

TERMS & CONDITIONS OF PURCHASE

1. QUALITY

Unless otherwise stipulated herein, the quality of the goods covered by this contract are to be as per the buyer's specification or mutually agreed upon by the buyer and seller. Any dispute between the buyer and the seller over the quality of the goods supplied hereunder shall be decided solely by the inspectorate of the South African Department of Agriculture.

2. FORCE MAJEURE

In the event of circumstances beyond the seller's control affecting the growing, harvesting, production, packing or transportation of the goods herein, or if performance of this contract is hindered by an Act of God, strike, lockout, civil commotion, fire, flood, drought or government intervention, the seller shall deliver pro-rata any remaining stocks.

3. CLAIMS, LIMITATION OF LIABILITY AND INDEMNITY

3.1 All goods delivered against this contract shall be examined by the buyer upon receipt. The buyer shall advise the seller in writing of any discrepancies and/or quality complaints within a reasonable period of time not exceeding 21 days following receipt of the goods.

3.2 In the event of a claim it is the responsibility of the buyer to quarantine the product from the date the seller notifies the buyer /or of the buyer notifying the seller of an issue. It is therefore the buyer's responsibility to ensure the material is not further processed.

3.3 The seller shall not be responsible for any claims which have not been reported to him in accordance with clause 3.1 above, or which result from improper handling or storage of the goods while in the care of the buyer. Fruit Juice Concentrates not aseptically packed must be stored at temperatures not exceeding 5°C or in the case of frozen products as stipulated in the specification.

3.4 Notwithstanding anything to the contrary contained in this agreement or any other arrangement between the seller and the buyer in respect of goods sold, the seller shall not be responsible or liable for any loss, damage, injury, death, expense, cost or liability of whatsoever nature arising directly or indirectly from goods sold and the buyer agrees to indemnify the seller from and against any claims for such loss, damage, injury, death, expense, cost or liability, except upon proof that such loss, damage, injury, death, expense, cost or liability was due to the sole negligence of the seller in which event the liability of the seller shall be limited to any claim which falls within the ambit of the seller's insurance cover and only to the extent that such claim is settled by the relevant insurer.

3.5 Please note that the recommended maximum stacking height as specified by the drum manufacturers is 4 drums high for cylindrical and 3 drums high for conical drums.

3.6 The seller shall not under any circumstances be liable for any consequential loss, special losses or loss of profit of whatsoever nature which in any manner, in whole or in part, arise directly or indirectly from goods sold irrespective whether such consequential loss, special losses or loss of profit was occasioned by the negligence, including wrongful act or breach of contract by the seller or by any other cause whatsoever, nothing at all excepted and the purchaser agrees to indemnify the seller from and against any claims in this regard."

4. TRANSPORT

Unless specifically agreed otherwise by the seller in writing, any increase in applicable rates, or any other surcharges imposed by the carrier affecting this contract, shall be for the buyer's account.

5. PAYMENT

Payment terms are strictly 30 days net from date of statement or as mutually agreed by the seller and buyer. All overdue sums / amount shall bear interest at 1.5% per month & such interest to be reckoned monthly in advance from the date of payment.

6. TITLE

The good supplied hereunder shall remain the property of the seller until the buyer had paid the purchase in full.

7. CREDIT

In the event of the buyer defaulting on timely payment for the goods supplied hereunder, the seller may, at the seller's sole discretion, withhold any further delivery or deliveries of goods to the buyer or cancel any further or other unfulfilled contract balances, and the buyer shall be fully liable to the seller for any loss incurred by the seller as a result of such action.

8. JURISDICTION & COSTS

Notwithstanding the amount which may at any time be owing by the buyer to the seller, the parties hereby consent in terms of section 45 of the Magistrates Court Act Act No 32 of 1944 as amended to the jurisdiction of the Magistrates Court having jurisdiction for the determination of any action or proceedings otherwise beyond the jurisdiction of the said Court which may be brought by the seller against the buyer arising out of any transaction between the parties, being recorded that the seller shall be entitled, but not obliged, to bring any action or by the buyer.

9. CHANGE IN BUSINESS

The buyer undertake to advise the seller immediately of any change in ownership, partnership or title of business and accept that failure by the buyer to do so render the buyer liable for all goods sold before or after such change and the buyer undertake to make all the relevant payments to the seller.

10. DELIVERY PERIOD

The contract specifies a "delivery period". This period specifies the agreed time-frame within which all volumes committed to by CFP for the customer's benefit as part of this contract, will be dispatched by CFP and invoiced to the customer. In the event that the end of the delivery period is reached, and volumes committed to this contract have not been delivered (for whatever reason outside of CFP's control) the following actions shall apply without exception:

a. Storage costs:

I. CFP will establish the undelivered volume at the end of the delivery period and will raise a storage charge via invoice one month ahead for the customer's account. This process will be repeated until all volumes have been delivered.

b. Interest:

I. CFP will establish the undelivered volume at the end of the delivery period. Interest will be charged on the sales value of this volume for 1 month and the invoice will be raised for the customer's account. This process will be repeated at the end of each successive month for any undelivered volumes, until all volumes specified by the contract have been delivered.

11. DELIVERY SCHEDULE

For purposes of planning and monitoring, CFP require a forecast of the deliveries as the customer anticipates them to be requested within the delivery period. This information will be requested at the time of contracting and at intervals thereafter as the need arises.

12. CONDITIONS OF SALE AND INTERPRETATION

This contract shall, *except for the provisions of clause 3 above*, be subordinate to the seller's original contract if such contract is issued. In the absence of the seller's original contract, this document represents the contract between the parties and the conditions stated herein shall be the only conditions applicable to this contract, and they shall supersede and exclude any.

Ceres Fruit Processors (Pty) Ltd

Customer name

CERES FRUIT PROCESSORS (PTY) LTD

Reg. No: 1992/006982/07

Directors: PJ Graaff (Chairman), AE Reinecke (Managing), PSF du Toit, Prof. SS Loubser, DB Coetzee, TC Erasmus, J Kotze (Secretary)

