

RANK HOVIS MILLING LIMITED
STANDARD TERMS AND CONDITIONS FOR THE SALE OF GOODS AND SERVICES

In these Conditions "Associated Company" shall mean any subsidiary of the Company's ultimate holding company (as defined in Section 1162 Companies Act 2006 as amended); the "Company" shall mean Rank Hovis Milling Limited and/or any relevant Associated Company; the "Conditions" shall mean the standard terms and conditions set out in this document; the "Contract" shall mean the contract between the Company and the Customer for the sale and purchase of the Goods and/or Services supplied under these Conditions; the "Customer" shall mean any customer of the Company to which Goods and Services are supplied under these Conditions; the "Goods" shall mean and include goods or any part thereof which the Company agrees to supply and the "Services" shall mean and include services or any part thereof which the Company agrees to provide.

FORMATION OF CONTRACT

- 1.1 All quotations are made and all orders are accepted subject to the following Conditions. All other terms, conditions or warranties whatsoever are excluded from the Contract or any variation thereof unless expressly accepted by a duly authorised officer of the Company in writing.
- 1.2 If there is a conflict between these Conditions and any other term of the Company's quotation, offer, tender or acknowledgement of order, these Conditions shall prevail (to the extent of the conflict or inconsistency only) unless otherwise agreed in writing between the parties.
- 1.3 Acceptance will be effective where it is made in writing by a duly authorised officer of the Company or by the processing of the order or despatch of the Goods by the Company which ever is the earlier.
- 1.4 Quotations and offers issued by the Company are for the whole of the Goods or Services referred to therein and the Company reserves the right to refuse acceptance of any order which constitutes only part of the Goods or Services forming the subject of a quotation or offer.
- 1.5 If any statement or representation has been made to the Customer by the Company, or its servants or agents, upon which the Customer relies other than in the documents enclosed with the Company's quotation or acknowledgement of order then the Customer must set out that statement or representation in a document to be attached to or endorsed on the order and in any such case the Company may confirm, reject or clarify the point and submit a new quotation.
- 1.6 All orders are accepted subject to availability and in the event that insufficient Goods are available on the proposed date of despatch to fulfil the order in its entirety or at all the Company shall be entitled to cancel the order in whole or in part without any liability for loss, damages or expense arising to the Company whereupon the Company may request the Customer to place a further order.
- 1.7 No orders will be accepted for a quantity of Goods less than 20 cases or for any goods not supplied by the division of the Company fulfilling the order or as otherwise directed by the Company.
- 1.8 Prices are quoted by the Company on the basis of the limitations of liability set out in these Conditions. The Customer shall be entitled to request the Company to agree a higher limit of liability and the Company may then quote a revised price to take account of any increased risks to the Company, provided that the Company shall not be obliged to agree any such higher limitation of liability.

PRICES

- 2.1 All prices are, unless otherwise stated, quoted inclusive of carriage but exclusive of VAT.
- 2.2 Unless otherwise agreed in writing, carriage will be paid on all orders for despatch to points within the United Kingdom by the Company's usual mode of conveyance.
- 2.3 Where, at the Customer's request, orders are forwarded by any conveyance involving a higher carriage charge than would be incurred by use of the Company's usual mode of conveyance then the additional charge will be chargeable to the Customer.
- 2.4 The Customer shall be liable to the Company for any demurrage costs incurred in the event of vehicles being unduly delayed at the designated point of delivery.
- 2.5 Quoted prices are subject to fluctuation and in any event the price payable for the Goods shall be the standard trade price of the Company at the time of delivery. A copy of the Company's relevant price list may be obtained upon written request.
- 2.6 In the event of any alteration being requested by the Customer and agreed to by the Company in design or specification of own label products the Company shall be entitled to make an adjustment to the Contract price corresponding to such alteration.

PAYMENT

- 3.1 Unless otherwise agreed by the Company in writing and subject to satisfactory trade references, payment shall be due and payable within 28 days of the date of invoice and shall be made without any set-off, counterclaim or deduction whatsoever. The Company shall be entitled to submit its invoice following delivery save that where delivery has been postponed at the request of or by the default of the Customer then the Company may submit its invoice at any time after the Goods are ready for delivery or would have been ready in the ordinary course but for the request or default as aforesaid. The payment obligation under the invoice shall be satisfied once cleared funds for the amount payable under the invoice are received in bank the account specified on the invoice.
- 3.2 Where Goods are delivered by instalments the Company may invoice each instalment separately and the Customer shall pay such invoices in accordance with these Conditions.
- 3.3 No disputes arising under the Contract nor delays beyond the reasonable control of the Company shall interfere with prompt payment in full by the Customer.
- 3.4 In the event of default in payment by the Customer the Company shall be entitled, without prejudice to any other right or remedy:-

- 3.4 In the event of default in payment by the Customer the Company shall be entitled, without prejudice to any other right or remedy:-
- 3.4.1 to suspend all further deliveries on any contract or contracts between the Company and the Customer without notice;
 - 3.4.2 to charge interest on any amount outstanding at the rate of 4% per annum above the Base Rate of National Westminster Bank plc or the judgement rate as set out in the Late Payment of Commercial Debts (Interest) Act 1998 (whichever is the greater) in force at the time when payment was due;
 - 3.4.3 to serve notice on the Customer requiring immediate payment for all Goods supplied by the Company under this and all other contracts with the Customer whether or not payment is otherwise due or invoiced; and
 - 3.4.4 to sue for the price of the Goods and Services even though (in the case of goods) title may not have passed to the Customer.

DELIVERY

- 4.1 Where the Company has agreed in writing to deliver the Goods to the Customer, delivery of the Goods shall be given and taken at the designated place of delivery. In all other cases, the Customer shall collect the Goods and delivery shall occur when the Goods are collected by the Customer or on its behalf at the premises designated by the Company.
- 4.2 Time for delivery is given as accurately as possible but is not guaranteed. The Customer shall have no right to damages or to cancel the order for failure for any cause to meet any delivery time stated.
- 4.3 The date of delivery shall in every case be dependent upon prompt receipt of all necessary information, final instructions or approvals from the Customer. Alterations by the Customer in design, specifications or quantities required may result in delay in delivery.
- 4.4 Failure by the Customer to take delivery of or to make payment in respect of any one or more instalments of Goods delivered hereunder shall entitle the Company to treat the whole Contract as repudiated by the Customer.
- 4.5 The Company will endeavour to comply with reasonable requests by the Customer for postponement of delivery but shall be under no obligation to do so. Where delivery is postponed, otherwise than due to default by the Company, the Customer shall pay all costs and expenses, including, but not limited to, a reasonable charge for storage and transportation, occasioned thereby and payment for the Goods shall be made in accordance with these Conditions.
- 4.6 Any packaging supplied by the Company, unless otherwise expressly agreed in writing, is intended to provide adequate protection throughout normal conditions of transit of usual duration.
- 4.7 Unless otherwise agreed the Company will not be liable for unloading the Goods at the designated point of delivery or for placing them in position on site.

PACKING

- 5. All pallets or other means of packing marked with the Company's identification marks are the property of and returnable to the Company or are otherwise made available through the CHEP pallet rental scheme. In the event that rental pallets are not available an official pallet control voucher or equivalent should be issued.

RISK AND TITLE

- 6.1 Risk shall pass to the Customer so that the Customer is responsible for all loss, damage or deterioration to the Goods:-
 - 6.1.1 if the Company delivers the Goods by its own transport or in accordance with a specific contractual obligation arranges transport for the Goods, at the time when the Goods or a relevant part thereof arrive at the place of delivery; or
 - 6.1.2 in all other circumstances, at the time when the Goods or a consignment or other part thereof leave the premises of the Company or the premises of the third party which holds the Goods on the Company's behalf.
- 6.2 Title to the Goods or any relevant part thereof shall only pass to the Customer upon the happening of any one of the following events:-
 - 6.2.1 when the Customer has paid to the Company all sums due from it to the Company under this Contract and under all other contracts between the Company and the Customer including, but not limited to, any sums due under contracts made after this Contract whether or not the same are immediately payable; or
 - 6.2.2 when a duly authorised officer of the Company serves on the Customer notice in writing specifying that title in the Goods or such part thereof has passed.
- 6.3 The Company may recover Goods in respect of which title has not passed to the Customer at any time and the Customer hereby licenses the Company, its officers, employees and agents to enter upon any premises of the Customer for the purpose either of satisfying itself that Condition 6.4 below is being complied with by the Customer or of recovering any Goods in respect of which property has not passed to the Customer.
- 6.4 Until title to the Goods has passed to the Customer pursuant to the terms hereof it shall possess the Goods as a bailee of the Company on the terms of this Contract. If the Company so requires, the Customer shall store the Goods separately from other goods and shall ensure that they are clearly identifiable as belonging to the Company.

CANCELLATION

- 7.1 Cancellation by the Customer will only be agreed to by the Company on condition that all costs and expenses incurred by the Company up to the time of cancellation and all loss of profits and other loss or damage resulting to the Company by reason of such cancellation will be paid forthwith by the Customer to the Company.
- 7.2 Goods returned to the Company without the Company's consent will under no circumstances be

damage resulting to the Customer by reason of such cancellation will be paid forthwith by the Customer to the Company.

- 7.2 Goods returned to the Company without the Company's consent will under no circumstances be accepted for credit.

SPECIFICATION

- 8.1 The Company reserves the right to alter or change dimensions or composition of the Goods supplied (other than own label products) within reasonable limits having regard to the nature of the Goods.
- 8.2 The information contained in the advertising, sales and technical literature issued by the Company may be relied upon to be accurate in the exact circumstances in which it is expressed. No such information or data shall form part of the Contract unless the Customer shall have complied with Condition 1.3 hereof relating to statements and representations.

LOSS SHORTAGES AND DEFECTS APPARENT ON INSPECTION

- 9.1 The Customer shall only be entitled to claim for loss, shortages or defects apparent on visual inspection if (and subject to Condition 12 below):-
- 9.1.1 the Customer inspects the Goods within three working days of their arrival at its premises or other agreed destination; and
- 9.1.2 a written complaint specifying the loss, shortage or defect is made to the Company and to the carrier either by a qualified signature on a delivery note or within seven days of delivery in the event of partial loss, damage, or non-delivery of any separate part of a consignment, or within fourteen days of the notified date of despatch in the event of non-delivery of a whole consignment or, in either event, within such shorter period as the carrier's conditions (if applicable) require; and
- 9.1.3 the Company is given an opportunity to inspect the Goods and investigate any complaint before any use of or alteration to or interference with the Goods.
- 9.2 The Customer shall only be entitled to claim (and then subject to Condition 12) in respect of defects in Services performed by the Company if a written complaint is made by the Customer within 7 working days of performance of the Services and the Company is given the opportunity to inspect the Services performed and to investigate the complaint.
- 9.3 If a complaint is not made to the Company in relation to defects apparent on visual inspection in accordance with this Condition 9 then the Goods and Services shall be deemed to be in all respects in accordance with the Contract and the Customer shall be bound to pay for the same accordingly.
- 9.4 Defects in quality or dimension in any instalment delivery shall not be a ground for cancellation of the remainder of the Order.

GUARANTEE CONDITION

- 10.1 The Company warrants that all food (as defined by the Food Safety Act 1990 (the "Act") and/or any regulations made thereunder) supplied by the Company complies in all respects with the Act and/or regulations and all other UK and European legislation and regulations relating to the supply and sale of food and, as supplied by the Company (subject to clause 14), will not be described whether by means of a label or otherwise or presented in such a way so as to be false or misleading as to the nature or substance or quality of the food.
- 10.2 Save as otherwise provided by the other conditions of these Conditions sections 12 to 15 of the Sale of Goods Act 1979 and sections 3 to 5 of the Supply of Goods and Services Act 1982 are to be implied into this Contract.
- 10.3 In the event of the condition of the Goods or performance of the Services being such as might or would (subject to these Conditions) entitle the Customer to claim damages or to repudiate the contract the Customer shall not then do so but shall first ask the Company to supply satisfactory substitute Goods or rectify the Services and the Company shall thereupon be entitled at its option to take back the defective Goods and to supply satisfactory substitute Goods or perform works of rectification free of cost and within a reasonable time or to repay the price of the Goods and/or Services in respect of which the complaint is made. If the Company does supply satisfactory substitute Goods or effect repayment or rectification the Customer shall be bound to accept such substituted Goods or repayment or rectification and the Company shall be under no liability in respect of any loss or damage whatsoever arising from the initial delivery of the defective Goods or from the initial performance of the Services or from the delay before the substitute Goods are delivered or the repayment or rectification is effected.
- 10.4 Unless otherwise agreed in writing, the Goods are not intended for export outside the United Kingdom.

HANDLING OF CONSUMER COMPLAINTS

11. The Customer shall at all times notify the Company in the event that the Customer receives a consumer complaint in relation to the Goods and undertakes to the Company that neither it nor its employees or agents shall make any statement to a consumer, whether orally or in writing, which may be construed as an admission of any liability to the consumer. All negotiations and agreements relating to a compensation payment, if any, to be paid to the consumer shall be made by the Company and the Company shall not be liable to pay to either the Customer or the consumer any sum not negotiated or agreed by it. The Company shall not be liable for any costs incurred by the Customer without the Company's prior agreement.

LIABILITY

- 12.1 The Company does not exclude liability arising under Section 12 of the Sale of Goods Act 1979 (as amended) or for death or personal injury caused by its negligence or for fraudulent misrepresentation.
- 12.2 Subject to clause 12.1, the Company shall have no liability to the Customer (whether for breach of contract, tort (including, but not limited to, negligence), or for any breach of statutory duty) for any of the following losses or damages suffered or incurred by the Customer:-
- 12.2.1 any loss of profit;
- 12.2.2 any loss of or damage to goodwill;
- 12.2.3 any loss of anticipated savings;
- 12.2.4 any increased costs;
- 12.2.5 any loss of revenue; or
- 12.2.6 any special, indirect or consequential losses or damages whatsoever.
- 12.3 Subject to clauses 12.1 and 12.2, the Company's total aggregate liability in relation to the Contract (whether arising through a breach of contract, tort (including, but not limited to, negligence) or any

12.2.6 any special, indirect or consequential losses or damages whatsoever.

- 12.3 Subject to clauses 12.1 and 12.2, the Company's total aggregate liability in relation to the Contract (whether arising through a breach of contract, tort (including, but not limited to, negligence) or any statutory duty) shall not exceed £1million.

CONFIDENTIAL INFORMATION AND INTELLECTUAL PROPERTY RIGHTS

- 13.1 All Goods, labels, trade marks, logos, confidential records and other information supplied by the Company are supplied on the express understanding that all copyright and other intellectual property rights are reserved to the Company and the Customer shall acquire no interest therein. In addition, any design right, copyright or any other intellectual property right created by the Company in relation to the Goods or Services will vest in the Company where the Goods or Services are commissioned by the Customer, whether or not for a separate fee. The Customer shall at the request of the Company do all things reasonably necessary including, but not limited to, providing reasonable assistance to give effect to this Condition 13.
- 13.2 All claims for alleged infringement in respect of patents, trade marks, registered design, unregistered design, copyright or other intellectual property rights received by the Customer must be notified immediately to the Company so that the Company can be kept fully informed of the conduct of such claims. If requested by the Company, the Company shall be entitled to have conduct of any proceedings relating to any such claim in such manner as the Company thinks fit and the Customer will provide to the Company such reasonable assistance as the Company may request. The cost of any such proceedings will be borne by the Company.
- 13.3 The Customer shall not, and shall procure that its employees, agents, or sub-contractors shall not either during the period of a contract or at any time thereafter, disclose to any person, firm or company (other than to such employees, agents or sub-contractors of the Customer who need to know the same for the performance of the Contract), any manufacturing process, trade secret, marketing and sales information relating to the business affairs and dealings of the Company in connection therewith, or any information relating thereto, save for information which may be required by law (including, but not limited to, any requirements under the Freedom of Information Act 2000) or any regulatory body, or which has come into the public domain through no fault of the Customer, its employees, agents or sub-contractors.

CUSTOMER'S DRAWINGS

- 14.1 The Customer shall be solely responsible for ensuring that all labels (other than ingredients list and weight information), advice and recommendations given to the Company, either directly or indirectly by the Customer or by the Customer's agents, servants, consultants or advisers, are accurate correct and suitable. Examination or consideration by the Company of such labels or any act in compliance with such advice or recommendation shall in no way limit the Customer's responsibility hereunder.
- 14.2 The Customer shall indemnify and keep the Company fully indemnified in full from and against all liabilities, losses, actions, claims, costs (including, without limitation, legal costs) and proceedings which arise due to the manufacture of Goods or the production of packaging (in both cases) to the specification of the Customer where such specification is at fault or where it is alleged that the specification and/or label and/or packaging involve an infringement of a patent, copyright, design right (whether registered or unregistered) or any other intellectual property right.

INSPECTION

15. The Company shall only permit access to its place of production by the Customer or its authorised agent by prior written agreement and in any event only in relation to supplies to the Customer of own label products.

PRODUCT PROMOTION

16. All promotional Goods are subject to availability and the terms and conditions printed thereon and any coupons to be accepted for redemption must not be received by the Company's handling house later than the expiry date shown on the face of the coupon (where applicable).

INSOLVENCY

17. If the Customer, being an individual becomes bankrupt or makes a composition or arrangement with his creditors, or being incorporated:-
- 17.1 goes into liquidation or has an administrator appointed; or
- 17.2 becomes insolvent (including without limitation being unable to pay its debts within the meaning of Section 123 Insolvency Act 1986) or makes a composition or arrangement with its creditors; or
- 17.3 has an administrative receiver or a receiver is appointed over all or any part of its assets or undertaking; or
- 17.4 ceases or threatens to cease to carry on a business; or
- 17.5 anything analogous to any of the events in sub-clause 17.1 to 17.4 inclusive occurs in relation to the Customer under the law of any jurisdiction in relation to which the Customer is subject, the Company shall be entitled, without prejudice to any other right or remedy available to the Company, to cancel the Contract or suspend any further deliveries without any liability to the Customer; and if the Goods have been delivered but not paid for the price shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary.

FORCE MAJEURE

18. In the event of the performance of any obligation accepted by the Company being prevented, delayed, or in any way interfered with by either:-
- 18.1 act of God, direction of government, war, industrial dispute, strike, breakdown of machinery or plant, accident, fire or by any other cause beyond the Company's control, or
- 18.2 non-delivery by the Company's suppliers or damage to or destruction of the whole or part of the Goods, the Company may at its option suspend performance or cancel its obligations under the Contract without liability for any damage or consequential loss resulting therefrom such suspension or cancellation being without prejudice to the Company's right to recover all sums owing to it in respect of consignments delivered and costs incurred prior to the date of suspension or cancellation.

SPECIALS AND FREE ISSUE MATERIALS

19. The Company does not accept responsibility for the safe-keeping and condition of the Customer's samples, drawings and the like whilst they are in the Company's possession whatever the circumstances may be in which they are lost, broken or damaged and the Customer should make its own arrangements

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ATTENDANCE ON SITE

20. If the Company attends, or arranges for an attendance to be made, at the Customer's premises or the premises of any third party for any reason connected with the Contract, the Customer shall indemnify the Company in respect of all claims made or proceedings taken against the Company (and associated legal costs incurred by the Company) by any person, firm or company, including, but not limited to, employees of the Company, or of the Customer or of any contractor employed by the Customer (or their personal representatives), whether in respect of death, personal injury or damage to property arising directly or indirectly from the attendance at such premises except in so far as such claims are caused by a negligent act or omission on the part of the Company.

FINISHED PRODUCTS

21. In circumstances in which the Company sells Goods to the Customer for incorporation with, other products to be produced, manufactured, processed or supplied by the Customer, then the Customer shall indemnify the Company for all losses and damages (including costs, expenses and charges for legal actions in which the Company may be involved) which the Company may incur, or have to bear, arising out of or in relation to such products except to the extent that the claims are occasioned by the negligence of the Company.

EAN CODES

22. Where European Article Number codes and symbols are applied to the Goods the Company will not accept any responsibility for any loss or damages suffered by the Customer arising out of the use of the said codes save that where the codes or symbols have been incorrectly applied by the Company the Company's liability will be limited to replacement of the Goods only or collection and refund of the purchase price.

WAIVER

23. Any waiver or failure by the Company in insisting in any one or more instances upon the performance of any provisions of these Conditions shall not be construed as a waiver or relinquishment of the Company's rights to future performance of such provision and the Customer's obligation in respect of such future performance shall continue in full force and effect.

ASSIGNMENT

24. The Contract is between the Company and the Customer as principals and under no circumstances shall the Customer assign the benefit or burden of it without the prior written consent of the Company. The Company shall be entitled to assign or sub-contract the whole or part of its obligations under the Contract.

SEVERABILITY

25. In the event of any provision of these Conditions being or becoming void in whole or in part the other provisions of these Conditions shall remain fully valid and enforceable and void provisions shall, where appropriate, be replaced in accordance with the meaning and purpose of these Conditions.

THIRD PARTY RIGHTS

26. Save for any Associated Companies, a person who is not a party to the Agreement (a "third party") shall have no rights pursuant to the Contract (Rights of Third Parties) Act 1999 (the "Act") to enforce the Contract or any of these Conditions. Any right or remedy of a third party which exists or is available apart from the Act is not affected.

GENERAL

27. All references to any statute or statutory provision shall be deemed to include references to any statute or statutory provision which amends, extends, consolidates or replaces the same.

ENGLISH LAW

28. The Contract shall be governed and interpreted exclusively according to the Laws of England and subject to condition 29 the parties agree to submit to the exclusive jurisdiction of the English Courts in relation to any matter arising out of or in connection with the Contract.

DISPUTE RESOLUTION

29. Should any dispute arise out of the Contract, including the interpretation thereof or any other matter specifically referred to herein, the parties agree to negotiate for the settlement of any such dispute by the following procedure:

- 29.1 The parties shall use all reasonable endeavours to promptly negotiate in good faith and settle amicably any dispute that may arise out of or relate to the Contract or a breach thereof within 14 days of notification by one party to the other of such dispute.

- 29.2 If any such dispute cannot be settled amicably through ordinary negotiations by appropriate representatives of the parties within such 14 day period, the dispute shall be immediately referred to the relevant directors of both parties who shall meet (either by person, by telephone or through such other means of communication as may be agreed between them) in good faith, within 14 days of the request of either party in order to attempt to resolve the dispute within a further 14 days from the initial date of such meeting.

- 29.3 In the event that the parties are unable to resolve the dispute pursuant to the above, the party may refer the matter to mediation with the Centre for Effective Dispute Resolution (CEDR) Model Mediation Procedure ("the Model Procedure"). To initiate a mediation, a party by its relevant director shall give notice in writing ("ADR Notice") to the other party requesting a mediation in accordance with the Model Procedure. The place of mediation shall be London, England. The language of the mediation shall be English.

ANTI-BRIBERY COMPLIANCE

30. The Customer warrants and represents that it will:

ANTI-BRIBERY COMPLIANCE

30. The Customer warrants and represents that it will:
- 30.1 fully comply with all applicable laws, statutes, regulations and codes relating to anti-bribery and anti-corruption including but not limited to the UK Bribery Act 2010 ("**Relevant Requirements**");
 - 30.2 have and maintain its own policies and procedures, including adequate procedures under the Bribery Act 2010, to ensure compliance with the Relevant Requirements and will enforce them where appropriate;
 - 30.3 comply with the Company's Ethics and Anti-bribery Policy as updated by the Company from time to time;
 - 30.4 promptly report to the Company any request or demand for any undue financial or other advantage of any kind received by the Customer in connection with the performance of these Conditions; and
 - 30.5 immediately notify the Company in writing if a foreign public official becomes an officer or employee of the Customer or acquires a direct or indirect interest in the Customer, and the Customer warrants that it shall have no foreign public officials as officers, employees or direct or indirect owners at the time of placing any order.