

Aviko Potato
Conditions 2024
(Cultivation)



Index

1) General	4
2) Registration of cultivation and food safety	4
2.1 General	4
2.2 Certificates, traceability and audits/recall	4
2.3 Registration of cultivation	6
2.4 Use of data	6
2.5 Relevant details for delivery	7
2.6 Crop protection/Sprout inhibitors/Fertilisers etc.	7
2.7 Foreign bodies and crop residues resulting from crop rotation	7
2.8 Reporting of calamities	8
2.9 Other business	8
2.10 Final stipulations	9
2.11 Guidance in terms of cultivation/storage	10
3) Cultivation and delivery	10
3.1 Supplementary conditions	10
3.2 Quantities and varieties	11
3.3 Time of delivery	12
3.4 Shipping	13
3.5 Force majeure	13
4) Establishing the weight	14
5) Sampling and quality assessment	14
5.1 Sampling	14
5.2 Quality assessment of French fries and other pre-cooked potato products	16
5.3 Quality standards for French fries and other pre-cooked potato products	18
5.4 Assessment of quality when dried (Rixona)	21
5.5 Quality standards when dried (Rixona)	22
5.6 Discounts and rejections	25

6) Taring	27
6.1 Sampling	27
6.2 Methodology	27
7) Transfer of risk	28
8) Price	29
8.1 Invoicing	29
8.2 Payment term	30
8.3 Contract types	30
8.4 Set-off authority	30
8.5 Disposal	31
9) Final provisions	31
9.1 Mediation through the PGC (ATC, aardappelteleerscommissie)	31
9.2 Arbitration	31
9.3 Applicable law and period of limitation	31

1) General

When Aviko Potato B.V., hereinafter referred to as Aviko Potato, concludes a sales agreement with a grower, hereinafter referred to as the other party, supplier or grower, for the supply of potatoes, these “Aviko Potato Conditions (Cultivation)” apply to this agreement, unless explicitly state otherwise in writing in the contract.

The Supplier declares that by entering into an agreement with Aviko Potato in which reference is made to the Aviko Potato Conditions (Cultivation), they possess, know and accept the Aviko Potato Conditions (Cultivation), as well as any other conditions referred to hereinafter, and that they agree to comply with them.

The batches of potatoes to be delivered to Aviko Potato shall be suitable for processing according to the objective specified in the agreement and/or confirmation of sale, including due compliance with all provisions of the Aviko Potato Conditions (Cultivation). Chapter 5 includes the quality assessment and standards, whereby the relevant processing goals are also specified. The potatoes to be supplied shall be assessed and standardised in keeping with the explicit provisions of the processing goal as mentioned in the purchase agreement and/or confirmation of sale. They must comply with these explicit requirements.

2) Registration of cultivation and food safety

2.1 General

The potatoes purchased by Aviko Potato must, at the time of delivery, comply with all regulations of the authorities relating to the use and application of crop protection agents and pesticides, as well as those relating to prescribed tolerances for residues of crop protection agents and pesticides and heavy metals and/or other regulations issued by the authorities relating to the use and/or processing and consumption of potatoes.

2.2 Certificates, traceability and audits/recall

The potatoes and potato-growing and supply businesses must be certified within the framework of food safety. Below is a list of those certificates accepted by Aviko Potato. The availability of a valid food safety certificate is mandatory for the supply of potatoes.

- The following certificates have been accepted for Dutch growers:
 - 1) the most recent Food Safety Certificate for the Potato Processing Industry - VVA(K) certificate or
 - 2) the most recent Global Gap Directive, issued by FoodPLUS GmbH.
- For German growers, QS-GAP is accepted in addition to the Dutch certificates.
- For Belgian and French growers, Vegaplan is accepted in addition to the Dutch certificates.
- No other certificates will be accepted until such time as Aviko Potato has given consent in writing. If Aviko Potato is willing to accept alternative certificates, such alternative certificates must at least be demonstrably equivalent to those above, to be determined at the discretion of Aviko Potato.

The Supplier verifies that the batch meets all food safety requirements. The Supplier shall, at the request of Aviko Potato, ensure that the relevant certificates are sent to Aviko Potato (digitally) at the time of delivery at the latest. In the event of recalls (the calling back of products from the market), the Supplier shall make available to Aviko Potato within two hours such data as the latter have requested (including at least the registration of cultivation and certificate). The Supplier shall treat such requests with the utmost priority.

By entering into an agreement of supply with Aviko Potato, the Supplier provides both the order and consent to the verifying authorities to provide status information, as well as any other information about food safety certification, to Aviko. This consent is irrevocable. Furthermore, by entering into a supply agreement with Aviko Potato, the Supplier grants to Aviko Potato the irrevocable proxy to request this information from the responsible authorities, also on the Supplier's behalf. In addition, the Supplier shall themselves ensure that, within 10 days of the conclusion of the agreement at the latest, the verifying authorities have been authorised to provide the relevant data to Aviko Potato.

Supplementary demands

Organically grown potatoes shall be grown in keeping with all prevailing regulations (including those of Skal) and must be totally free from any residue of crop protection agents or sprout inhibitors.

Transport

Only HACCP-certified hauliers are permitted to transport the potatoes to be delivered to Aviko Potato. The Supplier undertakes to guarantee this and shall be fully liable for any damage in the event of any contravention of this obligation and is also under an obligation to supply substitute potatoes at the request of Aviko Potato.

2.3 Registration of cultivation

The Supplier shall specify the plots provisionally designated for Aviko Potato by means of the Aviko Potato extranet (registration of cultivation) or their own management system no later than 15 June of the calendar year in which the potatoes to be delivered are grown, and in the event of management packages, forward this data to Aviko Potato. The Supplier shall specify a number of fields such that the plotted surfaces will cover the supply obligation as a minimum. Aviko Potato is entitled to impose additional requirements on the choice of plot prior to the cultivation of specific varieties. If the grower acts contrary to this article 2.3, the grower's right to invoke force majeure is forfeited. The definition of a plot is: an uninterrupted array of potatoes including one single potato variety.

The cultivation registration must always be handed over by the grower to Aviko Potato, fully completed, 2 days before delivery. If deliveries are made from storage, the cultivation registration form for the cultivation part must be submitted to Aviko Potato no later than 15 November of the calendar year in which the potatoes to be delivered were grown.

Growers who supply from a storage depot shall consistently and immediately keep track of the use of sprout inhibitors, using the application made available for that purpose by Aviko Potato. It is not allowed to provide such data in any way other than by forwarding the details to Aviko Potato through the Aviko Potato extranet or by means of the Grower's own management system. Aviko Potato has the right to refrain from shipping the potatoes and/or to suspend payment for potatoes as long as they have not received all cultivation registrations and/or sprout-inhibitor registrations, and/or if registrations appear to be incomplete.

2.4 Use of data

Aviko Potato adheres to the behavioural code for the use of arable data, issued by the branch organisation Akkerbouw. The rights and obligations for the Supplier and for Aviko Potato ensuing from this behavioural code are the basis for the following stipulations in the purchasing conditions. By entering into a contract/agreement with Aviko Potato, the Supplier provides irrevocable agreement/proxy to Aviko Potato and its associated group businesses, as well as to third parties engaged by the latter for the use of various types of (raw) data (for example: registration of cultivation, measurements performed, food safety data, personal data etc.) pertaining to all cultivation and storage for the full harvesting year, which data are provided by the Supplier to Aviko Potato in the context of this agreement or at the latter's request.

The information provided shall be used for a) the improvement of cultivation in

the broadest sense, b) the reporting on food safety and sustainability at group level, c) the transfer of data to customers upon request, d) the transfer of data to suppliers, if necessary, for food safety and quality optimisation, e) Aviko Potato business optimisation/assurance and f) the building up of expertise. Aviko Potato undertakes never to sell such data on to third parties. Public divulgence, if any, shall take place at group level or by means of a grower number which cannot be identified by third parties. Any data or expertise obtained as a result of processing become the property of Aviko Potato and its associated group businesses.

2.5 Relevant details for delivery

On first contact with Logistics regarding the planning of a plot or storage depot, the Supplier shall specify:

1. The safety term or waiting term of a plot or storage depot on the basis of agents applied.
2. Any other consequences which may result from the application of agents, such as labelling instructions.
3. Consequences, if any, resulting from such measures as have been imposed upon the grower or field by governmental bodies.
4. The presence of a golf course within 500 meters of the (original) field.
5. The variety to be delivered.

2.6 Crop protection/Sprout inhibitors/Fertilisers etc.

The potatoes that the Supplier delivers to Aviko Potato must also meet such supra-statutory requirements for crop protection agents and other products/substances as Aviko Potato may impose in specific situations after the agreement has been concluded. If additional costs arise from such requirements, the grower is entitled to compensation for such costs to an amount to be established jointly by Aviko Potato and ATC. The Supplier shall deliver potatoes for which the safety period and waiting time in respect of agents applied have expired at the time of delivery.

2.7 Foreign bodies and crop residues resulting from crop rotation

The Supplier shall guarantee that the potatoes supplied by them to Aviko Potato do not contain any foreign bodies, such as ammunition, golf balls, animal material, large stones, pieces of glass, balls of haulm, plant residues from previous crops (such as roots, chicory roots, maize stubble, (flower) bulbs), iron, wood, sprout sticks, toxic plant parts, weed grains, manure residues, peat clods, plastic and fence posts and/or any other undesirable and/or hazardous and/or explosive substances. The Supplier shall indemnify Aviko Potato against any such occurrence, and also against any consequential damages which may arise.

The Supplier guarantees that any foreign matter will at all times be removed from the batch prior to its transport. Aviko has the right of rejection if any contamination is found. If, following the approval of a load of potatoes, any contamination is found during unloading which may be harmful to the installation of the receiver, Aviko Potato retains the right to reject the batch or to have it cleaned at another location, whereby the cost of transport and cleaning shall be charged to the Supplier.

The Supplier guarantees to check a 10m strip alongside any roads and/or pathways adjoining the plot from which the potatoes to be supplied to Aviko Potato will be harvested for foreign matter, and that any such matter will be removed by them from the plot. The Supplier must inform Aviko Potato before cultivation begins of the presence of any golf course or driving range within 500m of any boundary of the potato field.

In order to avoid any traces of the previous crop, the Supplier shall clean the plot (extracting and disposal) if adequate removal is not reasonably possible, or not to be expected during delivery. The Supplier shall in any event clean the plot (extracting and disposal) at all times to prevent Jimson Weed.

Aviko Potato retains the right at all times to reject the entire batch or to arrange to have it cleaned at another location if, following approval, any contamination which may be harmful to the installation of the receiver is found during the unloading of a load of potatoes, whereby the cost of transport and cleaning as well as any other damages incurred shall be charged to the Supplier.

It is not permitted to grow the following crops prior to growing potatoes for Aviko Potato:

1. Toxic plant species, in particular Colchicum

2.8 Reporting of calamities

Upon observation, the Supplier undertakes to inform Aviko Potato immediately of any (alleged) food safety issues including, for example, fire, oil leakage, injudicious application of agents (crop protection, pesticides and chemical products), flooding, mixing etc. In the event of food safety issues occurring during either cultivation or storage stage, a notification term of one working day as a maximum prevails. If the Supplier only becomes aware of the actual or alleged food safety issues after delivery, they must inform Aviko Potato both verbally and by e-mail without delay, i.e. within 15 minutes.

2.9 Other business

The potatoes to be delivered to Aviko Potato must be completely free of all

quarantinable diseases such as ring rot or brown rot and from any suspicion of such disease on the part of NVWA (Netherlands Food and Consumer Product Safety Authority) or similar foreign authority; if this is not the case, Aviko Potato may reject the potatoes.

It is explicitly specified that the supply of genetically engineered potatoes to Aviko Potato is not permitted.

The Supplier shall refrain from delivering: potatoes from storage depots that have suffered fire damage; dressed seedlings; and any potatoes that are not fit for consumption (for example, varieties with too high a TGA content, whereby the prevailing standard will be determined by Aviko Potato).

The Supplier shall guarantee that all varieties supplied are genuine. This implies that varieties shall be supplied under the correct variety name and that the variety specified by Aviko Potato is the one which is actually delivered. The Supplier shall not deliver a mixture of several varieties. Random testing will be performed by Aviko Potato to ensure that this is the case.

The Supplier shall be responsible for the safety of Aviko Potato employees as soon as they enter the plots, yard and/or used facilities of the Supplier. Relevant examples are: restrained dogs, reliable and safe passes and stairways, sufficient lighting and ventilation, a tidy yard and facilities with a view to trip hazards etc. The Supplier shall adequately inform Aviko Potato employees about the use of any product, such as crop protection agents or sprout inhibitors, prior to their accessing a field, yard or facility. The Supplier shall warn the Aviko Potato personnel if fields, a yard or any other facilities should not be accessed from a health-risk perspective or in keeping with the prevailing instructions for the resources used. Aviko Potato employees shall have a duty to report to the Supplier prior to accessing any field, yard and/or facilities in use.

In cases where Aviko Potato facilitates the taking back of adherent soil by the Supplier, this will take place completely at the risk and on the responsibility of the Supplier. Aviko Potato cannot guarantee that the Supplier will (exclusively) receive their own, originally supplied adherent soil. Aviko Potato shall not be liable for any damage suffered by the Supplier, or any financial penalties imposed upon them and relating to the soil taken back by the latter.

2.10 Final stipulations

If the potatoes to be supplied do not comply with one or more of the provisions, including (food safety) provisions, of this chapter and/or the Supplier has not met such provisions, Aviko Potato shall have the right to reject the potatoes.

Arrangements for the disposal of the batch will then be made with the Supplier. Any non-compliance with the provisions of Chapter 2 constitutes a deficiency to be attributed to the Supplier, on the grounds of which they are liable to Aviko Potato for such damages as may ensue for Aviko Potato and/or their customers. For example, the Supplier shall fully indemnify Aviko Potato for any damages that can be traced to deficiencies in food safety, non-genuine variety, foreign matter in the product and recalls (the recalling of products from the market). The Supplier must take out adequate insurance to cover these risks. Any provisions as regards restricted liability (for example, as included in the VAVI conditions) shall not apply to the deficiencies and damages referred to in the present clause.

2.11 Guidance in terms of cultivation/storage

Aviko Potato shall not be held responsible for any incorrect advice and/or instructions.

3) Cultivation and delivery

3.1 Supplementary conditions

In the event that neither the agreement nor the Aviko Potato Conditions (Cultivation) provide for a given situation since its occurrence is not covered, the regulations of the Potato Growers Commission of Aviko Potato B.V. shall first apply and, additionally, if a pool contract is involved, the Aviko Potato B.V. Pool Regulations shall also apply. To the extent that neither of the aforementioned conditions and regulations provide for a situation, the VAVI potato purchase conditions for the industry/trade chain shall apply, after which, in the event that the VAVI conditions fail to provide for a situation, the stipulations of the Civil Code shall apply.

If there should be a contradiction between the provisions in the Aviko Potato Conditions (Cultivation) and the aforementioned regulations on the one hand and the VAVI conditions on the other hand, the terms of the Aviko Potato Conditions (Cultivation) and the aforementioned regulations shall prevail. Clauses 6.3 - 6.11, 7.8 (last sentence), 7.9, 9.2, 9.3, 10.1 and 12.1 up to and including 13 of the VAVI conditions shall not be applicable.

The Supplier shall do everything that is reasonably within their power to ensure that the cultivation, storage and delivery of the contracted potatoes are carried out as effectively and successfully as possible.

3.2 Quantities and varieties

Upon the conclusion of an agreement, the total net contracted quantity originating from the field crop and the number of hectares shall be specified on the potato purchasing agreement, whereby the line taken is that a net maximum of 40 tons of potatoes (Fontane 45 tons net) 35/+ may be contracted for net contract varieties. The Supplier shall be under an obligation to plant for Aviko Potato at least the number of hectares equal to the number specified in the potato purchasing contract or, failing this, the number of hectares that equals the number of net tons 35/+ as specified in the agreement, divided by 40 (Fontane 45). If the Supplier fails to meet this obligation and harvests too little to completely fulfil the terms of the agreement, they shall be under the obligation to purchase the shortfall of potatoes and to supply this to Aviko Potato unless Aviko Potato explicitly renounces this obligation in writing. Aviko Potato reserves the right to measure the planted fields immediately after planting has taken place.

If, due to any cause whatsoever the harvest remains below the net contracted volume per hectare, the Supplier, if they still have available so-called 'free' potatoes of the same variety grown within their own business, shall be obliged to replenish the shortfall up to the net contracted volume per hectare. Furthermore, in such a situation the Supplier shall have the right to supply potatoes grown by their business but of a different variety fit for processing in terms of the objectives for which the potatoes have been purchased (supply of an alternative variety may only take place in consultation with Aviko Potato) albeit that any price difference in relation to the fixed price must be settled. If the potatoes offered for delivery by the Supplier are rejected, the Supplier shall have the right to supply substitute potatoes, also provided that they have been grown by the same business when potatoes of a different variety are involved and provided that these potatoes are fit for processing at Aviko for the purpose for which the original variety were purchased (supply of an alternative variety may only take place in consultation with Aviko Potato) whereby the price difference in relation to the fixed price must be settled. If the Supplier supplies one variety on the basis of different types of contract with several times of delivery, the first fully contracted net quantity of that variety shall be paid in the order of the times of delivery, starting with the contract that was first concluded. The contract price applying in the week of actual delivery shall apply. For food safety reasons, the Supplier must specify the field from which the delivered potatoes originate and which contract the delivery fulfils prior to delivery.

If, as a result of cultivation conditions beyond their control and/or liability and despite having met their obligation to plant the correct number of hectares required to achieve the contracted quantity divided by 40 tons (Fontane 45

tons), a Supplier is unable to fulfil their obligations for net delivery, the various net quantity contracts shall be finalised according to the order of the date of conclusion, starting with the contract concluded first. If a fixed price contract, a guarantee contract for French fries and/or a pool contract with a net quantity were concluded on the same date, the net quantity of the fixed price contract (first of the indexed fixed price contract, then of the fixed price contract) is deducted first, followed by the net quantity for the French fries guarantee contract, and finally the pool contract. If a market price contract which was later converted into a fixed price contract was concluded, the date of conversion to the fixed price shall apply as the contract date.

The contract quantity remaining after deduction of the various net quantities shall be deducted last. Provided that the supply of potatoes is sufficient, the order as specified above shall also be the standard manner of handling the contracts.

3.3 Time of delivery

Upon conclusion of the contract, the Supplier shall specify the period of delivery in weeks. Deliveries made 'on call' by Aviko Potato during the period of delivery weeks may only be by means of lorry-loads. If due to unforeseen circumstances affecting Aviko Potato or their customers, e.g. standstill or delay of production, Aviko Potato may defer the delivery obligation to a later date. Aviko Potato retains the right to attribute another purpose to the batch than that for which the batch was originally intended. In such a case, the batch will be handled according to contract.

If the Supplier, at their request and following approval by Aviko Potato, delivers their contractual quantity earlier than agreed, the contract price of the period of weeks shall be valid for the actual delivery.

If the Supplier, at their request and following approval by Aviko Potato, delivers their contractual quantity later than agreed, the contract price for the period of weeks that was agreed upon conclusion of the contract shall be maintained. The part of the delivery with a fixed price may be shipped at any time, irrespective of any agreement which may, or may not, have been reached about the daily price.

If the Supplier, at the request of Aviko Potato, delivers their contractual quantity earlier than agreed, the contract price for the period of weeks agreed upon conclusion of the contract shall be maintained. If the Supplier, at the request of Aviko Potato, delivers the quantity contracted later than agreed, the contract price for the period of weeks shall be valid for the actual delivery. Sunday is taken to be the last day of the week.

3.4 Shipping

The Supplier shall be under an obligation to deliver the potatoes through the receiving hopper. Aviko Potato shall determine whether the batch to be delivered must be separated according to size or as from 28/+. The Supplier shall not grade the potatoes for size (with the exception of undersize < 28 mm) without permission in writing from Aviko Potato; the Supplier shall deliver the potatoes according to the size ratio of field production. The loading of several varieties onto one lorry for delivery to the factories is not permitted.

Deliveries shall take place at the specified time. If, due to any reason attributable to the Supplier, a truck leaves more than 2 hours after the planned time of arrival, the additional waiting/loading hours may be charged to the Supplier. If a Supplier has to wait for a truck for more than 2 hours after the planned time of arrival, the waiting hours may be charged to the transport company.

The maximum time which may elapse between departure from the Supplier's premises and inspection at the factory is 12 hours. If, due to a cause that can be attributed to Aviko Potato, inspection at the factory takes place more than 12 hours after departure from the Supplier's premises, the batch may not be rejected for blue colouration. The mixing of batches/plots without the permission of Aviko Potato is not permitted.

3.5 Force majeure

1. Force majeure is deemed to be any special circumstance that makes fulfilment of the obligation impossible or so burdensome that fulfilment cannot reasonably be required. Force majeure is deemed to include: war, mobilisation, company fire, extreme weather conditions that impede the logistics, stagnation of processing in a factory, etc., as well as complete or partial crop failure as a result of abnormal drought or continuous and/or intensive rain, frost, the occurrence of disease in the crop not attributable to the other party and/or plagues of vermin.
2. If fulfilment of the agreement at the agreed time seems likely to become impossible due to force majeure, the obligation to deliver at the time agreed shall be suspended without any right to compensation. The party appealing to force majeure shall immediately, that is within 24 hours of the circumstance which occasioned the force majeure, inform the other party to that effect by registered mail. In this situation, Aviko Potato and the counterparty shall decide by mutual consent a time at which the agreement shall be effectively fulfilled.
3. After 1 November of the calendar year in which the potatoes to be delivered were grown, or - if earlier - two weeks before the harvest, the right of the other party to invoke force majeure on account of a complete or partial crop failure shall lapse.

4) Establishing the weight

The weight of the potatoes to be supplied to Aviko Potato shall be established at the processing locations in question.

5) Sampling and quality assessment

5.1 Sampling

The Supplier shall at all times cooperate with any pre-sampling of the batches of potatoes to be supplied. This includes three different types of sample: field, storage and box samples. The Supplier shall ensure that the required method is applied, so that the results are representative of the batch(es) of potatoes.

The quality of the potatoes to be delivered to Aviko Potato is assessed according to the following procedure.

Loads of potatoes delivered in time will be sampled within 4 hours. Loads of potatoes delivered too early in respect of the originally agreed time of delivery will be sampled no sooner than required for processing or within 4 hours of the originally agreed time of delivery. Aviko Potato shall make all efforts to sample loads that have been delivered late within 4 hours of arrival.

Especially appointed inspectors in the service of Aviko Potato, their customer, or the grading business of Bongers Aardappelen in Boxmeer, shall sample each load of potatoes and assess the quality.

Sampling involves the taking of a sample with a weight of 20kg as a minimum, which consists of three part samples as a minimum, taken either during the inspection process or during unloading.

The potatoes are peeled using a peeling machine (or a scraping device) in such a way that approximately 70% of the skin of the potatoes is removed. Potatoes that are supplied to factories producing flakes/granulate are only washed.

Aviko Potato retains the right to unilaterally amend the requirements, provided that such an amendment will result in more pliable standards.

Floaters

The percentage of floaters (based on weight) is established by putting the potatoes in a water bath with a specific gravity of 1,060 grams per litre (for French fries and flakes/ granulate).

Underwater weight

The following formula is used to establish the underwater weight:

$$UWW = \frac{5,050 \text{ grams} \times \text{weight in grams under water}}{\text{weight in grams in the air}}$$

The underwater weight is established on the basis of samples of at least 5 kilograms of partially peeled, washed potatoes (washed only for flakes/ granulate). The water in the bath must be clean. The underwater weight is corrected on the basis of the water temperature in keeping with the next table:

Water temperature	UWW correction
5	0,6
6	0,3
7	0
8	-0,4
9	-0,8
10	-1,2
11	-1,7
12	-2,3
13	-2,9
14	-3,5
15	-4,2
16	-4,9
17	-5,7
18	-6,5
19	-7,3
20	-8,2
21	-9,2
22	-10,2

The limit for rejection on the basis of underwater weight is a minimum of 360 grams. If the processor feels that it will be possible to process a batch despite a low underwater weight, a discount will be applied.

5.2 Quality assessment of French fries and other pre-cooked potato products

Samples are checked for the following:

1. Any element foreign to potatoes
2. Number of tubers 40/+
3. Temperature (at least 5 tubers)
4. Undersize < 28 mm
5. Size variations in graded product
6. Underwater weight 40/+

100 tubers are further inspected for the following:

7. External sprouting
8. Clay coats
9. Skin abnormalities
10. Wrinkling
11. Deformed tubers
12. Growth splits
13. Green colouration
14. Rot
15. Phytophthora
16. Frost damage
17. Blemishes
18. Blue colouration
19. Smell
20. Top end glassiness

100 tubers are then cut before being checked for the following:

21. Internal sprouting
22. Hollowness
23. Blackheart
24. Gangrene
25. Flesh deficiencies (internal brown, ashen etc.)
26. Abnormal flesh colour
27. Blending of varieties or too many differences in variety/colour

A minimum of 20 small bars are then fried and checked for:

28. Fry colour
29. Dark ends

The quality of the potatoes supplied is established on the basis of this sampling, taking the following methodologies and standards into account.

Tuber count

Tuber count is understood to be the number of 40/+ tubers per kilo in the sample. The tuber count is established by counting the number of tubers in the sample and then dividing it by the weight of the sample. The average tuber count per load is established on the basis of the sample taken, using a tuber counter (during the quality assessment). The acceptance or rejection of the load will be decided in terms of whether it exceeds the maximum of 9.5 tubers per kilo upon reception.

Total of points

The points total is calculated as follows:

1. The factor value as listed in the 'factor' columns of the overview of quality standards is attributed to tubers with at least one deficiency.
2. The largest factor is attributed to tubers with multiple deficiencies.
3. These values are added for the total of 100 tubers; the result is the points total.

Fry colour index

A minimum of twenty healthy tubers are taken from the sample, after which one 10 x 10 mm length-wise bar is extracted from each tuber using a cutter. The sample must include one bar from each tuber, taken from the heart of the potato.

The bars are rinsed in water, after which any excess water is removed.

The fryer is fitted with a thermostat to ensure that a temperature of 180 °C can be maintained, with a plus/minus fluctuation of 5 °C in respect of the set temperature value (175 °C - 185 °C).

100% vegetable fat is used for frying. The fat must be replaced immediately if it becomes discoloured (brown) or at least once a week.

The frying temperature of 180 °C must be continuously checked using a thermometer. Frying time is 3 minutes precisely; this can be checked using a timer.

At the end of the frying time, the sample is shaken to remove excess fat and a comparison is made with the U.S.D.A. colour chart, edited by Munsell Color Company, 3rd edition 1972, within 2 minutes of drying.

The bars are compared with the colours on the chart and divided into the classes 000, 00, 0, 1, 2, 3 and 4 on the basis of the colour chart.

Colour scale	000	00	0	1	2	3	4	
Number of bars in sample			2	9	9			
Multiplication factor	0	1	2	3	4	5	6	
Fry colour rating	$2 \times 2 + 9 \times 3 + 9 \times 4$							=3,35
	Total number of bars							

If the ends of the bars are clearly strongly discoloured for approximately 2 cm on a colour scale of 3 or 4 this is indicative of dark ends.

In the event of presence of these dark ends, the bar in question is classified one colour scale class higher than indicated by the light part of the bar.

If the fry quality must be assessed as a consequence of arbitration, a new colour chart will be used.

5.3 Quality standards for French fries and other pre-cooked potato products

	Quality data	Threshold for rejection*
1	Temperature	< 6 °C
2	Underwater weight, floaters excluded	< 360 and > 480
3	40/+ tubers per kg	> 9.5 per kg
4	Size differences in graded product	> 3%

	Quality data	Factor in calculation of points	Threshold for rejection*
1	Slight external sprouting < 10 mm	1	> 3%
2	Extensive external sprouting > 10 mm	4	> 1%
3	Wrinkles (flabbiness)	1	> 3%
4	Deformed tubers	1	> 7%
5	Growth splits	1	> 7%
6	Slight green colouration	0	> 10%
7	Heavy green colouration	1	> 5%
8	Rot	4	> 2%
9	Top end glassiness	1	> 10%

10	Phytophthora	4	> 1%
11	Frost damage	4	> 0%

	Internal deficiencies	Factor in calculation of points	Threshold for rejection*
1	Slight internal sprouting < 10 mm	1	> 3%
2	Extensive internal sprouting > 10 mm	4	> 0%
3	Hollowness	2	> 6%
4	Blackheart	4	> 4%
5	Slight gangrene < 5 mm	1	> 8%
6	Significant gangrene > 5 mm	2	> 4%
7	Slight internal brown colouration < 10% of the tuber	1	> 6%
8	Significant internal brown colouration > 10% of the tuber	4	> 2%
9	Slight internal grey colouration	1	> 8%
10	Significant internal grey colouration	4	> 6%
11	Slight Rhizoctonia < 5 mm	1	> 8%
12	Significant Rhizoctonia > 5 mm	2	> 4%

	Blue colouration and blemishing	Factor and calculation of points	Threshold for rejection*
1	Slight blue colouration 2 mm - 10 mm	1	
2	Moderate blue colouration 10 mm - 30 mm	2	
3	Heavy blue colouration > 30 mm	4	> 5%

4	Slight blemishing 2 mm - 10 mm	1	
5	Moderate blemishing 10 mm - 30 mm	2	> 10%
6	Heavy blemishing > 30 mm	4	> 5%
	Total blue colouration and blemishing		Max. 30%

Other deficiencies		Threshold for rejection	
1	Soil ** Balls of haulm **	> 3% > 0,5%	
2	Any foreign bodies, such as ammunition, golf balls, animal material, large stones, pieces of glass, balls of haulm, plant residues (such as roots, chicory roots, maize stubble, (flower) bulbs), iron, wood, sprout sticks, toxic plant parts, weed grains, manure residues, peat clods, plastic and fence posts and/or any other undesirable and/or hazardous and/or explosive substances	> 0%	
3	Stones **	> 0,5%	
4	Clay coats *	> 1%	
5	Slight skin defects (scab, powdery scab and the like) up to a 2 mm depth/coverage up to 30% of the surface	N/A	
6	Significant skin defects (scab, powdery scab and the like) up to a 2 mm depth/ coverage > 10% of the surface	> 5%	
7	Smell	Deviation	
8	Blending of varieties	Deviation	
9	Abnormal flesh colour	Deviation	
10	Floaters **	> 2%	
11	Undersize (0-28) **	> 1%	
12	Size differences in graded product 35/40, 40/50 or 50/+ **	3% (provided that grading to size was agreed)	

Fry colour based on 40 sample bars		Threshold for rejection
1	Fry colour Weeks 32 up to and including 52	> 4 x in class 3 > 0 x in class 4 > 3x consecutive classes Fry colour rating > 3,50
	Weeks 1 up to and including 13	> 6 x in class 3 > 0 x in class 4 > 3x consecutive classes Fry colour rating > 3,50
	Weeks 14 up to and including 31	> 8 x in class 3 > 0 x in class 4 > 3x consecutive classes Fry colour rating > 3,50
2	Dark ends	> 0
Total of points		Threshold for rejection
Total of points		> 50

* Percentage of rejection threshold established on the basis of the number of tubers

** Percentage of rejection threshold established on the basis of kilograms

5.4 Assessment of quality when dried (Rixona)

Sampling takes place by extracting a sample consisting of at least three part samples, taken from different areas.

The potatoes are washed and then assessed for:

1. Any elements foreign to potatoes
2. Temperature
3. Undersize < 28 mm
4. Underwater weight 28/+

100 tubers are then inspected for the following:

5. Clay coats
6. Frost damage
7. Rot
8. Phytophthora
9. Powdery scab/scab
10. External sprouting
11. Wrinkles (flabbiness)
12. Deformed tubers/growth splits
13. Green colouration

14. Blue colouration
15. Blemishes
16. Smell
17. Floaters and glassiness

The tubers are then cut, after which they are checked for the following:

18. Internal sprouting
19. Hollowness
20. Blackheart
21. Gangrene
22. Internal brown colouration
23. Blending of varieties
24. Abnormal flesh colour

A sample is then ground and filtered before being checked for:

25. Reducing sugars

At least 10 potatoes are cut into small segments and ground up. The ground segments are filtered and the sugar content in the juice released is measured using a blood glucose meter. Sugar content is specified as a percentage of reducing sugars (% RS).

5.5 Quality standards when dried (Rixona)

	Quality data	Threshold for rejection HDS/mashed potatoes for consumption
1	Temperature	< 6 °C
2	Underwater weight floaters included	< 360

	External deficiencies	Threshold for rejection HDS/mashed potatoes for consumption*
1	Slight external sprouting <10 mm	> 3%
2	Extensive external sprouting > 10 mm	> 0%
3	Wrinkles (flabbiness)	> 3%
4	Deformed tubers	> 7,5%
5	Growth splits	> 7,5%
6	Slight green colouration	N/A
7	Heavy green colouration	> 5%
8	Rot	> 2%

9	Top end glassiness	N/A
10	Phytophthora	> 3%
11	Frost damage	> 0%

Internal deficiencies		Threshold for rejection HDS/mashed potatoes for consumption*
1	Slight internal sprouting < 10 mm	> 8%
2	Extensive internal sprouting > 10 mm	> 3%
3	Hollowness	N/A
4	Blackheart	> 4%
5	Slight gangrene	n.v.t.
6	Significant gangrene	> 15%
7	Slight internal brown colouration	N/A
8	Significant internal brown colouration	> 8%

Blue colouration and blemishing		Threshold for rejection HDS/mashed potatoes for consumption*
1	Slight blue colouration 2 mm - 10 mm	N/A
2	Moderate blue colouration 10 mm - 30 mm	N/A
3	Heavy blue colouration > 30 mm	> 5%
4	Slight blemishing 2 mm - 10 mm	N/A
5	Moderate blemishing 10 mm - 30 mm	> 25%
6	Heavy blemishing > 30 mm	> 5%

Other deficiencies		Threshold for rejection HDS/mashed potatoes for consumption	
1	Soil ** Balls of haulm **	> 3%	
2	Any foreign bodies, such as ammunition, golf balls, animal material, large stones, pieces of glass, balls of haulm, plant residues (such as roots, chicory roots, maize stubble, (flower) bulbs), iron, wood, sprout sticks, toxic plant parts, weed grains, manure residues, peat clods, plastic and fence posts and/or any other undesirable and/or hazardous and/or explosive substances	> 0%	
3	Stones **	> 0,5%	
4	Clay coats *	> 1%	
5	Slight skin defects (scab, powdery scab and the like) up to a 2mm depth/coverage of the surface up to 30%	N/A	
6	Significant skin defects (scab, powdery scab and the like) up to a 2mm depth/coverage of the surface > 10%	> 5%	
7	Smell	Deviation	
8	Blending of varieties	Deviation	
9	Abnormal flesh colour (e.g. purple/red potatoes) **	> 0%	
10	Floater **	> 5%	
11	Undersize < 28 mm **	> 3%	
		HDS threshold for rejection	Threshold for rejection Mashed potatoes for consumption
12	Reducing sugars measured in juice	> 0.26%RS	> 0.61%RS

Deficiency percentage	Threshold for rejection HDS/mashed potatoes for consumption
Deficiency percentage	> 20%

* *Percentage of rejection threshold established on the basis of the number of tubers*

** *Percentage of rejection threshold established on the basis of kilograms*

5.6 Discounts and rejections

Rejection

Having taken samples, Aviko Potato shall inform the Supplier within two hours (during business hours) and within 16 hours as a maximum (outside business hours) if the potatoes supplied fall within the rejection class. Aviko Potato will also inform the Supplier, within a reasonable time of detection by Aviko Potato, of any hidden defects or elements foreign to the product, as well as any complaints about food safety.

In the event of rejection, Aviko Potato shall consult with the Supplier about the right to attribute a different destination for the potatoes at a discount to be established by Aviko Potato. The discount shall be equal to the decrease in value resulting from the new destination in respect of French fries potatoes on the day market on the day of rejection plus, if applicable, any additional costs of the sale, processing and transport, as well as tare differences, if any. If an excess value is involved, the contract price shall be the maximum price. If, despite not meeting the quality requirements, it proves possible to prepare a batch for processing, such a batch may be washed and/or salted if appropriate. The costs of washing/salting shall be for the account of the Supplier. If the batch must be gleaned, the costs of this are also for the account of the Supplier. Any additional logistics costs are also for the account of the Supplier.

If a batch of potatoes proves to be totally unfit, i.e. if it is ultimately rejected, arrangements for the disposal of the batch will be made in mutual consultation with the Supplier. The cost of disposal, if any, shall be for the account of the Supplier. If the Supplier is unable to replace the rejected quantum with potatoes of the same variety grown by their own business, or potatoes of another variety grown by their own business and fit for processing at Aviko, the volume will first be deducted from the balance contract and, subsequently, from the various net quantity contracts in the order of the date of conclusion, starting with the contract last concluded. If a fixed price contract is involved, and a French fries guarantee contract and a pool contract with a net quantity bear the same date, the net quantity will be first deducted from the pool contract, then from the net

quantity of the French fries guarantee contract, and finally from the net quantity of the fixed price contract. If a market price contract was concluded which was later converted to a fixed price contract the date of conversion to the fixed price shall prevail as the contract date.

If a dispute arises between Aviko Potato and the Supplier about the outcome of a quality assessment carried out by the inspector the Supplier may refer to the Potato Growers Commission (hereinafter referred to as PGC) with a request to intervene in the dispute. The Supplier must submit such a request to the PGC in writing within 24 hours of being informed of the result of the quality assessment. If this time limit is not met, the right of complaint will lapse and the original judgement of the inspector will be binding for both parties. If, for any reason whatsoever, the PGC fails to reconcile the parties the Supplier may, at their own risk, request that the Stichting Geschillen in de Landbouw c.a. in Wageningen appoint an expert in keeping with the VAVI potato purchase conditions for the industry/trade chain. This expert will then establish whether or not the batch meets the requirements agreed.

The opinion of this expert shall be binding for both parties. Such a request must, at the risk of lapse of rights, be submitted in writing no later than 24 hours from the time at which it becomes clear that the PGC has not managed to reconcile the parties to the Stichting Geschillen in de Landbouw c.a. Failure to submit such a request in a timely manner will result in the original outcome of the quality assessment becoming irrevocable and unassailable and binding for both parties (Stichting Geschillen in de Landbouw c.a., Postbus 245, 6700 AE Wageningen, tel. 0317-424181, fax 0317-424313, e-mail: info@iar.nl).

If a dispute arises between Aviko Potato and the Supplier with regard to any hidden defects, elements foreign to the product, complaints in terms of food safety and/or the extent of any damages or any other dispute requiring the appointment of an expert adjudicator, the appropriate party may, within a reasonable term, request that the Stichting Geschillen in de Landbouw c.a. designate an expert. The outcome of this expertise shall be binding on Aviko Potato and the Supplier.

Control of sampling and quality method

Sampling and quality assessment procedures are checked by the PGC at least once every three months by means of unannounced random sampling.

As regards sampling, sample sizes and the way in which samples are taken are checked against the procedure described under 6.1 (sampling). As regards quality assessment, the quality assessment, quality methodologies and quality

standards as applied by Aviko Potato are checked to ensure that they correspond with those described under 6.2 up to and including 6.7 (Quality assessment, Quality method and Quality standards).

Control of taring

At least once every three months the PGC will perform an unannounced random test to check that Aviko Potato is applying the correct method of taring. As regards sampling, checks are conducted to determine whether the sampling itself and the sample sizes correspond with those described under 7.1 (sampling). As far as the methodology applied is concerned, this is checked against that described under 7.2 (methodology). In addition, the PGC checks that the manner of taring does justice to the resultant losses for the processing of the product seen in the light of the objective for which the potatoes were purchased. In the event of exceptional growing conditions in which, according to the joint judgement of Aviko Potato and the GPC, a major part of the Dutch raw material does not meet the acceptance standards of the factory, Aviko Potato shall make all efforts to ensure that the factory carries out such incidental or temporary modifications as are required to enable the processing of the raw material as yet.

6) Taring

6.1 Sampling

To assess the taring of the potatoes to be supplied to Aviko Potato a sample of approximately 25 kg is taken during the quality assessment and prior to processing in the factory. Sampling is either performed manually or using automated sampling equipment. For either method, at least three part- samples per lorry load are taken to amass a complete sample. This sample is used to determine the following:

1. Soil and other elements foreign to potatoes
2. Feed tare
3. Floaters
4. Coarseness and undersize < 28 mm (if applicable)

The taring of washed products takes place within 7 working days from delivery to either Aviko Potato or the business taking delivery.

6.2 Methodology

Soil and other foreign elements

Soil, stones and other elements foreign to potatoes, undersize 0-28 mm, are not considered to form part of the net potato volume; neither are haulms, sprouts

(stalks) and root remnants (chicory roots, maize stubble and the like). Any soil, clods, stones, undersize < 28 mm or other elements foreign to potatoes included in the delivery will be charged to the Supplier.

Feed tare

Feed tare is not considered to form part of the net potato volume. Feed tare includes those potatoes that are deformed, have significant green colouration or serious Chitwoodi, are flabby/wrinkly, fully or partially rotten or infected with Phytophthora, or exhibit growth splits, partial fractures/cuts and/or irregular shape.

Floaters

Floaters are not considered to form part of the net potato volume. The percentage of floaters (based on weight) is established by putting the potatoes into a water bath with a specific gravity of 1,060 grams per litre (French fries and flakes/granulate) or of 1,040 grams per litre (for chilled products).

Coarseness and undersize < 28mm

Non-permitted undersize and oversize are not considered to form part of the net potato volume, whereby the tolerances (rejection thresholds) listed in the overview of quality standards are applied.

7) Transfer of risk

The risk to any potatoes to be purchased by Aviko Potato shall be transferred from the Supplier to Aviko Potato only after either Aviko Potato or their customer has approved the quality on arrival at the delivery address, with the exception of any demonstrable and traceable defects later established in the batch of potatoes in question but not detectable at the time of sampling.

Any liability on the part of Aviko Potato for damage suffered by the Supplier for any reason whatsoever is excluded.

8) Price

8.1 Invoicing

Aviko Potato shall at all times take care of invoicing, i.e. in relation to the goods and services purchased and sold by the former. The counterparty shall specify their VAT number in the purchasing agreement and return this document by return e-mail to Aviko Potato. The counterparty shall inform Aviko Potato of their VAT number by e-mail upon first request.

The counterparty shall declare that they accept the purchasing invoices as compiled by Aviko Potato for goods and services supplied to the former, as well as the sales invoices of Aviko Potato for goods and services supplied by the latter (except when the counterparty has requested a correction as described hereunder in a timely manner).

It is the responsibility of the counterparty to ensure that the purchasing invoice meets all requirements as imposed by law.

The counterparty shall not submit any invoices to Aviko Potato.

In the event of discrepancies in an invoice issued by Aviko Potato, the counterparty is entitled to have any such invoices corrected by Aviko Potato; discrepancies must be reported within 10 days of the 'booking date' specified on the invoice. The relevant request shall be submitted in writing - by e-mail - to the Financial Administration department of Aviko Potato. This request shall include the information specified below as a minimum:

- a. The number of the invoice.
- b. A specification of the discrepancy, including the underlying reasons.

The date on which the invoice was issued shall be considered to be the 'booking date'.

The counterparty shall inform Aviko Potato within 24 hours in writing - by e-mail - of any of the following situations:

- a. Any change to their VAT registration number.
- b. Any sale of the business or part of the business that supplies the relevant goods and services to Aviko Potato.
- c. The discontinuation of their VAT registration as an enterprise.

8.2 Payment term

Aviko Potato shall pay for approved and accepted potatoes within 30 days of the end of an agreed period of delivery during which deliveries have been made. If Aviko Potato is in default, they shall owe interest of 0.75 % per month. Aviko Potato shall never be liable for any extrajudicial costs.

8.3 Contract types

Fixed price contract

The agreed price specified in the Aviko Potato purchasing contract is the basic price and does not necessarily correspond exactly with the price to be paid. The price to be paid is the basic price, valid for the contract period and week of delivery and increased/decreased by bonuses/discounts if any, as specified in the Aviko Potato purchasing contract.

Multiple year guaranteed price contract

For an explanation, please refer to the Aviko Potato purchasing contract.

Indexed fixed price contract

For an explanation, please refer to the Aviko Potato purchasing contract.

French fries guarantee contract

For an explanation, please refer to the Aviko Potato purchasing contract.

Pool contract with and without pre-sale

The final price is dependent on the pool result for the full harvesting year (please refer to the Aviko Potato PGC, the Aviko Potato pool regulations and the Aviko Potato purchasing contract) as mentioned in the explanation of the Aviko Potato purchasing contract.

Market price contract

For an explanation, please refer to the Aviko Potato purchasing contract.

8.4 Set-off authority

Aviko Potato and all of their associated businesses are authorised to offset all that the other party and the (legal) entities associated with the latter owe to the former, be that claimable or not, against all that Aviko Potato and/or their associated businesses owe to the other party and to the (legal) entities associated with it, be that claimable or not. Therefore, the authority to offset shall also apply (in deviation from section 6:127 par. 3 of the Civil Code) if claimable assets and debts fall within mutually separated equities.

8.5 Disposal

Such costs as are deducted from proceeds include, among other things, the cost of storage and of offering the potatoes in the market. If contracted potatoes are not collected, the cost of their disposal shall not be paid.

9) Final provisions

9.1 Mediation through the PGC (ATC, aardappeltelerscommissie)

If a dispute arises between Aviko Potato and a Supplier about the execution of the agreement to which these Terms & Conditions or of any further agreements issuing from them apply which cannot be settled amicably, either party may request the PGC to act as a mediator.

To that effect, they shall submit a request in writing to the PGC, c/o Aviko Potato, Postbus 171, 8250 AD Dronten, aardappeltelergroep@avikopotato.nl, including a detailed description of the dispute and a request for intervention.

Upon receipt of such a request the PGC shall designate three of their members, including the member who represents the region in which the business of the Supplier is domiciled. These members, having heard the parties and/or enabled them to explain their standpoint, shall attempt to reconcile the parties. The costs of any such mediation shall be borne, in equal parts, by Aviko Potato and the Supplier.

If the members of the PGC fail to reconcile the parties, or in a situation where both parties or either party prefer not to make use of the intervention facility of the PGC, a dispute shall be settled, with the exclusion of the civil court, by means of arbitration by the Stichting Geschillen in de Landbouw c.a.

9.2 Arbitration

Any disputes arising from the agreements to which these are applicable or from further agreements resulting there from, shall, to the exclusion of the civil court, be settled by arbitration in the manner stipulated in the arbitration regulations of the Stichting Geschillen in de Landbouw c.a. in Wageningen. The arbitration takes place in Wageningen. Dutch shall be the prevailing language of the procedure.

9.3 Applicable law and period of limitation

The Other Party shall, at the risk of losing all their rights including the right to apply for arbitration, be under the obligation to apply for arbitration within three months of the time at which it becomes apparent that the dispute cannot

be solved amicably between the parties at the latest. The period of three months begins when: a) the mediation pathway or the mediation by the PGC is interrupted without having led to general agreement between the parties or b) if either party informs the Other Party that they do not consent to mediation or intervention on the part of the PGC. Solely Dutch law shall apply to all agreements concluded with Aviko Potato. The stipulations of the Convention for the International Sale of Goods do not apply.

Unless the claim is precluded earlier by the lapse of time on the grounds of the applicable Conditions of the Industry, the claim of the Other Party on Aviko Potato will be precluded by the lapse of time one year from the date and time at which the claim has arisen.

In the event of any differences between the Dutch text of these terms and conditions and any subsequent translations, the Dutch wording shall prevail. If one or more provisions of these conditions should be void or is voidable, this shall not affect the other provisions and Aviko Potato will formulate a new provision in place of the void/voidable provision which corresponds to and reflects the void/annulled provision as closely as possible.

Dronten, January 2024



www.avikopotato.nl

Visiting adress
De Dommel 28
8253 PL Dronten
The Netherlands

Postal adress
Postbus 171
8250 AD Dronten
The Netherlands

T. +31 (0)321 32 80 80
E. mail@avikopotato.nl