

STANDARD TERMS AND CONDITIONS OF TRADE OF MEADOW VALE FOODS LIMITED

("THE SELLER")

- 1 Unless expressly agreed in writing by a Director of the Seller this Contract and any future contract between the Buyer and the Seller shall incorporate the Sellers' Standard Terms and Conditions of Trade ("the Terms") as set out below without exception or amendment.
- 1.1 For the avoidance of doubt the Seller's sales representatives have no authority to accept, vary or amend any of the Terms.
- 1.2 If a Buyer's document contains terms and conditions additional to or at variation from these Terms every additional varying term or condition shall be of no effect.
- 2 The Buyer hereby admits and agrees that he has not and shall not be entitled to rely on any representations or warranties, whether written or oral, given by the Seller, its servants or agents save for those contained in the Terms as set out below and save for written representations signed by a Director of the Seller, but nothing in these Terms affects the liability of either party for fraudulent misrepresentation.
- 3 The price of goods shall be the Seller's quoted price or where no price has been quoted (or a quoted price is no longer valid) the price quoted in the Seller's published price list current at the date of acceptance of the order and payment by the Buyer to the Seller shall be cash on delivery unless otherwise agreed. Prices are (unless otherwise stated) quoted net of all taxes, imports and levies which are or may from time to time be levied by any Government, Statutory or Local Authority and such additions (if any) shall be charged at the rate prevailing on the date of delivery or invoice as the case may be.
- 3.1 The Buyer shall be liable to pay the Seller interest at the rate of 4% above HSBC plc's base rate from time to time on any sum owed to the Seller from the Buyer and such interest shall be calculated payable from the date when any such sum was due to be paid until the date when payment is made.
- 3.2 The Seller reserves the right, by giving written notice to the Buyer at anytime before delivery to increase the price of the goods to reflect any increase in the cost to the Seller which is due to any factor beyond the control of the Seller (such as without limitation any increase in packaging insurance or transportation costs, significant increase in the costs of labour, materials or other costs of manufacture) any change in delivery dates quantities or specifications for the goods which is requested by the Buyer or any delay caused by instructions of the Buyer to give the Seller adequate information or instructions.
- 3.3 In the event that any variation is agreed between the Buyer and the Seller regarding payment terms, which results in credit terms being extended to the Buyer this variation will cease and the amount of any debt owed will be payable forthwith on the occurrence of any of the following:
 - 3.3.1 Non-compliance by the Buyer of any statutory demand;
 - 3.3.2 The appointment of any receiver/liquidator over the Buyer's assets;
 - 3.3.3 Issue of execution or distress against goods or property of the Buyer;
 - 3.3.4 The Buyer makes any arrangements with the Buyer's creditors; and
 - 3.3.5 Any monies are unpaid more than 14 days after the agreed variation from the Terms.
- 3.4 Any payment which results in a cheque being referred to the drawer for whatever reason will incur the Buyer a charge of £30 per cheque so referred.
- 3.5 In the event of any order being cancelled by the Buyer, the Buyer shall indemnify the Seller against all loss (including profits) costs (including labour and overheads) and all other expenses and damages incurred by the Seller in connection with the order and its cancellation.
- 4 Risk of damage to or loss of the goods shall pass to the Buyers:
 - 4.1 in the case of goods to be delivered at the Seller's premises, at the time when the Seller notifies the Buyer that the goods are available for collection; or
 - 4.1.1 in the case of goods to be delivered otherwise than at the Seller's premises, at the time of delivery or, if the Buyer wrongfully fails to take delivery of the goods, the time when the Seller had tendered delivery of the goods.
 - 4.1.2 Notwithstanding delivery and the passing of risk in the goods, or any other provision of these Terms, the property in the goods shall not pass to the Buyer until the Seller has received in cash or cleared funds payment in full of the price of the goods and all other goods agreed to be sold by the Seller to the Buyer for which payment is then due.
 - 4.2 Until such time as the property in the goods passes to the Buyer, the Buyer shall hold the goods as the Seller's fiduciary agent and bailee, and shall keep the goods separate from those of the Buyer and third parties and properly stored, protected and insured and identified as the Seller's property, but the Buyer may resell or use the goods in the ordinary course of its business.
 - 4.3 Until such time as the property in the goods passes to the Buyer (and provided the goods are still in existence and have not been resold), the Seller may at any time require the Buyer to deliver up the goods to the Seller and, if the Buyer fails to do so forthwith, enter on any premises of the Buyer or any third party where the goods are stored and repossess the goods.
 - 4.4 The Buyer shall not be entitled to pledge or in any way charge by way of security for any indebtedness any of the goods which remain the property of the Seller, but if the Buyer does so all moneys owing by the Buyer to the Seller shall (without limiting any other right or remedy of the Seller) forthwith become due and payable.
- 5 The Seller shall have the right to exercise a lien over any goods or materials in its possession belonging to the Buyer and to sell any such goods or materials at the best market price reasonably obtainable if any accounts, invoices or debts due from the Buyer to the Seller remain unpaid after the due date for payment and the Seller shall have the right to apply the proceeds of such sale to any debt or liability due to the Seller from the Buyer.
- 6 Any goods supplied or to be supplied to the Buyer shall be at the Buyer's Risk from the time when the Seller notifies the Buyer that the goods are available for collection or from the time of delivery whichever shall be the earlier.
- 7 Time for delivery by the Seller shall not be of the essence of the contract unless otherwise specified in writing. Nothing shall entitle the Buyer to claim or receive damages from the Seller for damages or loss suffered by the Buyer as a direct result of, or consequential upon, any delay by the Seller.
- 8 In the event of any goods sold or agreed to be sold by the Seller not complying with the express terms or the contract of sale, the Seller will replace the defective goods free of charge and without making any charge for transport, handling or other costs to the Buyer or will refund all payments made to the Seller by the Buyer, in respect of the defective goods.
- 8.1 In the event of any breach of Contract by the Seller the remedies of the Buyer shall be limited to damages and in no circumstances shall the liability of the Seller exceed the price of the goods. Except in respect of human death or personal injury caused by the Seller's negligence the Seller shall not be liable to the Buyer by reason of any misinterpretation or any express or implied warranty condition or other term or for negligence or any duty at common law in respect of any consequential loss or damage, whether for loss of profit or otherwise, costs, expenses or other claims for consequential damage arising out of or in connection with the supply of the goods or their use or resale by the Buyer, except as expressly provided at clause 8.1 hereof.
- 8.2 If goods are sold for a particular purpose which has been made known to the Seller, and proved to be unfit for such purpose, the Seller will at its sole discretion replace the defective goods free of charge, delivery, handling or other cost to the Buyer or will refund all payments made to the Seller by the Buyer, in respect of goods which prove to be unfit for such purpose. Such as aforesaid all and any express or implied conditions, statements or warranties, statutory or otherwise are hereby excluded. Price of any goods sold or offered for sale by the Seller is based upon the foregoing limitations upon its liability.
- 8.3 Any claim by the Buyer which is based on any defect in the quality or condition of the goods or their failure to correspond with specification shall (whether or not delivery is refused by the Buyer) be notified to the Seller within 7 days from the date of delivery or

(where the defect or failure was not apparent on reasonable inspection) within a reasonable time after discovery of the defect or failure. If delivery is not refused and the Buyer does not notify the Seller accordingly the Buyer shall not be entitled to reject the goods and the Seller shall have no liability for such defect or failure, and the Buyer shall be bound to pay the price as if the goods had been delivered in accordance with the Contract.

- 8.4 The Seller shall not be liable to the Buyer or be deemed to be in breach of the Contract by reason of any delay in performing or any failure to perform any of the Seller's obligations in relation to the goods if the delay or failure was due to any cause beyond the Seller's reasonable control. Without prejudice to the generality of the foregoing the following detailed in clause 8.6 shall be regarded as causes beyond the Seller's reasonable control.
- 8.5 In the event of War, Atomic Explosion, Earthquake, Flood, Storm or other acts of God, strike, lock outs, plague, epidemic or disease or other matters beyond the Seller's control which damage or impede the Seller's ability to perform its part of the contract the Seller shall be entitled to cancel this contract by written notice to the Buyer of their intention to do so and the Seller shall not thereupon be liable to the Buyer for any loss or damage sustained by the Buyer, howsoever caused.
- 9 The Seller may apply all or any part of any sum owing by the Seller, its subsidiaries, or associates to the Buyer in relation to any matter whatsoever in or towards payment of any sum owing to the Seller here-under. For this purpose reference to the Seller or the Buyer includes any company which is for the purposes of the Companies Act 1985 a holding company, subsidiary or associate of the Seller or the Buyer respectively.
- 9.1 The Seller may appropriate any payment made by the Buyer to the Seller against amounts that have owed by the Buyer to the Seller for the longest period not withstanding any prior appropriation of that payment by the Buyer.
- 10 The Buyer shall not be entitled to withhold payment of any amount payable under any Contract to the Seller because of a disputed claim of any nature nor shall the Buyer be entitled to set-off any amount payable under any Contract to the Seller.
- 11 No waiver by the Seller of any breach of the Contract by the Buyer shall be considered as a waiver of any subsequent breach of the same or any other provision.
- 12 If any provision of the Contract is held by a court or other competent authority to be invalid or unenforceable in whole or in part the validity of other provisions of the Contract and the remainder of the provision in question shall not be affected.
- 13 In the event of default of payment by the Buyer to the Seller under any Contract for any reason (for the avoidance of doubt including without limitation bankruptcy, insolvency or re-financing) then the directors of the Buyer if it is a limited company or public limited company shall jointly and severally undertake to indemnify the Seller and guarantee payment immediately on demand for any debts owed including all costs and expenses incurred by the Seller in recovering the said sums owed.
- 14 Any notice required to be given by either party to the other under these Terms shall be in writing addressed to that other party and sent by recorded delivery or by facsimile to its registered office or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.
- 15 All Contracts will be construed in accordance with the laws of England and the Buyer hereby agrees that the English courts shall have exclusive jurisdiction in relation to any claim brought by the Buyer against the Seller but that the Seller shall be entitled to bring a claim against the Buyer in any court of competent jurisdiction.
- 16 Where any conflict exists between the Terms and Additional Special Terms and Conditions the latter shall prevail.

ADDITIONAL SPECIAL TERMS AND CONDITIONS

FOOD PRODUCTS

- 1 Claims:
- 1.1 No claim shall be made by the Buyer against the Seller in respect of visible faults unless notice thereof is given to the Seller within 48 hours of delivery and such notice is confirmed in writing within 7 days of delivery.
- 1.2 No claim shall be made by the Buyer against the Seller in respect of invisible faults unless notice thereof is given in writing sent to the Seller's premises within 7 days of removal of the goods from the Buyer's premises or public cold store and unless the goods shall have been kept in such cold store at a temperature not higher than minus 18 degrees Celsius at any time (in the case of frozen foods) and between zero and plus 5 degrees Celsius in the case of chilled foods.
- 1.3 In respect of both visible and invisible faults the Seller shall be under no liability to the Buyer whatsoever unless the Seller, having been given the opportunity to inspect the goods has been unable to replace any found to be defective within 7 days of receipt of notice given (10 days in respect of overseas customers). Faulty goods so replaced shall be re-delivered to the Seller on request.
- 1.4 No claim will be accepted if the other party carries out repairs itself or brings about changes in the nature, composition or packaging of the goods delivered, or has these carried out or brought about by third parties, or if the goods delivered are used improperly or for any purpose other than that for which they are meant or are maintained and/or stored improperly or contrary to any agreed or legal regulations or if the defect of the goods can be ascribed to the other party in any other way.
- 2 Quantity:
The Seller reserves the right on accepting orders to deliver (whether in any particular weight range of the goods ordered or in the total number of goods ordered) such numbers of the goods as shall not vary by more than 10% (either more or less) from the number ordered and the Buyer shall pay to the Seller for the number so delivered.
- 3 Offers
All offers are made subject to contract. Orders must be confirmed in writing to the Seller.
- 4 Delivery and Risk
- 4.1 The risk for in the goods will be transferred to the Buyer as soon as they leave the place of production or storage when they are loaded in to the means of transport.
- 4.2 The times of delivery mentioned in the offer and agreed are stated approximately. The Seller will not be liable for any damage as a result of late delivery.

Meadow Vale Foods Limited must be notified in writing of any change in company status i.e. unlimited to limited etc. Prior to any subsequent transactions being made. The credit terms of Meadow Vale Foods Limited are 21 days from date of invoice.