



VERNOF RULES 2014

RELATING TO THE SALE OF

EXPELLER AND MEAL

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Laid down by the Vereniging van Nederlandse Fabrikanten van Eetbare Oliën en Vetten (VERNOF) in The Hague and deposited at the Registry of the District Courts of The Hague and Rotterdam.

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N.B. In accordance with article 18, paragraph 1 of these Rules only the Dutch text thereof shall be held to be authentic and binding.

Contents

Article 1 - Applicability of the Rules 3

Article 2 - Conditions of sale 3

Article 3 - Delivery..... 3

Article 4 - Default on the part of the seller 4

Article 5 - Taking delivery..... 5

Article 6 - Payment; retention of ownership 5

Article 7 - Default on the part of the buyer 6

Article 8 - Periods of notice..... 7

Article 9 - Notifications and calculation of terms 8

Article 10 - Weight and quality 9

Article 11 - Inspection, sampling and disputes of quality 10

Article 12 - Force majeure affecting the seller 11

Article 13 - Force majeure affecting the buyer..... 12

Article 14 - Duties, levies and taxes 13

Article 15 - Relationship between seller and agent..... 13

Article 16 - Law governing the contract..... 13

Article 17 - Arbitration 13

Article 18 - Final provision 14

ANNEX 15

Article 1 - Applicability of the Rules

1. These rules govern the relationship between seller and buyer in regard to a contract concluded between them by word of mouth or in writing, in which or upon the conclusion of which the rules have been declared valid. They further lay down provisions which shall apply to the relationship between seller and the agent, who has co-signed or passed on the contract or the (confirmation of) order, in which the rules have been declared valid.
2. The provisions of these rules, including the arbitration provision incorporated in them, shall apply in so far as the parties have not deviated therefrom.
3. The Annex to these conditions is an integrated part of the conditions.

Article 2 - Conditions of sale

1. Unless otherwise provided in the contract, the goods shall be considered to have been sold "ex-factory".
2. The purport of commercial terms used in the contract shall be determined by local usage in the Netherlands, in so far as this has not been deviated from in these rules.
3. If the parties have either themselves or through an agent, mutually confirmed the contract and in regard to secondary rules there exists a difference between the purport of the two confirmations, the purport of the confirmation given by or on behalf of the seller shall prevail.

Article 3 - Delivery

1. The buyer shall be entitled to delivery of the goods by the seller at the place determined by the contract. Delivery shall take place:
 - a. if the buyer must make transport available: by delivery to the carrier in the manner provided by the contract or by custom;
 - b. if the goods have been sold "free destination": by delivery from the means of transport in the manner provided by the contract or by custom;
 - c. in all other cases in which the seller must make transport available: by loading into the means of transport.
2. Subject to the provisions of article 8, the buyer shall be entitled to delivery of the goods by the seller or if they have been sold "free destination", to loading into the means of transport to be made available by the seller:
 - a. if a delivery term is stipulated in the contract: within this term;
 - b. if the contract stipulates "prompt" delivery: within twenty-one days of the date of conclusion of the contract;
 - c. if the contract stipulates delivery "forthwith", "immediate" or "spot": within seven days of the date of conclusion of the contract.

Without prejudice to the provisions of article 8 the date of delivery or loading shall be at the seller's option, unless the contract contains the proviso "on call" or a proviso of the same purport, or in case b. or c. the buyer must make transport available, in which cases the date shall be at the buyer's option. If the date of delivery or loading is at the seller's option, the seller shall be entitled to determine the date mentioned on a Saturday or a public holiday, generally recognized in the Netherlands, and not falling on Sunday, with the exception of Christmas-day, provided he refunds the possible arising surplus costs of transport to the buyer.

3. If the goods have been sold "free destination" the buyer shall be entitled to delivery upon arrival of the means of transport at the place of delivery.

4. The party at whose option the date of delivery is, shall be entitled to demand that the total quantity to be delivered shall be delivered at intervals in parts, provided no part is less than five thousand kilograms. If this right is exercised the sale shall be regarded as a separate contract for each part.

5. If transport according to paragraph 1 sub a is done by sea going vessel buyer is obliged to see to it that all negotiable copies of the bill(s) of lading, on which is stated that the goods delivered by the seller have been loaded on the vessel, signed by the vessel's owner, captain or master of the vessel or by an authorized representative, will be handed to the seller before the sailing of the vessel. A statement of willingness to do this can be demanded from the vessel's owner, the captain or the master of the vessel or from an authorized representative, by the seller before the latter is obliged to start the loading.

6. For every delivery, notice or advice, the buyer shall give the reference number which has been given to the contract by the seller.

Article 4 - Default on the part of the seller

1. Without any notification on the part of the buyer being required, the seller shall be deemed to be in default:

- a. if he subject to the provisions of the article 12 fails to deliver the goods by the last day allowed him by virtue of the contract and the buyer on his part does not default;
- b. if he is declared bankrupt or applies for suspension of payment.

In the event mentioned sub a. the seller shall be entitled during three business days to clear the omission, provided he offers the buyer to refund any extra costs in respect of transport already made available. In the event of partial non-delivery the seller shall be considered to be in default only in respect of the quantity short-delivered, subject to the provisions of article 10, paragraph 2.

2. If and in so far as the seller has defaulted or it being certain that he will default caused by the circumstances as meant in sub a of paragraph 1, the buyer shall not be able to demand performances, but shall be entitled, subject to the provisions of article 10 relating improper delivery, unilaterally to declare the contract null and void and to demand damages from the seller.

3. Such damages shall consist exclusively of the amount by which the contract price (=negotiated price) is less than the market price on the fourth business day after that on which the seller defaulted, plus any costs incurred by the buyer in respect of transport he had already made available, subject to the demands of reasonableness.

4. The right to declare the contract null and void shall lapse if the buyer has allowed the seller a fresh term of delivery. The right to declare the contract null and void shall likewise lapse if the seller has asked the buyer whether he intends to avail himself of this right and the latter fails to reply in affirmative within four days; in such case the seller shall be allowed a fresh term of fourteen days, commencing on the fifth day after said question by the seller, within which term he can still deliver the goods without being obliged to pay any damages with the exception of the extra costs mentioned in paragraph 3, incurred by the buyer in respect of transport already made available.

5. If the seller stops payments, applies for a suspension of payment or is declared bankrupt the contract shall be cancelled and settlement shall be made based on the difference between the contract price (=negotiated price) and the market price on the working day following the day upon which the aforementioned event can be deemed to have been public knowledge.

Article 5 - Taking delivery

1. If the buyer has to make transport available, the seller shall, subject to the provisions of article 8, be entitled to require the buyer to take delivery of the goods at the time indicated in article 3 paragraph 2 and in the manner prescribed by the contract or by custom.

2. If the goods have been sold "free destination", the seller shall subject to the provisions of article 8, paragraphs 2 and 3, be entitled to require the buyer to take delivery of the goods from the means of transport in the manner prescribed by the contract or by custom.

3. In all other cases in which the seller has to make transport available, the latter shall, subject to the provision of article 8, paragraphs 2 and 3, be entitled to require the buyer to take delivery of the goods from the means of transport in the manner prescribed by the transport agreement or custom.

Article 6 - Payment; retention of ownership

1. Unless otherwise agreed the seller shall be entitled to the purchase price:

- a. except in the event mentioned sub b.: within five business days of the date of delivery of the goods, or if the seller is unable to deliver because the buyer has defaulted in taking delivery, on the date on which this occurs;
- b. If the goods are transported abroad: upon first presentation by the seller of the transport documents or the receipt issued by the carrier.

2. Except in the event of the seller having allowed the buyer credit for more than five business days, the seller shall always be entitled, unless the buyer provides security for the purchase price, to require the buyer to pay before the last day allowed him in accordance with paragraph 1, but not earlier than two days prior to the date on which the goods are to be delivered.

3. If the seller has allowed the buyer credit for more than five business days, the seller shall be entitled to demand from the buyer security in respect of the purchase price, but this security need not be

provided earlier than two days before the date on which the goods are to be delivered; the requirement for security to be provided should be made known by the seller at least ten days in advance.

In the event of the buyer failing to comply with such a wish on the part of the seller, the latter shall not be able to derive therefrom any right other than unilateral cancellation of the contract, without either party being required to pay the other any damages.

4. The seller shall always be entitled to demand from the buyer security in respect of the purchase price, even before the time at which he is entitled in accordance with paragraphs 2 and 3 to demand security:
 - a. if any part of the buyer's capital is seized or the buyer leaves a debt to the seller unpaid, or is otherwise insolvent;
 - b. if the buyer liquidates his business, gives it a different legal structure or transfers it to someone else, or transfers his registered offices or his domicile abroad.

The provisions of the last sentence of paragraph 3 shall apply similarly.

5. If in accordance with paragraphs 3 or 4 security is demanded from the buyer, he shall be entitled instead to pay the purchase price less interest on the basis of the then prevailing discount rate for legal interests in the Netherlands.

6. The buyer shall not be permitted to set off against the purchase price payable by him any counter-claim he might have against the seller, except in the event of the seller's having been declared bankrupt or having applied for suspension of payment.

7. So long as the purchase price has not been paid in full, the goods and/or any products obtained from the processing thereof shall remain the property of the seller.

In the event of the seller having granted the buyer more than five business days' credit, the seller shall forfeit this ownership if the buyer has resold and delivered the commodities and/or any products obtained from the processing thereof.

8. In case one of the parties is declared bankrupt or has applied for suspension of payment the holding company of the non-insolvent party to the contract and any other companies of whose ordinary share capital the aforementioned holding company directly or indirectly holds more than fifty percent shall be entitled to set off any debts which they may have to the insolvent party against any claims which its holding company or any other companies belonging to the group as defined above may have on the insolvent party. In the aforementioned case the insolvent party shall only be entitled to or be liable for any remaining balance(s).

The settlements of all claims and debts may be made as long as they are currently not the subject of dispute. In case of disputes any amounts due to the insolvent party may be retained by the parties involved until all disputes concerned have been finally settled by applicable arbitration or otherwise, like sentence of a court.

Article 7 - Default on the part of the buyer

1. Without any notification on the part of the seller being required, the buyer shall be considered:

- a. in default in paying the purchase price: if he fails to pay the purchase price by the last day permitted him by virtue of article 6, paragraphs 1 and 2 respectively of the contract, or if he is declared bankrupt or applies for suspension of payment;
- b. In default in taking delivery of the goods: if he fails to take delivery of the goods at the determined place or time whereto he is obliged by virtue of these rules and the seller on his part is not in default.

2. In the event of the buyer being in default in the payment of the purchase price, he shall automatically be liable for the interest on the basis of the then prevailing discount rate for legal interests in the Netherlands, with effect from the first day on which he is in default.

3. In the event of the buyer being in default or it being certain that he will default in the payment of the purchase price or in taking delivery of the goods, the seller shall be entitled at all times:

- a. to transport the goods for account and risk of the buyer to a lighter or warehouse and to store them there; if the seller has stored the goods in his own warehouse he shall be entitled to charge the buyer the then prevailing warehouse rate in the Netherlands;
- b. to demand from the buyer damages in respect of any losses which the seller might incur as a result of the buyer's nonperformance, including legal and extra-legal costs of recovery;
- c. except in the event mentioned sub paragraph 4 and provided he notifies the buyer at least three days in advance: unilaterally to cancel the contract and to demand from the buyer in addition to the interest, cost and damages indicated in this article, the amount by which the contract price is more than the market price on the fourth working day following upon the aforementioned advice. The buyer shall, however, at all times be able to prevent cancellation, so long as this has not occurred, by offering the seller immediate payment prior to delivery of goods or security for the purchase price plus interest, costs and damages as aforementioned.

4. If the buyer stops payments, applies for a suspension of payment or is declared bankrupt the contract shall be cancelled and settlement shall be made based on the difference between the contract price (=negotiated price) and the market price on the working day following the day upon which the aforementioned event can be deemed to have been public knowledge.

Article 8 - Periods of notice

1. If the date of delivery is at the seller's option, but the buyer has to make transport available.

The seller has to notify the buyer at least two business days in advance on which day he has to take delivery of the goods. If on the fourth business day before the end of the term of delivery no notification has been given, the last business day of this term counts as notified.

The buyer shall be entitled to determine the hour of the day of notification at which the seller shall place the goods at his disposal. He is, however, obliged to notify the seller in good time and if the time indicated proves to be inconvenient to the latter, he should meet with a reasonable request for deferment.

2. If the date of delivery is at the seller's option and the seller also has to make transport available.

The seller shall notify the buyer as soon as possible of the date of departure or the estimated time of arrival at the destination of the means of transport as well as the nature of this means of transport, and the quantity loaded in it for the buyer.

3. If the date of delivery is at the buyer's option, but the seller has to make transport available.

The buyer has to notify the seller at least two business days in advance on which day he has to deliver the goods, or if "free destination" has been sold, to load them. If on the fourth business day before the end of the term of delivery no notification has been given, the last business day of this term counts as notified.

4. If the date of delivery is at buyer's option, and the buyer also has to make transport available.

The buyer shall notify the seller in good time of the date on which the latter will have to place the goods at his disposal. If this date should prove inconvenient to the seller, he shall meet with a reasonable request for deferment; the seller being entitled to demand that he be allowed a period not exceeding three business days, unless the goods have been sold "forthwith", "immediate" or "spot".

Article 9 - Notifications and calculation of terms

1. Where in these rules notification or any other communication is demanded, it shall be made preferably by telefax, telephone or e-mail, and it shall be considered to have been made:

- a. in the case of notification by telefax, or e-mail: one hour after dispatch of telefax or e-mail or, if such dispatch occurred after 3.00 p.m., not before 10.00 a.m. on the following day;
- b. in the case of notification by telephone: at the time of the telephonic communication;
- c. in the case of notification by letter: at 10.00 a.m. on the fourth business day after the one on which the letter was posted.

2. If the buyer is established outside the Netherlands and either of the two parties can prove that he did not receive a communication from the other party until after the time specified in paragraph 1 under a., the time of the actual receipt shall count as the moment of notification.

3. As regards the communications mentioned in article 8, notification given by the seller to a representative appointed by the buyer shall in any case count as notification of the buyer himself. If the buyer is established outside the Netherlands but the goods have to be delivered in the Netherlands, the seller shall be entitled to require the buyer to designate a factor, inspector or other representative in the Netherlands, in due time prior to commencement of delivery.

4. Where in these rules a term is expressed in days, this shall mean twenty-four hours. The day on which the time occurs from which or until which the term is calculated shall not count for the purpose of calculating said term, unless such time occurs before 10.00 a.m. or after 3.00 p.m.

5. Where in these rules business days are mentioned, this shall mean every day with the exception of Saturdays, Sundays and public holidays generally recognized in the Netherlands. If the first or the last day of a term expressed in days should be a Saturday, a Sunday, or a public holiday generally recognized in the Netherlands, such day shall not count for the purpose of calculation said term. If the first or the last hour of a term expressed in hours should fall between 5.00 p.m. and 9.00 a.m. or on a Saturday, a Sunday, or a public holiday generally recognized in the Netherlands, such periods shall not count for the purpose of calculating said term.

Article 10 - Weight and quality

1. "Tons" shall be tons of one thousand kilograms.

2. The seller shall be entitled, in complete fulfilment of the contract and at the contract price, to deliver a weight which is not more than two per cent in excess or short of the weight shown in the contract. In the event of the seller offering a loading with a weight which is greater than one hundred and two per cent of the weight shown in the contract, the buyer will have the exclusive right in his option to decide forthwith either to refuse the excess quantity and, if necessary, store it for the seller's account and risk, or accept the excess at the market price of the day of delivery.

On delivery in parts the above provisions shall apply accordingly to every part.

3. Except in the event that goods have been sold "free destination", the weight and quality ascertained at the time of loading are final.

4. If the goods have been sold "free destination" the weight and quality upon loading shall be deemed to be the weight and quality upon delivery, except in so far as the weight or quality appears to have changed during transport as a result of external causes.

5. Unless otherwise provided for in the contract, the quality stipulated shall be considered to be normal, sound quality. If the sale has been effected on sample, the seller shall have the right also to deliver goods slightly deviating therefrom. If the contract stipulates that the seller shall deliver goods of a specific make, he shall be entitled also to deliver goods of an equivalent make.

6. Breakage of the goods, unless comprising an unusually large part of the entire shipment, shall constitute no ground for refusal or claims for damages for the buyer. Slight deviations from the sound condition or the stipulated quality, or such deviations which are of minor importance for the value of the goods, or deviations which are found only in a small part of the entire loading, shall constitute no ground for the buyer to refuse the goods.

7. If the contract stipulates or guarantees that the goods must contain a specific maximum or minimum amount of a component, the seller shall be entitled to supply goods having content of such component which deviates from such limit, provided within the usual limits, upon which he shall be bound to pay the buyer compensation of such percentage of the contact price (=negotiated price) as stipulated in the annex to these rules. The percentage of the component in the delivered goods shall be determined exclusively by analysis of samples in accordance with the provisions of article 11.

8. In cases where the buyer exercises his right to refuse a loading he is obliged to accept a loading in lieu which the seller puts at his disposal within the term referred to in article 3. Article 4 paragraph 1 second sentence is applicable.

Should the seller not make such a loading in lieu available the buyer shall be exclusively entitled to damages in accordance with the provisions of article 4, paragraph 3.

9. In cases where the goods are delivered deviating from the quality or sound condition other than referred to in paragraph 7, but the buyer accepts or is obliged to accept them, he shall be entitled exclusively to compensation for the amount of reduction in value.

Article 11 - Inspection, sampling and disputes of quality

1. The buyer is entitled to inspect the weight, quality and condition of the goods or have them inspected upon delivery, or if delivery should not take place owing to a circumstance as referred to in article 7, paragraph 3 or article 13, paragraph 4, upon storage and also, if the goods have been sold free destination, upon loading.

Should the buyer not exercise the said right, though the seller on the buyer's request has given notification of the delivery, storage or loading at least twelve hours in advance, the goods shall be deemed to have been delivered, stored or loaded without short weight and without deviations from the stipulated quality or the sound condition, unless such deviations were not directly perceptible even by thorough inspection or could only be detected by analysis.

In the last event either party shall be entitled in case of a dispute to invoke as binding the results of the day analysis of the production on the day of manufacturing the goods - or if on the said day more than one analysis has been made and it was impossible to ascertain the relevant one - the average result of the analyses.

Should the buyer exercise the said right for inspection, he has to give notice to the seller of any reserve in regard to the weight, the quality and the sound condition of the goods, except as far as deviations are concerned which are not directly perceptible even by thorough inspection or can only be detected by analysis during or immediately after the completion of the inspection, on pain of losing his rights.

In all other cases not mentioned in the preceding sentences of this paragraph, the buyer should immediately after taking delivery give notice of any reserve in regard to the weight, quality or sound condition of the goods, on pain of losing his rights.

2. If the goods are jointly sampled by or on behalf of the seller and the buyer, two samples have to be taken from each parcel. The samples have to be packed in glassware or in other material to be closed hermetically and accordingly be sealed jointly. The buyer and the seller receive one sample each. If both parties have jointly sampled the goods respectively weighed, these samples and weights shall constitute irrefutable evidence between the parties of the quality, condition and weight of the goods at the time of sampling and weighing.

3. Should the buyer have requested the seller to collaborate in the joint sampling or weighing, the buyer is responsible that he or his representative will be present at the hour given by the seller as scheduled starting time for delivery, storage or loading. If the buyer or his representative will not be present in time, the seller is entitled to start the delivery, storage or loading, and the weight as stated by the seller and the quality as determined in accordance with paragraph 1 will be final for the part of the shipment that has already been delivered, stored or loaded until the moment on which the buyer or his representative is present to participate in the joint sampling or weighing.

4. Should either of the parties have requested the other party to collaborate in the joint sampling and weighing but such other party refuses to comply with this request or no agreement can be reached in regard to the manner of sampling or the delivered weight, the Koninklijke Vereniging Het Comité van Graanhandelaren in Rotterdam, upon request by either party, shall designate a recognized factor or inspector, who for account of the requesting party, or in case of a dispute, of the losing party, shall undertake to sample and/or weigh the goods. The samples taken and/or weights ascertained by such factor or inspector shall constitute the aforementioned irrefutable evidence between the parties.

If the buyer during or immediately after inspection should make a reservation on account of possible deviation of the stipulated quality or of the sound condition other than those which can only be detected by analysis and thereupon no soon agreement can be reached, the most ready party is entitled to request the Koninklijke Vereniging Het Comité van Graanhandelaren in Rotterdam to arrange for an expert's investigation within 24 hours at the place of delivery, storage or loading. Should the circumstances make such an investigation impossible within this term, the experts will judge at a later time from samples taken jointly by both parties on the spot. The judgment of the experts is binding for both parties. The costs of the investigation, as well as those of storage and/or overtails and/or those arising from the caused delay, are for the account of the losing party.

Unless in accordance with paragraph 1, a day analysis is final, the buyer, if he finds deviations from the stipulated quality or sound condition which can only be detected by analysis, shall claim compensation on the grounds of inferior quality from the seller within 40 days after delivery, storage or loading. The claim should be based on an analysis of his sample by a laboratory of his choice which at the time is certified for this purpose by the Vereniging van Nederlandse Fabrikanten van Eetbare Oliën en Vetten (VERNOF). If the seller disputes the deviations from the stipulated quality or good condition he shall notify the buyer within 30 days by telefax, letter or e-mail and shall request within 10 days of that date one of the aforementioned laboratories to analyse his sample. The outcome of this analysis shall be binding for both parties. The seller shall send a copy of the certificate of analysis to the buyer within three business days after receipt. The costs of the analyses are for the applicant's account.

Article 12 - Force majeure affecting the seller

1. The seller shall be entitled, without being in default, to defer the delivery of the goods if as a direct or indirect result of one or several of the causes mentioned in paragraph 2 the goods cannot reasonably be delivered in time or if in any other respect prevention, obstruction or arrears in manufacture arise owing to which, upon reasonable distribution of stocks and production among the various buyers, the goods cannot be delivered in time, unless the seller upon conclusion of the contract should have foreseen such prevention, obstruction or arrears and should have allowed for same.

If the costs of manufacture (including the costs of raw materials and auxiliary materials needed for the said manufacturing), delivery or transport should rise excessively owing to one or several of the causes mentioned in paragraph 2 the seller shall be entitled to require that the buyer chooses between timely delivery whilst accepting the obligation of making a reasonable contribution towards the higher cost or deferment of the delivery.

2. The causes mentioned in paragraph 1 are: conditions of war; civil disturbance; strike or lock-out; fire; flood; illness; official measures, including measures concerning imports or exports; ice- or weather conditions; defective or damaged machines, equipment and installations (including loading and unloading installations); interference due to any cause in the supply of (finished) products, raw materials, power or production equipment including non-performance by suppliers or manufacturers from whom the seller obtains his materials; disturbances in transport; delay of the transport to be used by the seller; any cause similar to the aforementioned and furthermore in general any cause beyond the seller's control, including causes attributable to a person or persons employed or engaged by the seller.

3. If the seller desires to exercise his right described in paragraph 1, he shall notify the buyer as soon as it has been ascertained that the cause on which he bases his request exists. The deferment mentioned in paragraph 1 shall cease to exist when the effect of the relevant prevention, obstruction or arrears, or the excessive cost increasing factor no longer exists. The seller shall notify the buyers as soon as the point of time at which the deferment is to end has been ascertained.

4. During the aforementioned deferment each of the parties, when sixty days have elapsed after expiration of the delivery term, shall at all times be entitled unilaterally to cancel the contract by notifying the other party, without the parties being held liable for payment of any damages in respect of each other.

If the seller has notified the buyer that the deferment will end on a date on which the aforementioned term of sixty days will have expired, either party can require the other party, under penalty of forfeiture of the right to cancel the contract, to state within five days that he intends to exercise such right.

5. Without prejudice to the compensation referred to in article 10, paragraph 7, the seller shall never be held liable for loss which the buyer might sustain owing to the presence of foreign ingredients or matter.

Article 13 - Force majeure affecting the buyer

1. The buyer shall be entitled to defer taking delivery of the goods without being in default in this respect if he is prevented from taking timely delivery owing to force majeure.

In such case the date on which the goods would have been delivered without the deferment of the delivery shall be deemed to be the date of delivery for the purpose of applying the provisions of article 6, paragraph 1.

2. In the event of the buyer exercising his right mentioned in paragraph 1, article 12, paragraphs 3 and 4 shall apply similarly, on the understanding that if the contract is cancelled by the buyer he shall refund all costs to the seller which the latter has reasonably incurred and has still to incur as a result of the transport which had already started at the beginning of the deferment.

3. A ban on imports or payments shall not constitute force majeure for the buyer.

4. In the event of the buyer exercising his right mentioned in paragraph 1, the seller, as soon as three days have elapsed after the time at which the buyer should have taken delivery of the goods, shall always be entitled to store the goods for the buyer's account and risk, subject to the provisions of article 7, paragraph 3a. If the seller had already made the transport available from which the buyer is to take delivery before the deferment, the seller shall already be entitled to proceed with such storage at the time at which, in accordance with article 5, he can require that the goods be taken delivery of. In the event of cancellation of the contract the cost of storage mentioned in this paragraph shall be due until the date of cancellation.

Article 14 - Duties, levies and taxes

Duties, levies and taxes imposed on the goods or on the raw materials needed for the manufacturing, in so far as they are introduced or raised between the date of sale and the date of delivery, shall be for the buyer's account. Withdrawals or reductions between the said times shall be for the buyer's benefit. When in these rules the "purchase price" is mentioned, this also includes the duties, levies and taxes for buyer's account, which not have been included in the contract price (=negotiated price).

Article 15 - Relationship between seller and agent

1. If the contract between the seller and buyer has been effected via an agent engaged by the seller and if the contract is passed on by such agent in terms different from those communicated to him by the seller, the agent shall be liable vis-à-vis the seller for all losses consequently sustained by the seller.
2. The right to wages, or commission of an agent vis-à-vis the seller, also if already paid, shall cease to exist if the buyer should fail to pay the purchase price, unless the seller cancels the contract and is indemnified in full.
3. All disputes which may arise between the seller and agent relative to the contract shall be settled by arbitration in accordance with the provisions of article 17.

Article 16 - Law governing the contract

Without prejudice to the provisions of the foregoing articles, the contract between the seller and the buyer and, as the case may be, the legal relationship between the seller and agent, shall be governed exclusively by Dutch law and Dutch commercial usage, to the exclusion of the Convention of the United Nations on international sale of goods (Vienna sales convention).

Article 17 - Arbitration

1. Subject to the provisions of article 10, paragraph 7 and article 11, paragraphs 1 and 3 in respect of the result of analyses and the judgment in the case of an expert's investigation being binding all disputes which may arise between the parties in connection with the contract or with any of the stipulations made under the contract, and with further agreements which may result from the contract or such stipulations, shall be settled by arbitration in accordance with the arbitration rules of the Nederlandse Handel in Granen en Diervoedergrondstoffen.
The arbitrators shall judge as good men and true.
2. A dispute shall be deemed to exist if either of the parties fails to pay an amount claimed by the other party without challenging the validity of such claim.

3. Arbitration shall be requested at the Secretariat of the Koninklijke Vereniging Het Comité van Graanhandelaren in Rotterdam and not later than three months after the day on which the dispute arose, on pain of forfeiture of the claim. This provision may be subject to exception in special cases at the discretion of the arbitrators

Article 18 - Final provision

1. The text of these rules can be obtained from the secretariat of the Vereniging van Nederlandse Fabrikanten van Eetbare Oliën en Vetten (VERNOF). Likewise, the secretariat will also make translations available which have been made under the supervision of the Vereniging. Only the Dutch text, as deposited at the Record Office of the District Courts in The Hague and Rotterdam shall be held to be authentic and binding.

The text of these rules and of the translations which have been made under the supervision of the Vereniging are also published on the website: www.vernof.nl

2. The rules can be referred to as "VERNOF-Voorwaarden 2014", "Conditions-VERNOF 2014", "VERNOF-Bedingungen 2014 or "VERNOF Rules 2014".

3. If a contract is stipulated to be subject to the "VERNOF-Voorwaarden" without further definition the version last deposited at the Record Office of the District Courts in The Hague and Rotterdam at the time of concluding the contract shall apply.

4. These rules shall be applicable to contracts concluded after 30 June 2014

5. The "VERNOF-Voorwaarden 2004", shall cease to be operative as conditions of sale approved by the Vereniging van Nederlandse Fabrikanten van Eetbare Oliën en Vetten (VERNOF) as from 1st July 2014, except in regard to contracts concluded before the last-mentioned date.

