Regulations [Regeling bodemkwaliteit] that the quality of the soil complies with the background values of the Decree. If not, LW may reject the potatoes.
- 12.9. <u>Equipment</u>. Planting, harvesting and transport equipment must be inspected for maintenance, safety and hygiene before it may be used for carrying out work. This regards the inspection for loose parts, oil leaks and shielded lights. Any established defects must be repaired without delay.
- 12.10. <u>Crop residues</u>. To prevent any visible volunteers of previous crops, crop residues, the plot will be cleaned up (uprooting and disposal) if it is impossible or expected to be impossible to remove these crop residues upon delivery. To prevent thorn apple, the plot will be cleaned up anyhow (uprooting and disposal).
- 12.11. If the consignment is approved and subsequently appears to be contaminated with the crop residues referred to above, LW has the right to reject the consignment or clean it up for the account of the Other Party (i.e. clean-up and transport costs).
- 12.12. Choice of plot. LW may set additional requirements to the choice of plot prior to cultivation.

13. Quarantine pests

The potatoes must be free from quarantine pests, including, but not limited to ring and brown rot, or even the suspicion thereof by the Netherlands Food and Consumer Product Safety Authority or foreign authority. If they are not, LW may reject the potatoes.

14. GMO

The Other Party is obliged to supply potatoes that were not genetically modified.

15. Emergencies

- 15.1. The Other Party is obliged to notify LW immediately if a food safety problem is established or suspected as a consequence of, for example, incorrect/hazardous/damage-causing use of crop protection products, pesticides, chemical and other products, fire, flooding, contamination, pollution, mixing, leaks, etc.
- 15.2. A notification term of one (1) business day applies.
- 15.3. If the Other Party discovers or suspects a food safety problem after delivery of the potatoes, it will notify LW by telephone or email without delay, within no more than fifteen (15) minutes.

16. Recall

- 16.1. In the event of a complaint, the parties will consult and take the measures necessary in the given circumstances. These measures can consist of ceasing deliveries, blocking stocks (at LW's customers or elsewhere) or a recall.
- 16.2. LW may decide whether and, if so, which measures will be taken and how they will be implemented. Insofar as applicable, in making such a decision LW will bear in mind that it markets the potatoes/potato products and must therefore protect its reputation.
- 16.3. The Other Party will render every reasonable cooperation in the implementation of such measures. The Other Party will take out adequate insurance to cover the risk of a recall and will pay all costs relating to the measures, without prejudice to its obligations provided for elsewhere in these General Terms and Conditions. The restriction of the Other Party's liability as contained in the Sector Terms and Conditions does not apply.
- 16.4. The Other Party is obliged to observe confidentiality of all information regarding the measures that can or will be taken pursuant to this article. Non-fulfilment of this obligation will result in a penalty of €25,000, without prejudice to LW's right to claim compensation of the loss it suffered.

17. Miscellaneous

- 17.1. <u>Varietal purity.</u> The Other Party guarantees varietal purity, which means that varieties will be delivered under the correct (variety) name and that the variety requested by LW will be delivered. Variety blending is not allowed. No more than one variety will be delivered per consignment.
- 17.2. <u>Rejection</u>. LW may reject potatoes from storage warehouses with fire damage, treated propagating material, potatoes not fit for consumption (for example because of a raised TGA level) and potatoes that do not comply with the agreement.
- 17.3. <u>Safety</u>. If the parties have agreed on delivery and handover of the potatoes at a location other than at LW's address, the Other Party will ensure that:
- the potatoes to be delivered will be ready for loading at the agreed location and at the agreed time;
- the loading location, including the site and facilities on it, will comply with all safety requirements to be set for loading purposes, among other things to prevent damage and injuries;
- the loading location and equipment made available, including loading equipment (e.g. forklift trucks), etc. will comply with all safety requirements to be set for loading purposes in order to prevent damage and injuries;
- the potatoes to be delivered will be moved and loaded in such a way as to prevent damage, injuries, contamination and/or quality loss.
- 17.4. LW may check before loading whether the obligations mentioned in Article 17.3 have been fulfilled. Following from the above, LW may at its discretion refrain from loading on the basis of this check, without being obliged to pay damages. The Other Party will be liable for all ensuing loss and costs, including, but not limited to loss on account of quality loss, waiting time, transport costs, etc.
- 17.5. If LW does not perform this check or does not comment on the safety of the loading location, site and equipment made available, this will not affect the penalty clause, the obligation of the Other Party to pay damages and/or to indemnify LW as described below.
- 17.6. If the Other Party fails to fulfil one or more of the obligations mentioned in Article 17.3 properly or at all, it will be in default and forfeit to LW an immediately payable penalty of €50,000, without further notice of default being required. In deviation from the provisions of Article 6:92 DCC, this penalty will not affect LW's right to claim full damages and performance. The Other Party is obliged to indemnify LW against all financial consequences resulting from non-fulfilment of one or more of the obligations mentioned in Article 17.3.
- 17.7. Tare soil. If LW makes it possible for the Other Party to take back the tare soil it delivered, this will be at the risk and expense of the Other Party. LW does not guarantee that the



Other Party will (only) receive the soil that accompanied its delivery. LW will not be liable for any loss suffered and costs incurred by the Other Party in connection with the soil taken back.

IV. CERTIFICATES AND REGISTRATION

18. Certification duty

The potatoes and the Other Party must be certified for food safety purposes. Deliveries must be accompanied by a (food safety) certificate. If they are not, this will constitute reason for rejection. The certificates mentioned below will be accepted by LW. Biological potatoes will additionally require a SKAL (Foundation for the Inspection of Alternatively Grown Agricultural Products) or equivalent certificate. They must have been grown in compliance with all applicable legislation (including SKAL legislation) and must be completely free from crop protection products, pesticides and sprout inhibitors.

19. Certificates (cultivation)

- 19.1. LW accepts the following certificates if the Other Party is based in the Netherlands:
- the most recent Food Safety Certificate for the Potato Processing Industry (VVA(K) certificate);
- the most recent Global-Gap directive issued by FoodPLUS GmbH.
- 19.2. LW will accept a QS-GAP certificate in addition to (one of the) certificates mentioned above if the Other Party is based in Germany.
- 19.3. LW will accept a Vegaplan certificate in addition to (one of the) certificates mentioned above if the Other Party is based in Belgium and/or France.
- 19.4. Other certificates will not be permitted without LW's prior Written permission.

20. Certificates (trade)

- 20.1. The potatoes must have been certified at the primary company in accordance with Article 19.
- 20.2. The Other Party, as well as all its predecessors in the chain, must participate, of their own accord or otherwise, in a self-monitoring or chain guarantee system accepted by NVWA and have the corresponding certifications. LW accepts the following certificates:
- BRC:
- IFS:
- FSSC;
- NAO hygiene code;
- 20.3. Other certificates will not be permitted without LW's prior Written permission.

21. Obligations in the context of certificates

- 21.1. The Other Party will ensure and check before delivery that the potatoes are accompanied by a valid certificate and meet all food safety requirements.
- 21.2. At LW's request, the Other Party will send the relevant certificates (in digital form) without delay upon delivery.
- 21.3. LW can set additional (certification) requirements during the term of the Agreement.

22. Logistics

- 22.1. The Other Party ensures that the potatoes to be purchased by LW will only be stored, treated or transported by HACCP certified logistics service providers. If the Other Party fails to do so, it will have unrestricted liability and will be obliged to deliver substitute potatoes at LW's request.
- 22.2. The Other Party will inform the logistics service provider of the variety that was grown, the re-entry and waiting periods, the relevant consequences arising from label requirements, the consequences, if any, of measures imposed by competent authorities in connection with the products used on a plot.

23. Traceability

- 23.1. The Other Party is obliged to record in its systems the plots that are in the boxes as well as the plots from which the trucks departed in order to achieve an error-free tracking and tracing (traceability).
- 23.2. In the event of a (trial) recall, the Other Party will submit details (in any case including the certificates and registration) within two (2) hours after they have been requested by LW.
- 23.3. The Other Party hereby irrevocably instructs and permits the inspection authorities to provide status information and all other information regarding the food safety certification to LW. LW is hereby irrevocably authorised by the Other Party to request the information mentioned above from the inspection authorities on behalf of the Other Party or in its own name, even after termination of the Agreement.

24. Registration (cultivation)

24.1. To ensure that LW can perform some processes for sampling, quality estimation, traceability and quality improvement purposes, the Other Party will mark and inform LW of the

plots intended for LW as soon as possible but no later than on 31 May of each calendar year in which the potatoes to be delivered are grown. The number of plots and the surface area will correspond with volume to be delivered.

- 24.2. The Other Party will submit the complete crop registration (i.e. the recording, for each individual plot, of the fertilisation, spraying and sprinkling activities and the recording In Writing of actions and all further requested information) to LW two (2) days before delivery.
- 24.3. If the potatoes are delivered from the storage shed, the Other Party will provide the complete crop registration to LW In Writing, including the volume harvested and stored by the Other Party, as soon as possible, but no later than two (2) days before 15 November of each calendar year in which the potatoes to be delivered to LW are being grown.
- 24.4. As long as the crop registration and/or registration of (used) sprout inhibitors (in the case of delivery from the storage shed) has not been completed within the term set for this, LW may reject the potatoes and/or defer payment of the potatoes.

25. Code of conduct for data use in arable farming

- 25.1. The code of conduct for data use in arable farming of the Arable Farming Sector Organisation (source: https://www.bo-akkerbouw.nl/files/Pdfs-algemeen/Gedragscode-datagebruik-akkerbouw.pdf) forms part of these General Terms and Conditions. The Other Party and LW will fulfil all obligations arising for them from this code of conduct.
- 25.2. The Other Party hereby permits and authorises LW and third parties engaged by LW to use various types of (rough) data (e.g. crop registrations, measurements/calculations performed, food safety data, personal data) that the Other Party provided to LW in the context of the Agreement, on request or otherwise. LW will use these data to improve the production, submit reports in connection with food safety and sustainability, optimise its business and increase its knowledge, and LW will share these data with customers, sellers, suppliers and/or competent authorities on request and if necessary. Publication will take place at group level and using an unrecognisable grower number. Data received, among others through processing, will become the property of LW.
- 25.3. The Other Party guarantees that it will provide accurate, correct and true data.
- 25.4. LW will process personal data for the purpose of executing the agreement or on the basis of a relevant legitimate interest, including, but not limited to optimisation of the relationship, sending newsletters. LW can process personal data outside the EU, within the LW group, and share them with third parties insofar as necessary for the purposes mentioned above. LW will only process data in compliance with applicable privacy legislation. The Other Party can request inspection of the processing of its personal data at any time. Privacy-related requests can be directed to privacyofficer@lambweston.com.

V. DELIVERY

26. Transfer of risk

- 26.1. The delivery of potatoes, the provisions regarding the delivery costs and the transfer of the risk will be on conditions that are customary in the market (e.g. EXW, FCA, CPT, CIP, DAT, DAP and DDP, in accordance with the provisions of INCOTERMS 2020, as published by the International Chamber of Commerce in Paris, France), such as agreed between LW and the Other Party. If no conditions have been agreed between LW and the Other Party, delivery will take place Delivery Duty Paid (DDP) at the location of LW, the Netherlands or the receiving company to be indicated by LW. Moreover, the Other Party waives any retention and security rights.
- 26.2. The Other Party will deliver the potatoes at LW's first request. If the Agreement states that delivery will not be carriage paid, but at the buyer's truck or ex works the Other Party, this only means that the transport costs will be for LW's account. The fact is that delivery will always and only be at the location of LW or the receiving company to be indicated by LW. Waiting time for the carrier and the transport costs of rejected consignments will be for the Other Party's account at all times.

27. Delivery conditions

- 27.1. Non- or late delivery. Delivery will take place in the manner and at the place and time indicated. If the Other Party exceeds the delivery term, it will be in default without notice of default. Early or late delivery will not have any effect on the price. The price for the delivery week in question will remain valid. The Other Party is obliged to notify LW in advance, in a timely and adequate manner, of the delivery and the possibility of late delivery. The Other Party may not defer its delivery obligations if LW fails to fulfil any of its obligations. In the event of non-, late and/or faulty delivery LW has the right to refuse the potatoes, dissolve the Agreement without further notice of default or, at its discretion, claim delivery; it will in all cases be entitled to full compensation of any loss suffered.
- 27.2. <u>Circumstances preventing delivery.</u> If there are circumstances preventing the delivery, namely: machinery breakdowns, power and/or water supply interruptions, fire or another cause, force majeure, a complete and/or temporary shutdown and/or a decreased demand for potato products as a consequence of, for example, a pandemic or government measures, LW has (i) the right to cause the potatoes or part thereof to be delivered at a later time; and (ii) the right to dissolve the Agreement or part of it if (a) the delivery has not taken place within four (4) weeks after LW gave notice of suspension, temporary or otherwise, of the deliveries or part of the deliveries and (b) there are at least thirty (30) days between the time of the notice referred to



above and the end date of the Agreement. LW is not liable for any loss whatsoever in connection with delivery at a later time and/or complete or partial dissolution.

- 27.3. <u>Delivery of one batch per unit.</u> Only one batch (size; variety; plot) may be delivered per unit (truck). This will only be deviated from if the sorting requirements cannot be met by one batch. If batches are combined, the Other Party will register which batches are combined.
- 27.4. <u>Size tolerance</u>. If sorted sizes are delivered, a size tolerance of 3% of the agreed size will apply. If the size differs by more than 3%, LW may reject the potatoes.
- 27.5. Rejection. If the potatoes offered for delivery are rejected and/or refused in full or in part, LW may, at its discretion, demand a substitute delivery, deduct the refused volume from the remaining part of the Agreement or conclude a substitute transaction within the meaning of Article 7:37 DCC; all without prejudice to full compensation of the loss suffered. Rejected consignments will be removed as soon as possible. After twenty-four (24) hours the Other Party will owe a penalty of €50 per hour, without prejudice to entitlement to full compensation of the loss suffered.
- 27.6. <u>Security</u>. If after conclusion of the Agreement the information about the financial position of the Other Party is such that fulfilment of the delivery obligation must be considered to be uncertain, LW may demand security from the Other Party for fulfilment of its delivery obligations in the form specified by LW. If the Other Party fails to furnish such security in good time, LW may dissolve the Agreement and/or claim damages.
- 27.7. Overdue delivery. If the delivery of the potatoes by the Other Party is overdue and the purchase price of the potatoes already delivered by the Other Party has become payable, LW may defer payment of the potatoes already delivered until the Other Party has performed the overdue deliveries.

28. Quantum (cultivation)

- 28.1. Net quantum. The Agreement will state the net contracted quantum from field crops and/or the number of hectares. The Other Party will be obliged to deliver to LW a number of hectares at least equalling the number stated in the Agreement or if the Agreement does not state a number of hectares the weight stated in the agreement. The Other Party will be obliged to plant the number of hectares stated in the agreement and, if a tonne contract was concluded, plant for LW a number of hectares at least equalling the agreed tonnes divided by 35.
- 28.2. <u>Non-fulfilment of delivery obligations</u>. If the Other Party fails to fulfil the obligation of Article 28.1 and has not harvested sufficient crop to fulfil its delivery obligations under the Agreement, the Other Party will be obliged to buy extra potatoes to make up for the deficit and fulfil its delivery obligations, unless LW gives Written notice that it does not require that part of the deliveries to be made.
- 28.3. If the Other Party has a bad harvest or if the potatoes are rejected in full or in part, as a consequence of which the Other Party is unable to deliver the net quantity and/or the number of hectares under the Agreement, the Other Party will be obliged to make up for the deficit if it still has non-sold potatoes of the same variety. Delivery of a different variety will only take place after LW's Written consent. The price difference, if the Other Party is permitted to deliver a different variety, will be set off based on LW's contract prices of such varieties.
- 28.4. If the Other Party is unable to fulfil its delivery obligations under the Agreement as a consequence of cultivation circumstances that are reasonably beyond its control, the various net quantum Agreements will be performed in the order of the dates on which they were concluded, starting with the Agreement that was concluded first.

29. Loading (cultivation)

- 29.1. The Other Party is obliged to deliver the potatoes using a shuttle. LW will indicate whether the batch of potatoes will be supplied sorted by size or 28/+. Without LW's Written permission the Other Party may not sort the potatoes by size and will be obliged to supply the size ratio as vielded by the field.
- 29.2. If a truck delivers more than two (2) hours after the scheduled time of arrival as a result of any action or omission of the Other Party, any (additional) waiting and loading hours will be charged to the Other Party.
- 29.3. If the term of twelve (12) hours between the departure of the truck from the location of the Other Party and inspection of the batch of potatoes at the factory is exceeded as a result of any action or omission of the Other Party, LW may reject the batch of potatoes.

VI. WEIGHT DETERMINATION, INSPECTION AND QUALITY

30. Weight determination

- 30.1. The weighbridge weight less (i) the percentage of soil; (ii) other foreign matter; and (iii) the calculated percentage of potato tare will be calculated in accordance with the Inspection Regulations.
- 30.2. A disposal fee of €42.50 per 1,000 kg of delivered soil will be charged (this fee is €30.00 if < 2% soil and €55.00 if > 5% soil). Any costs to be set off will be set off against the amount to be paid for the potatoes delivered.

31. Inspection and quality

Taring and quality assessment will take place in accordance with the Inspection Regulations and the VAVI Purchasing Terms and Conditions 2021 (cultivation) or the VAVI Purchasing Terms and Conditions 2009 (trade). The quality assessment (inspection) results after taring will be binding. The Other Party may attend the (partial) taring. LW will, in consultation with the Other Party, tare per batch/consignment.

VII. PRICE AND PAYMENT

32. Price (trade)

- 32.1. All prices are fixed, unless agreed otherwise in writing. The Other Party may not increase the prices for any reason whatsoever without LW's prior Written permission.
- 32.2. The price, as mentioned in the Agreement, relates to the net delivered volume of potatoes.

33. Price (cultivation)

- 33.1. The fixed price of a contracted volume will be the price in the delivery period as mentioned in the Period/Price table in the contract, unless agreed otherwise in writing. If a min/max price was agreed, the agreed week price with a minimum of €30.00 per 1000 KG below the fixed price and a maximum of €30.00 above the fixed price will apply in the delivery period.
- 33.2. A price will be agreed before delivery for the volume of potatoes with a size of 35+ against an open price.
- 33.3. The cash settlement price (35+) for all varieties will mean: The unweighted average of the cash settlement listings (EU4) in the week of, before and after delivery.

Self-billing

- 34.1. LW uses a self-billing system, which means that LW takes care of the invoicing of the products and services it bought. The Other Party will not issue invoices to LW. The Other Party will provide its VAT number at LW's first request.
- 34.2. The Other Party declares that it will accept the invoices made by LW. The Other Party's right to object to the invoices expires after 48 hours after receipt.

35. Payment

- 35.1. LW will pay the products or services delivered within fourteen (14) days of the taring date, unless agreed otherwise In Writing and on the condition of approval of the delivered products. If LW exceeds this payment term, it will owe a default interest of 0.75% per month, without being obliged to pay any further damages (including, but not limited to collection costs).
- 35.2. Payment by LW does not constitute waiver of any right under the Agreement, the General Terms and Conditions or the law. Payment will not be considered to constitute acknowledgement by LW of the good condition of the potatoes delivered, even if they have been approved, and it will not release the Other Party from any liability in this respect.
- 35.3. If payment in advance of the price or part of it was agreed, LW may demand from the Other Party that it will furnish adequate security for the fulfilment of its delivery or repayment obligations in case of cancellation of the order or termination of the Agreement.
- 35.4. If the Other Party fails to furnish adequate security within the term set by LW, LW may terminate the Agreement and recover its loss from the Other Party. Adequate security will in any case be a payable bank guarantee in the amount of 100% of the advanced sums. The Other Party will pay the costs of furnishing security.
- 35.5. Each payment by LW will constitute payment of the debt indicated by LW in that payment.
- 35.6. Payment will release LW from all obligations under the relevant Agreement and cannot be considered by the Other Party as payment of any other alleged claim of the Other Party against LW.
- 35.7. LW may set off amounts owed to the Other Party and natural persons or legal entities affiliated to it against any claims it has against the Other Party and natural persons or legal entities affiliated to it, even if the claim and the debt do not relate to the same equity.

VIII. SALE

With due observance of the Sector Terms and Conditions declared additionally applicable in Article 2.2, the following provisions of *Chapter VIII. Sale* apply to the Other Party as the buyer of seed potatoes from LW.

36. Delivery

- 36.1. All deliveries of seed potatoes will take place Ex Works in the Netherlands, unless explicitly indicated otherwise by LW. The term Ex Works has the meaning attributed to it in the latest version of INCOTERMS, as published by the International Chamber of Commerce in Paris. France.
- 36.2. The delivery times are estimates and are not binding upon LW. LW will observe these times to the extent possible.
- 36.3. If LW exceeds the delivery times, the Other Party will not be entitled to damages or full or partial dissolution/termination of the Agreement.



- 36.4. LW may make partial deliveries of the seed potatoes.
- 36.5. The shipment method will be at LW's discretion. Requests of the Other Party will be honoured to the extent possible; any extra costs will be for the Other Party's account.
- 36.6. The Other Party will be obliged to buy the seed potatoes at the agreed time and place. If the Other Party fails to buy the seed potatoes in good time or at all, the Other Party will be in default without any further notice of default being required. In that case, LW may store the seed potatoes at the Other Party's risk and expense or sell them to a third party. The Other Party will in that event owe the purchase price plus interest and costs by way of indemnification.
- 36.7. Any defects in the delivery or part of it will not give the Other Party the right to refuse all seed potatoes delivered.

37. Harvest reservation

The seed potatoes will be delivered subject to a harvest and storage reservation. If, as a consequence of a bad harvest or storage in terms of the volume and/or quality of the seed potatoes, fewer seed potatoes are available than reasonably expected upon conclusion of the Agreement, including as a consequence of rejection by the competent authorities, LW may reduce the sold volumes accordingly. Delivery by LW of the reduced quantum means fulfilment by LW of all of its delivery obligations. LW will in that event not be obliged to deliver any substitute agricultural seed potatoes, nor will it be liable for any loss whatsoever.

38. Prices

- 38.1. LW's prices are excluding VAT and other taxes, duties or levies. Packaging and transport costs, import and export duties, excise duties and other levies or taxes will be paid by the Other Party, unless agreed otherwise In Writing. The Other Party will indemnify LW against these costs.
- 38.2. In the event of a change of circumstances outside its control, LW may change the agreed prices/rates accordingly.

39. Payment

- 39.1. Invoices from LW will be paid in the agreed currency into a bank account to be indicated by LW within fourteen (14) days of the invoice date, unless indicated otherwise In Writing.
- 39.2. Payments must be made directly to LW; payments to representatives or agents will never release the Other Party from its payment obligations.
- 39.3. All taxes, levies and other tax-related costs will be paid by the Other Party.
- 39.4. The location where payments will be effected will be the location of LW.
- 39.5. Complaints about invoices are to be submitted to LW In Writing within eight (8) days of the invoice date. After this term, the Other Party will be deemed to consent to the invoice.

40. Default

- 40.1. If the Other Party fails to make payment within the payment term, it will be in default without any further notice of default being required.
- 40.2. If there are any reasonable grounds to doubt the solvability or creditworthiness of the Other Party, LW may demand advance payment of or security for outstanding deliveries or immediate payment of or security for all other claims arising from any other Agreements between LW and the Other Party.
- 40.3. All obligations of LW, including, but not limited to obligations to deliver or ship seed potatoes ordered, will be suspended as long as the Other Party and/or natural persons or legal entities affiliated to the Other Party are in default of payment of any amount owed to LW.
- 40.4. If the Other Party fails to make payment within the payment term, it will owe LW interest at a rate of 1% per month, in which connection part of a month will be calculated as a complete month.
- 40.5. Submission of a complaint on account of deficient quality or any other complaint will not defer the payment obligation or any other obligation of the Other Party, nor will such obligations be adjusted or cancelled, regardless of whether the complaint will be sustained.
- 40.6. LW may further institute claims for damages on account of late payment.
- 40.7. In the case of collection of a claim on account of late payment, whether or not by court intervention, the amount of the claim will be increased by 10% administration costs, calculated over the invoice amount, with a minimum of €500 excluding VAT, plus the court fees or other costs incurred by LW.

41. Retention of title

41.1. All seed potatoes delivered in performance of this Agreement will remain the property of LW until the purchase price and all related charges have been paid in full and LW does not have any other present or future claims against the Other Party on any other account, including interest and costs (and in the event of delivery on account until settlement of any balance to be charged from the Other Party).

41.2. In the event of late payment, suspension of payment or bankruptcy, LW may take the seed potatoes and for that purpose enter the sites and buildings of the Other Party. The Other Party, by concluding the Agreement, authorises LW to do so.

42. Security

By concluding the Agreement with LW a (future) right of pledge is created on the crops in the fields and the crops harvested or to be harvested that the Other Party grows and/or buys after conclusion of the aforementioned Agreement, which right of pledge furnishes security for payment of all amounts owed or to be owed by the Other Party to LW, including the purchase price and commercial interest for seed potatoes delivered, loans and credits provided or to be provided, damages on account of (future) (attributable) breach of contract, e.g. as a consequence of non- or incomplete delivery by the Other Party. By concluding the Agreement with LW, the Other Party declares that it is authorised to create a right of pledge on the seed potatoes referred to in the previous sentence and that the seed potatoes are not encumbered with restricted rights.

43. Intellectual property rights

- 43.1. The intellectual and/or industrial property rights relating to the seed potatoes delivered by LW will continue to be vested in it, unless explicitly agreed otherwise In Writing by the parties.
- 43.2. The Other Party may plant the seed potatoes only within its own agricultural company in the country where LW delivers the seed potatoes. The Other Party may not sell or deliver the seed potatoes to third parties. The Other Party may use the propagation material delivered to it by LW only for growing ware potatoes. The Other Party will deliver the entire crop yielded by the seed potatoes to LW.

44. Plant variety right

- 44.1. By buying seed potatoes from LW, the Other Party grants the holder of the plant variety right and the inspection authorities the right to check and test all plots on which they have been planted as well as the storage location. The Other Party will indicate the storage location and plots at first request and provide relevant records, including invoices, to LW.
- 44.2. If LW is involved in proceedings regarding the plant variety right or other intellectual and/or industrial property rights, the Other Party will be obliged to render all cooperation requested by LW, including the collection of evidence. The Other Party will also indemnify LW in the context of such proceedings.

45. Suppliers Code of Conduct

We require our employees, suppliers and other persons engaged by us to pursue the highest possible standards of integrity and moral conduct and also to ensure that the working conditions in our entire supply chain are safe, employees are treated with respect and dignity, production processes are sustainable and we will be regarded as a 'corporate citizen'. The Other Party will comply with the Suppliers Code of Conduct.