

DISCLAIMER MAY 2020



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# GENERAL TERMS AND CONDITIONS OF SALE

Solfruit Kenya Ltd with its registered office in CURA Complex, off Juja Road, P.O Box 63276-00619 Nairobi according to its articles of association as well as its legal successors and affiliated companies, hereinafter to be referred to as Solfruit, has laid down the following General Terms and Conditions of Sale:

# **Article 1 Definitions**

- 1. The other party: all (legal) persons entering into an agreement with Solfruit K Ltd, or to which Solfruit Kenya Ltd makes a special offer and/or gives a quote, as well as their representative(s), authorized agent(s), legal successor(s) and heirs;
- 2. Agreement: all Agreements realized between Solfruit Kenya Ltd and the other party and all modifications or additions thereto as well as all (legal) acts performed in preparation and in implementation of such an Agreement;

### Article 2 Applicability

- 1. These General Terms and Conditions of Sale will apply to all quotes given and special offers made by Solfruit Kenya Ltd and all Agreements concluded and orders accepted by Solfruit K Ltd The General Terms and Conditions of Sale thus apply to all (legal) acts (including omissions) of Solfruit Kenya Ltd and its relevant other party.
- 2. Agreements as referred to in paragraph 1 of this article include sale agreements, commission agreements, consignment agreements, framework agreements and related agreements.
- 3. For the implementation of that stipulated in the Agreement, the other party gives Solfruit K Ltd permission to make use of use third parties who are not the employees of Solfruit
- 4. K Ltd. The General Terms and Conditions of Sale also apply to legal acts carried out by these third parties in connection with the fulfillment of obligations to which Solfruit Kenya Ltd is subject pursuant to the Agreement.
- 5. Deviations from and/or additions to any provision in these General Terms and Conditions of Sale will only be binding for Solfruit Kenya Ltd if these deviations and/or additions have been agreed on explicitly between Solfruit Kenya Ltd and the other party, without reservation and in writing. Any deviations and/ or additions agreed on will only apply to the Agreement concerned.
- 6. In the event that and insofar as on accepting a quote or an offer or entering into an agreement the other party refers to general terms and conditions other than the General Terms and Conditions of Sale of Solfruit Kenya Ltd with a view to applying these general terms and conditions to the Agreement, other general terms and conditions than these General Terms and Conditions of Sale will only apply to the Agreement if Solfruit Kenya Ltd has accepted such general terms and conditions without reservation and in writing.
- 7. In the event that following the intervention of a judicial authority, any provision of these General Terms and Conditions of Sale appears to be null and void, solely the provision concerned will cease to apply. All other provisions will continue to apply without prejudice.



#### Article 3 Offers and prices

- 1. All agreements concluded by Solfruit Kenya Ltd are deemed to have been realized at the business address of Solfruit K Ltd, namely CURA Complex, off Juja Road, P.O Box 63276-00619 Nairobi, both with regard to the implementation and the payment of the Agreement.
- 2. All sums mentioned in quotes, special offers, Agreements and orders will be given in USD unless the parties have agreed otherwise in writing. Moreover, all sums mentioned are exclusive of transport costs and turnover tax, unless the parties have agreed otherwise in writing.
- 3. All offers made by Solfruit Kenya Ltd are without obligation.
- 4. Solfruit Kenya Ltd retains the right to refuse orders without giving any reason.
- 5. Solfruit Kenya Ltd is not obliged to keep to an offer and/or an agreement for a specified price if this price is based on a misprint and/or a writing error.

#### Article 4 Agreement

- 1. In the event that a quote contains an offer without obligation which is accepted by a third party (the other party), Solfruit Kenya Ltd will have the right to revoke the offer within two working days of having received such acceptance.
- 2. The other party will receive written confirmation of the order or a written record of the Agreement from Solfruit K Ltd. This written record can consist of the invoice and/or purchase order.
- 3. If after the Agreement has been realized the parties agree on further and/or additional agreements or modifications, these will only be binding if and insofar as these agreements have been laid down in writing. In this case too, the written record can consist of the invoice and/or purchase order.

#### Article 5 Cancellation of the Agreement

- 1. The other party can only cancel the Agreement if this takes place in writing prior to the commencement of the implementation of the Agreement. With due observance of that stipulated hereinafter, in the event of a cancellation, all preparatory expenses incurred by Solfruit Kenya Ltd will be charged to the other party at all times.
- 2. In the event that the Agreement is cancelled within 72 hours prior to the time of delivery agreed on, in addition to the preparatory expenses, the other party will owe compensation set at 50% of the price agreed. If the Agreement is cancelled later than 24 hours prior to the time of delivery, the other party will owe the full price agreed.
- 3. In the event that the Agreement is cancelled, regardless of the date on which the cancellation takes place, the other party will be obliged to compensate the costs that Solfruit Kenya Ltd must pay third parties arising from and in connection with the cancelled Agreement.



#### Article 6 Delivery

- 1. The delivery time agreed is not a strict deadline unless the parties have explicitly agreed otherwise.
- 2. Insofar as these are within reason, delivery delays will not give the other party the right to terminate the Agreement or to any compensation.
- 3. Barring notice to the contrary given by the other party, that delivered by Solfruit Kenya Ltd must comply with that agreed on by the parties both in terms of number and weight and in terms of requirements prescribed by public and public law. The parties explicitly agree on presumptive evidence with regard here to.
- 4. Deliveries will be made to the customer, unless the parties have agreed otherwise in writing with regard here to. The time of delivery is the time at which the goods are delivered to the customer.
- 5. In the event that parties have agreed that Solfruit Kenya Ltd will store the goods it is to deliver for the other party, either in its own storage space or in that of a third party, the goods will be handed over at the time of their storage.
- 6. Before fulfilling the obligations it is subject to arising from the Agreement, Solfruit Kenya Ltd is entitled to demand sufficient security with regard to the other party's fulfillment of its payment obligations.
- 7. In the event that the other party still has an obligation to pay Solfruit Kenya Ltd any sum, especially if invoices sent by Solfruit Kenya Ltd are still partly or fully due, Solfruit Kenya Ltd will be entitled to suspend the obligation to deliver until the other party has met all its obligations.



#### Article 7 Acceptance and complaints

1. Immediately following the delivery of the goods agreed by Solfruit K Ltd, they must be inspected and verified by the other party. The inspection and verification must be carried out in the presence of the driver. The other party must verify whether the goods delivered comply with that stipulated in the Agreement, namely:

a) whether the correct goods have been delivered;

b) whether the goods delivered comply with the quality requirements made and agreed with regard thereto, or in other words, the requirements that may be made in connection with normal use and/or commercial purposes;

c) whether the goods delivered comply with that agreed on by the parties in terms of quantity (number, amount, weight). If a difference is established by the other party that is less than 10%, the other party will be obliged to fully accept the goods delivered, such for a pro rata reduction of the price agreed.

- 2. In the event that the goods are delivered ex warehouse, the other party must inspect the goods delivered in the sales space of Solfruit K Ltd.
- 3. Any defects and objections not related to circumstances set out in paragraph 1 of this article under c must be reported to Solfruit Kenya Ltd in writing immediately after having been established but within eight hours of delivery at the latest. If Solfruit Kenya Ltd has not received a complaint immediately following delivery, the goods will be deemed to have been delivered in conformity with that stipulated in the Agreement and without any defects.
- 4. As soon as possible after having been established, any complaints concerning defects that are not immediately visible must communicated to Solfruit Kenya Ltd in writing to enable Solfruit K Ltd to investigate the justness of the complaints concerned on the spot. The other party must enable Solfruit Kenya Ltd to verify that the complaints of the other party are justified. In the event that Solfruit Kenya Ltd has not received a written complaint from the other party within eight hours of the delivery, the defect and/or the fault will not be deemed to have been present at the time of the delivery, but the parties will take it for granted that this defect and/or this fault arose after delivery.
- 5. That stipulated in this article will apply without prejudice in the event that the goods delivered by Solfruit Kenya Ltd for the other party are delivered to a third party. The other party can thus at no time argue against Solfruit Kenya Ltd that it had not inspected the goods delivered in view of the fact that they were stored with a third party elsewhere.
- 6. The other party is obliged to keep the goods as a prudent debtor and possessor at all times.



#### **Article 8 Payment**

- 1. Unless the regulation concerned has been departed from, the other party must pay the price agreed on after receiving the invoice related to the delivery without a reduction or claiming compensation within 14 days as of the date of invoice.
- 2. The setting off by the other party of the sums invoiced by Solfruit Kenya Ltd against a counterclaim put forward by the other party or the suspension of payment by the other party in connection with a counterclaim is not permitted, unless Solfruit Kenya Ltd has explicitly acknowledged the fact that it is obliged to pay the counterclaim without reservation, or the existence of the counterclaim has been irrevocably established at law.
- 3. In the event that the term of payment is exceeded, the other party will owe default interest of 1% per month, without prejudicing the other rights of Solfruit Kenya Ltd such as the right to compensation for extrajudicial costs and statutory interest.
- 4. In the event that the term of payment is exceeded, without prior notice of default, the other party will owe statutory commercial interest on the outstanding sum. Insofar as it has been established at law that the Buyer does not owe statutory commercial interest, it will owe Solfruit Kenya Ltd the statutory interest concerned.
- 5. In the event that even after having been put into default by Solfruit K Ltd, the other party fails to pay the outstanding sums to Solfruit K Ltd, in addition to the total sum due consisting of the outstanding sums increased by the interest payable, it will also be obliged to pay compensation for extrajudicial collection costs. The sum of the extrajudicial collection costs is set at 15% of the principal sum due.
- 6. Payment made by the other party will first be applied to settle all interest and costs payable and subsequently for those invoices that have been outstanding for the longest periods. This will also be the case if the other party states that the payment relates to a later invoice.



#### Article 9 Retention of title

- 1. Goods delivered by Solfruit Kenya Ltd will remain its property up to the time of full payment of all claims of Solfruit Kenya Ltd vis-à-vis the other party on the basis of agreements concluded between them, including interests and costs.
- 2. The other party will only be authorized to resell goods delivered by Solfruit Kenya Ltd that are subject to retention of title, as set out in paragraph 1 of this article, if reselling is one of the other party's normal business activities.
- 3. In the event that the other party fails to observe its obligations, or if Solfruit Kenya Ltd has a well founded fear that the other party is not capable of fulfilling its obligations flowing from the Agreement, or if there is a suspicion that the other party does not wish to fulfill the obligations to which it is subject, Solfruit Kenya Ltd will be entitled to take back the goods it has delivered, subject to retention of title mentioned in paragraph 1 of this article, from the other party or from a third party keeping these goods for the other party or to cause these goods to be taken back. The other party will be obliged to cooperate with such action carried out by Solfruit K Ltd.
- 4. In the event that third parties wish to establish or assert a right on the goods delivered by Solfruit Kenya Ltd under retention of title, the other party must notify Solfruit Kenya Ltd hereof by return of post. The other party must moreover point out to the third party concerned the fact that the goods in question were delivered under retention of title. The other party must provide the third party with the Agreement concluded between the parties from which it is apparent that a retention of title was claimed with regard to the goods delivered.
- 5. The other party is obliged to cooperate with all measures that Solfruit Kenya Ltd wishes to take to protect its property rights with regard to goods it has delivered.



#### Article 10 Liability and risk

- 1. In the event that the other party has goods in its possession delivered by Solfruit Kenya Ltd which are the property of Solfruit Kenya Ltd(including packaging) and/or which are subject to retention of title as referred to in Article 9 of these General Terms and Conditions of Sale, as of the time at which the goods are delivered to it up to the time at which they are returned or the time at which the ownership of these goods is transferred, the other party will be liable for any damage caused by and/or with these goods.
- 2. In the event that it has goods in its possession that are the property of Solfruit Kenya Ltd(including packaging) and/or which are subject to retention of title as mentioned in Article 9 of these General Terms and Conditions of Sale, the other party will be liable for any loss suffered by Solfruit Kenya Ltd as a result of the damage to, the loss of or the destruction of these goods, which loss arose in the period between the time at which Solfruit Kenya Ltd delivered the goods and the time at which the goods were returned or the time at which the ownership of the goods was passed.
- 3. In the event that as a result of circumstances attributable to the other party Solfruit Kenya Ltd wishes to make use of its retention of title but nevertheless suffers a loss, the other party will be liable for the loss suffered by Solfruit K Ltd.
- 4. In the event that in the implementation of the Agreement it has goods in its possession (including packaging) which are the property of Solfruit Kenya Ltdand/or subject to retention of title as referred to in Article 9 of these General Terms and Conditions of Sale and in the event of theft, loss or damage to the goods supplied to it by Solfruit K Ltd, the other party will be obliged to notify Solfruit Kenya Ltd hereof immediately. The other party must immediately report theft or acts of war to the police of the municipality where the theft and/or the act of war took place. The other party must provide Solfruit Kenya Ltd with a copy of such a report.
- 5. In the event that Solfruit Kenya Ltd has delivered goods to the other party that are the property of a third party, the other party will indemnify Solfruit Kenya Ltd against all claims of this third party with regard to damage caused by and/or with the goods that Solfruit Kenya Ltd has delivered to the other party, as well as damage caused to the goods supplied by the other party by Solfruit K Ltd.
- 6. In the event that the other party or a third party to which the other party has passed on the goods delivered by Solfruit Kenya Ltd makes a recall or causes a recall to be made, Solfruit Kenya Ltd will only be able to be held liable for (a part of) the costs thereby incurred if it is established that Solfruit Kenya Ltd is liable for the circumstances that have led to the recall, and Solfruit K Ltd was consulted and had its say before the recall was made and it has been established that the other party acted as a reasonable and reasonably competent professional and attempted to limit the costs incurred in connection with the recall as far as possible.
- 7. In the event that Solfruit Kenya Ltd is liable for any damage, all liability of Solfruit Kenya Ltd will be limited to the sum paid out under the public liability insurance of Solfruit K Ltd, increased by the own risk under this insurance policy. If for any reason whatsoever no sum is paid out pursuant to this insurance, all liability will be limited to the sum of the invoice corresponding to the Agreement on which the other party's claim is based.



#### Article 11 Force majeure

- 1. In the event of force majeure, Solfruit Kenya Ltd will be entitled either to suspend the implementation of the Agreement or to fully or partly terminate the Agreement without the other party being able to claim any compensation vis-àvis Solfruit Kenya Ltd.
- Force majeure of Solfruit Kenya Ltd should be understood to mean:

   a. strikes held by the employees of Solfruit Kenya Ltd or third parties called in by Solfruit Kenya Ltd in connection with the implementation of the Agreement;

b. illness of employees of Solfruit Kenya Ltd or third parties called in by Solfruit Kenya Ltd in connection with the implementation of the Agreement;

c. measures taken and/or prohibitions issued by the Kenyan government and/or a foreign government by which Solfruit Kenya Ltd is bound;

d. unforeseen and unpredictable traffic impediments;

e. accident(s) with a means of transport employed in connection with the implementation of the Agreement as well as unforeseen technical defects in these means of transport;

f. (attributable) failure to perform by the suppliers of Solfruit K Ltd;

g. theft of goods required for the implementation of the Agreement;

h. as well as all other unforeseen circumstances that prevent Solfruit Kenya Ltd from implementing the Agreement properly and on time and that are not for the account and risk of Solfruit Kenya Ltd name.

- 3. In the event that on the commencement of the force majeure, Solfruit Kenya Ltd has already partly met its obligations or can only partly meet its obligations, it will be entitled to send out separate invoices for that supplied and/or the part supplied. The other party will then be obliged to pay the invoice concerned as if a separate Agreement was concerned.
- 4. All agreements related to the sale of agrarian products are subject to a good harvest. If as a result of a disappointing harvest in terms of the quantity and/or quality of the agrarian products concerned there are fewer products available than could have been expected within reason on concluding the Agreement, also as a result of products having been declared unfit by the authorized bodies, Solfruit Kenya Ltd will have the right to reduce the quantity it sells correspondingly. On reducing the quantity supplied, Solfruit Kenya Ltd will fully comply with its obligations to deliver. Solfruit Kenya Ltd will not then be obliged to supply substitute agrarian products, neither will it be liable for any loss suffered whatsoever.



#### Article 12 Default and termination

- 1. In the event that the other party fails to comply, fails to comply properly or fails to comply on time with any obligation arising for the other party from the Agreement concluded with Solfruit Kenya Ltd and/or the law, including the obligation to pay on time as included in Article 8 of these General Terms and Conditions of Sale, the other party will be in default de jure and Solfruit Kenya Ltd will be entitled to suspend the implementation of the Agreement and/or to fully or partly terminate the Agreement and any directly related Agreements without Solfruit Kenya Ltd being obliged to pay any compensation and without prejudicing the further rights of Solfruit K Ltd.
- 2. In the event that the other party is in default, it will owe Solfruit Kenya Ltd the (commercial) interest as well as all costs both in and out of court incurred by Solfruit Kenya Ltd within reason in establishing the liability of the other party and/or in acquiring payment of its claims which are covered by the Laws of Kenya.
- 3. In the event of the (provisional) suspension of payment or the bankruptcy of the other party or the closing down or the winding-up of the business of the other party, all Agreements with the other party will be terminated by operation of law, unless Solfruit Kenya Ltd notifies the other party within a reasonable term that it requires the observance of (part of) the Agreement (s), in which case without giving notice of default, Solfruit Kenya Ltd will be entitled to suspend the implementation of the Agreement(s) concerned until sufficient security has been given with regard to payment, without prejudicing the further rights of Solfruit K Ltd.
- 4. Solfruit Kenya Ltd will have the right to terminate the Agreement in the event of permanent force majeure of the other party. The other party will then compensate all costs incurred and to be incurred by Solfruit K Ltd.
- 5. In each of the cases mentioned in paragraphs 1, 2, 3 and 4 of this article, all claims of Solfruit K Ltd vis-àvis the other party will be immediately due and payable and the other party will be obliged to immediately return leased goods or goods for which payment has not yet been received.
- 6. The other party must notify Solfruit Kenya Ltd without delay in the event of the attachment of movable or immovable goods owned by Solfruit Kenya Ltd and in possession of the other party in connection with the implementation of the Agreement.
- 7. In the event of bankruptcy or suspension of payment, the other party must notify Solfruit K Ltd hereof immediately and show the bailiff, curator or administrator the Agreement without delay, indicating the property rights of Solfruit K Ltd.



#### Article 13 Packaging

- 1. In connection with the delivery of its goods, Solfruit Kenya Ltd uses packaging. Among other things, packaging includes pallets and crates. In the event that Solfruit Kenya Ltd charges a deposit with regard hereto, the packaging will be taken back for the price of the invoice applicable at that time (in the event that business is done in a foreign currency the packaging will be taken back at the exchange rate applicable at the time of delivery). In taking delivery of returned packaging, a fixed sum in compensation may be charged in conformity with the applicable regulations. These regulations will be provided to the other party at its request.
- 2. The packaging that the other party wishes to return must be clean and fresh enough to be used for freshly edible horticultural products without further action needing to be taken by Solfruit K Ltd.
- 3. In the event that packaging is to be returned by means of the own transport of Solfruit K Ltd, the other party must ensure that the packaging is sorted and ready for transport.
- 4. Packaging not supplied by Solfruit Kenya Ltd will only be taken back if and insofar as Solfruit Kenya Ltd has the products concerned in its own assortment and the packaging is in good condition.

#### Article 14 Industrial and intellectual property rights

- 1. Solfruit Kenya Ltd explicitly reserves any intellectual and/or industrial property rights (trademarks) with regard to the products it supplies.
- 2. The other party is not permitted to infringe on the intellectual and/or industrial property rights of a third party using the products supplied by Solfruit K Ltd. The other party indemnifies Solfruit Kenya Ltd against any claims of third parties on the basis of an infringement of intellectual and/or industrial property rights by means of goods delivered by Solfruit Kenya Ltd that take places after Solfruit Kenya Ltd has delivered the goods to the other party.

#### Article 15 Applicable law

1. The legal relationship between Solfruit Kenya Ltd and the other party is governed by Kenyan Law.

# Article 16 Disputes

- 1. Any disputes flowing from an order, a quote, an offer or an Agreement to which these General Terms and Conditions of Sale apply, including conflicts related to these General Terms and Conditions of Sale, will be exclusively by the competent court in the jurisdictionwhere Solfruit Kenya Ltd has its registered office, on the understanding that this choice of forum will not affect the right of Solfruit Kenya Ltd to settle a dispute by means of arbitration or a binding opinion.
- 2. In derogation of that stipulated in paragraph 1 of this article, the parties can agree in writing that they will allow the settlement of the dispute to be settled by the competent court in another Jurisdiction.

