

Terms and Conditions of Purchase of Rapeseed by

Glencore Polska Sp. z o.o. and Glencore Magdeburg GmbH (hereinafter each of them - "the Purchaser") - „Rapeseed Terms” – 28-12-2016

Preamble – General Terms and Conditions:

The Unified Contracts Terms for the German Cereals Trade (Die Einheitsbedingungen in deutschen Getreidehandels) in the edition current at the date of contract shall apply to purchases of rapeseed delivered to Lubmin Oils Plant and/or Glencore Magdeburg GmbH plant in Germany.

Delivery parity in all purchase contracts is defined by agreed INCOTERMS (at version actual at the moment of contract conclusion). In case the Sellers or the broker uses the term "Franco" it shall always mean "Delivered at Place" ("DAP") as per INCOTERMS and DAP conditions bind upon the parties.

Unless specified otherwise in the contract confirmation terms (concluded on the date of signing the contract), the following terms and conditions herein included shall apply to the purchase of rapeseed by Glencore Polska Sp. z o.o and/or Glencore Magdeburg GmbH. In case of conflict with the Unified Contract Terms for the German Cereals Trade, these Rapeseed Terms shall prevail.

In case of conflict between these Rapeseed Terms and the rapeseed purchase contract confirmation, the contract confirmation, shall prevail:

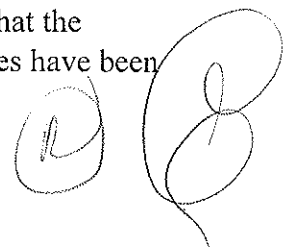
1. Quality and Quantity of rapeseed

The price applies to rapeseed which is healthy, dry, pure, sound, merchantable, has natural color and fits for the storage:

- "00" rapeseed of conventional quality, grown from seed of qualified varieties, registered in the official catalogues of agricultural crop varieties, allowed for cultivation on the territory of the EU,
- Free from GMO,
- Free from mold, beetle (and other insects dead or alive) infestations, foreign odors, immature, burnt, not sprouted or otherwise damaged seed and if the FFA content in the oil does not exceed 2%;
- Pure, if straw, chaff and other material does not exceed 2% and if it is free from alive and/or dead pests;
- Dry if they are either naturally dry or have been dried to a maximum of 9% using a safe process.
- Free from any minerals and/or other substances (chemicals and other) not coming from rapeseeds origination place. In this case the word "Free" means zero contents.

The goods shall be supplied have the GMP+ status as referred to in the GMP+ FSA module

Pursuant to the regulations on genetically modified food and feed and the regulations on monitoring and labelling of genetically modified organisms, the Seller warrants that the Goods are not subject to labelling requirements and that all the necessary measures have been

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taken in order to maintain the conventional quality of the raw material. The Seller also warrants that he meets the requirements imposed by ordinance No. 183/2005 of the European Parliament and Council dated 12.01.2005, establishing requirements concerning feed hygiene and that he is registered by the District Veterinarian.

The rapeseed shall meet the following additional quality requirements: Pesticides: as per applicable EU regulations in force at time of delivery and below MRL on contractual load or discharge samples. Dioxins and dioxin-like PCBs: Dioxin content in the oil of the Goods as per EU regulation 1881/2006: 1) Sum of Dioxin (WHO-PCDD/F-TEQ) max 0,75 pg/g, and 2) Sum of Dioxins and dioxin-like PCBs (WHOPCDD/F-PCB-TEQ) max 1,5 pg/g. Benzo-Alpha Pyrene (BAP): BAP content in the oil of the Goods as per EU regulation 835/2011 amending regulation 1881/2006: 1) Sum of 4 PAH's (benzo(a)pyrene, benzo(a) anthracene, chrysene, benzo(b) fluoranthene) max 10ppb and 2) Benzo(a)pyrene max 2 ppb.

Quality and quantity of rapeseed delivered to any Glencore silo/plant or any other place provided under the purchase contract and being Glencore final discharge place (regardless INCOTERMS parity defined in purchase contract) shall always be determined at such place.

Quality will be analyzed by laboratory at Glencore final discharge place. Quantity will be measured by weighing scale at Glencore final discharge place

Quality and Quantity determined at Glencore final discharge place is final and binding upon the parties.

2. Sampling

Upon receiving rapeseed at its designated store the recipient shall draw the proper samples and at the same time determine the weight.

The Purchaser shall arrange for samples to be analyzed for oil, moisture, impurities (and where necessary glucosinolates and FFA), in the laboratory employed by the Purchaser. The Seller shall be charged with the fee of 0,50 euro per ton to cover control, sampling and shipping costs and the cost of the first analysis.

The results shall be communicated to the Seller promptly. Upon receiving the results of the first analysis both parties have the right to apply for the full control analysis¹. The other party shall be notified of this within 5 working days. The cost shall be borne by the applicant. The average of the two results shall form the basis for settlement. If the results of the first and second analysis vary significantly, either party has the right to arrange a third analysis by a mutually agreed laboratory.

In case third analyze is ordered then the average of the results of the two closest (of which results are closest to each other) analyzes shall constitute the basis for final and binding settlement.

¹ list of laboratories in which second analysis can be ordered are provided in item 10 of these Terms

The cost of third analyze shall be divided equally between the parties.

Any analyses which are ordered in accordance with this provision shall be carried out in accordance with the applicable FOSFA International Official Method guidelines.

Unless otherwise agreed in the contract, the analyzes will be performed on a per truck basis (in case of barges - up to max. 250 tons)

3. Quality settlement

Oil: Basis 40% (telquel/tale quale) – the quantity of oil in seed “as it is received” i.e. the analysis values in the relation to the original substance – delivered amount.

Allowance/Bonus: 1,5%: 1% i.e. For each percent (or fraction thereof) under 40% the seller shall reimburse 1,5% of the contract price per ton to the Purchaser. For each percent (or fraction thereof) above 40% the Purchaser shall pay a bonus of 1,5% of the contract price to the Seller.

Moisture: Basis 9%

Allowance/Bonus:

For moisture content from 9% to 6% = 0,5%: 1% i.e. for each percent (or fraction thereof) below 9% (however only up to 6%) the Purchaser shall pay the bonus of 0,5% of the contract price.

For Rapeseeds with a moisture below 6% there are no bonuses/deductions and such Rapeseeds shall be settled like Rapeseeds with 6% moisture.

Rapeseeds with moisture in excess of 9% will be rejected.

In case of Magdeburg plant only the Rapeseeds with moisture exceeding 9% can be accepted by the Purchaser. In such a case the sale price will be reduced by 0,35% for each commenced 0,1% of moisture above 9%. Moisture level of 11% and more will not be accepted.

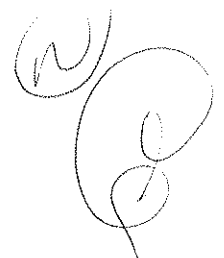
Impurities: Basis 2% Max 4% foreign material:

Deductions/Bonus:

For impurities equal to or under 2% = 0,5:1 : above 2% = 1:1 i.e. for each full percent of impurities below 2% the Purchaser shall pay a bonus of 0,5% of the contract price. For fractions of percent a bonus shall be counted in proportion to above rule (ie 0,5% bonus for 1% lower impurities).

For each percent (or fraction thereof and in such case proportionally as described above) above 2% - 4% the Seller shall reimburse 1% of the contract price.

The Rapeseeds with impurities exceeding 4% will be rejected.



In case of Magdeburg plant only the Rapeseeds with impurities exceeding 4 % can be accepted by the Purchaser. In such a case the sale price will be reduced by 2% for each commenced 1% of impurities above 4 % however only up to 6%.

Erucic Acid: Max 2% in the oil

Glucosinolates: Max 25 Micromol/g

FFA: Max 2 %

Deductions for higher contents of FFA as per the following formula:

2% - 3% = 2:1

Above 3% = 2,5:1

4. Conditions of Delivery

The Seller guarantees that only those means of transportation will be used for the purpose of delivery of the commodity which have not shipped in the last two shipments any forbidden substances under the EU Directive 999/2001 as well as the Act of Forbidding Feeding as amended.

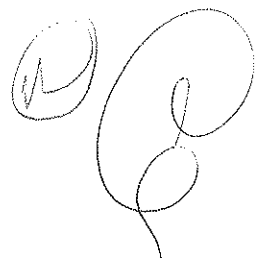
Delivery of Rapeseeds shall be made within the agreed delivery period at a time chosen by the Purchaser. The Purchaser shall provide the detailed delivery time schedule which shall be strictly observed by the Seller. Unless otherwise agreed the Purchaser shall provide weekly delivery schedules which shall be notified to the seller latest on Friday of the week preceding the delivery week.

In the absence of providing the weekly schedule of deliveries by the Purchaser, the seller is obliged to deliver within such a week 25% of monthly volume as agreed in the purchase/sale confirmation.

The Seller shall deliver rapeseed in a timely manner. If rapeseed is not delivered on time (either during particular week or during entire delivery period) the Purchaser has the right to:

- cancel the contract entirely or partially and/or ;
- refuse to accept any subsequent delivery of rapeseed which the seller attempts to make and/or ;
- claim from the seller the replacement value of the rapeseed not delivered by the seller together with all other losses and damages incurred by the Purchaser,

Deliveries of Rapeseeds shall be made during working hours of the plants. For any deliveries after or before working hours of the plants and/or not in accordance with the delivery schedules the Seller is responsible for any additional costs relating to it (including but not limited to the transport demurrage costs).



In case the parties concluded more than 1 sale/purchase contract the execution of them, unless otherwise instructed by the Purchaser, shall be made in chronological order.

In case the Purchaser is not able to accept entire or part of volume of Rapeseeds agreed for delivery within the delivery period, then the Purchaser shall notify this to the Seller and the Seller is authorized to claim 1 EUR per each ton delayed but for period of full 14 days. In case of 30 days of delay – 2 EUR/ton delayed. The Seller is not authorized to claim any other losses or costs, including but not limited to any costs or losses resulting from later acceptance of the goods.

The Sellers are obliged to deliver the rapeseed in a volume provided under the purchase contract. In case the volume delivered exceeds the contractual one (the contractual volume means volume with additional quantity tolerance declared by authorized party to the contract) the Purchaser is authorized to (at his sole discretion) :

- a) either reject the rapeseeds delivered in excess of the contractual volume and request the Sellers to take it back at their own risk and costs, or
- b) accept the rapeseeds delivered in excess of the contractual volume at market price prevailing on the date of delivery of such rapeseeds. The market price is provided by Glencore and is final and binding upon the parties.

Additional regulations for deliveries by barges:

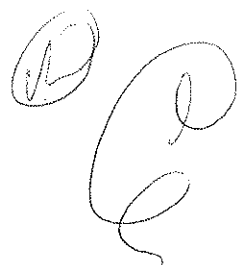
- a) each barge shall be pre-advised 1 month prior her arrival and then the notice of her arrival shall be sent to the Purchaser/its agent 7 days prior her arrival date;
- b) sshex 5 pm clause;
- c) discharge rate - max 70 tons per hour;
- d) loading place laytime shall commence to count on 8.00 am on the next working day after notice of readiness is validly tendered in writing to the Purchasers/its agents
- e) demurrage/dispatch as per c/p.

5. Storage at third Parties

In the event the acceptance of Rapeseeds takes place at the third party warehouse, a warehouse warrant shall be issued in the name of the Purchaser dated with the current date. The warrant shall not be endorsed or otherwise transferred and shall exclude rights or objections of any third parties.

6. Payment

Unless otherwise agreed in the contract - 98% net cash 7 days after receipt of original sale invoice with all other required documents (including but not limited to those listed in Provision “Sustainability” below) , remaining 2% payable upon receipt of copies of all quality certificates (to all deliveries included in the invoice) together with correctly issued originals of final sale invoices.



7. Sustainability provisions

The Seller accepts to comply with all Sustainability rules and regulations for Bio-Fuel feed stocks as directed by relevant EU bodies and/or directives and/or laws as currently in force and as amended. The Seller is obliged to provide for this purpose full and complete documentation as requested by the Purchaser including but not limited to:

- Product Declaration with GHG values and NUTS 2 latest during the delivery cargo

8. Force Majeure

As per the Unified Contracts Terms for the German Cereals Trade (Die Einheitsbedingungen im Deutschen Getreidehandel)

9. Appropriate Court

In case the Seller is the Polish registered company, any disputes arising out of this Contract to be settled by the Civil Court in the registered seat of Glencore Polska Sp.z o.o. in Gdańsk, Poland. The applicable law - Polish Laws.


In case the Seller is not registered in Poland, Art 1 of the Unified Contract Terms for the German Cereal Trade shall apply and for any disputes arising out of the Contract the association of grain traders of the Hamburg Stock Exchange shall serve as Arbitration Court.

10. List of Fosfa Agreed laboratories to which the second analysis can be requested:

1. Polcargos International Sp. z o.o.
Ul. Henryka Pobożnego 5
70-900 Szczecin
2. Agrolab Gruppe
Burgstr 57
99986 Oberdorla

These conditions have been prepared in two languages - German and English. In case of discrepancies between the two versions, English version shall prevail.


Pierre Pages


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