GENERAL CONDITIONS FOR THE SUPPLY OF PRODUCTS

1. Definitions and Rules of Interpretation.

1.1. For the purposes of these General Conditions, the terms in bold with initial capital letters should be interpreted according to the following definitions:

a) “Cargill” means the entity identified in the Order as the buyer.

b) “General Conditions” means these General Conditions for the supply of Products, which set out the rights and obligations between Cargill and the Seller, and the terms of the Order.

c) “Products” means, individually or collectively, all equipment, goods, machinery, or other assets which are the subject of the Order and supplied by the Seller to Cargill.

d) “Order” means the purchase order issued by Cargill, which contains the specific requirements for the supply of Products.

e) “Party” means Cargill or the Seller, as appropriate.

f) “Parties” means Cargill and the Seller whenever they are collectively referred to.

g) “Seller” means any natural person or legal entity listed in the Order as Seller, and therefore responsible for supplying the Products under the terms specified in the Order.

1.2. In case of discrepancy or conflict between the provisions of these General Conditions and those set out in the Order, or between these General Conditions and any communication, or any other documents previously exchanged between the Parties and which directly or indirectly refer to the Order, the provisions of these General Conditions shall prevail. In case of discrepancy or conflict between the provisions of the Order and any communication exchanged between the Parties and which directly or indirectly refer to the Order, the provisions of the Order shall prevail.

2. Scope and Application.

2.1. These General Conditions set out the rights and obligations between Cargill and the Seller for the supply of Products by the Seller to Cargill in accordance with the provisions of these General Conditions. The Parties acknowledge that these General Conditions collectively constitute the mutual obligations between the Seller and Cargill.

2.2. In compliance with the provisions of clause 1.1., the terms and conditions set forth in these General Conditions are complementary to the terms and conditions set forth in the Order and in any other contract between the Parties (hereinafter the "Agreement") and shall be considered integral and inseparable part of the Order, as if they were written therein. In case of conflict or discrepancy between the terms and conditions provided in the Agreement and these General Conditions, the provisions of the Agreement shall prevail.

2.3. The terms and conditions set forth in these General Conditions and the terms and conditions set forth in the Order shall be binding upon the Parties and generate effects of irrevocable and irrefutable character after the occurrence of any of the following situations, without order of preference:

a) Upon acceptance of the Order, whether written, verbal or by any electronic form; or

b) Upon signing of the Order or these General Conditions by the Seller; or

c) Upon acceptance by the Seller of these General Conditions and the Order on the website for suppliers of Products to Cargill; or

d) When the Seller agrees to supply the Products to Cargill; or

2.4. In addition to the forms of presentation, delivery and acceptance of these General Conditions set out in Clause 2.3 above, they can also be found on the website of Cargill, at the following address: http://www.cargill.com/vr/es/proveedores/terminos-y-condiciones-generales/index.jsp.

3. Effect.

The Order and these General Conditions shall be effective from the date of occurrence of one of the circumstances described in the clause 2.3 above, remaining in force until the date specified in the Order or until full compliance with the Order, whichever comes last, while respecting the other provisions of these General Conditions.

4. General Obligations of the Seller.

4.1. The Seller must:

a) Comply with all conditions and obligations set forth in the Order and all the terms and conditions set forth in these General Conditions;

b) Supply the Products in accordance with the specifications and/or descriptions provided in the Order, including but not limited to brand names, quantity and/or packaging etc.;

c) Supply the Products in the timeframes set forth in the Order;

d) Comply with the guidelines established by Cargill for its suppliers, which will be properly informed to the Seller;

e) Never employ children or adolescents without authorization to work (underage) or slave, or similar conditions, to fulfill the obligations under the Order and these General Conditions, in this manufacture, purchase and/or delivery of Products;

f) Abide by all applicable laws. In particular, but not limited to: food, environmental, tax, customs, exchange, antitrust or competition, regulatory pricing, labor, occupational health and/or social security legislation in the exercise of your activities;

g) Perform its activities according to the legislation, regulations, rules, resolutions and/provisions issued by public authorities, exempting Cargill from any liability by virtue of breach or non-compliance thereof;

h) Mention the reference number of the Order in all documents relating to such Order and these General Conditions, including, but not limited to: tax invoices, proforma invoices, waybills, confirmations of shipment/dispatch, bills of lading, receipts, duplicates, correspondence etc.;

i) Identify or label all packages, containers or other packaging materials containing all or part of the Products, with the invoice number and accompanying Order number (unless otherwise provided in the indicating its intent to supply the Products to Cargill; or

j) Pack, box, wrap or register Products with suitable material according to the type of products sold or as stated in the Order.

k) Provide with the Products all documents, manuals, certificates and instructions necessary for Cargill to use the Products;

l) Provide with the Products all required documentation for the international transport thereof, duly stamped and approved in all customs posts in all countries where the Products have transited; and in the order in which they have transited;

m) Ensure the Products are received by Cargill in accordance with the specifications and/or conditions set out in the Order, and the Products must be at all times eligible for full use and/or to be intended for its specific purpose;

n) Maintain valid and effective and comply with all the requirements and conditions of all licenses, permits and authorizations necessary for the fulfillment of its obligations under the Order and these General Conditions;

o) Contract insurance on Products with first-class, reputable and knowledgeable insurance companies which cover risks of theft, social unrest, riots, fire, storms, earthquakes, floods or other acts of God and force majeure events. The Seller must, in all cases, ensure the transport of the Products for a minimum amount of coverage equal to the value of the sale price of the Products. The Seller must also submit to Cargill, upon request and within two (2) working days, the corresponding policy, except where otherwise stated different in the Order.

p) Never breach, in the performance of its activities and complying with the Order and these General Conditions, any intellectual property or any other right from third parties.

q) Compensate Cargill for any damage and/or injury arising from any breach of its obligations on the basis of these General Conditions and the Order;

5. Taxes.

All taxes, levies and special contributions levied on the supply of Products and these General Conditions shall be borne by the taxpayer or person responsible, under the terms of tax legislation to the date and location of the relevant turnover.


6.1. The Seller is aware that the Foreign Corrupt Practices Act outside USA (The “FCPA”) against bribery and anti-corruption laws of other jurisdictions (along with the Foreign Corrupt Practices Act ("FCPA") and the “Uk Bribery Act") prohibits the offer, promise of offer, promotion of payment, or authorization of payment of any money or anything of value, directly or indirectly through third parties, to any Governmental Authority (as defined below), political party, official of a political party or any candidate for public office, with the intent to influence them in their official capacity, or induce them to use their influence to help any person to obtain or retain business and/or obtain undue advantage.

6.2. The Seller, in fulfilling its obligations under the terms of these General Conditions and/or the Order, shall not violate the FCPA or any other applicable Anti-Corruption Law, neither shall pay, offer, promise to pay or authorize to pay or offer money or anything of value, directly or indirectly:

a) To any Governmental Authority (as defined below); or

b) To any political party, official of a political party or any candidate for public office;

With the intent of obtaining or retaining business or any improper advantage for Cargill.

6.3. No part of the funds paid by Cargill to the Seller shall be used for any purpose that violates the FCPA, the anti-bribery laws in effect or any other law applicable to the Products purchased by Cargill.

6.4. At the date of these General Conditions and/or Order, none of the shareholders, partners, employees, directors, officers, or officials of the Seller is a Governmental Authority (as defined below), an official of a political party or candidate for a public office. During the term of these General Conditions and the Order, the Seller agrees to notify Cargill in writing if one or more of its shareholders, partners, administrators, directors, officers, managers or employees is appointed as a Governmental Authority (as defined below), an official of a political party or candidate for a public office.

6.4.1. The Seller acknowledges and accepts, in its entirety, with irrevocable and irreversible nature, the Supplier Code of Conduct of Cargill, attached as Annex I to these General Conditions, and agrees to act with commercial responsibility, integrity and transparency, fully respecting the provisions therein.

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7.1. The Seller is the sole responsible and agrees to (i) deliver the Products in strict accordance with the conditions, specifications and descriptions of the Order and the General Conditions, free of charges of any kind, conventional, judicial or legal, and (ii) make the Products available to Cargill to be used for the purposes for which they are intended.

7.1.1. In the event that the Products, in whole or in part, are not delivered in accordance with the conditions, specifications and descriptions of the Order and these General Conditions, are not fully eligible to be used for the intended purpose and/or are not free of charges of any kind, Cargill will automatically have the right (but not the obligation), to:
   a) Terminate the existing business relationship under these General Conditions and/or the Order, in which case the provisions of Chapter 10 of these General Conditions shall apply; or
   b) Reject the Products delivered in nonconformity conditions, specifications and descriptions, in which case the provisions of clause 7.1.2 below shall apply.
   c) Require the Seller to pay outstanding charges or to pay the burdens chargeable to the Seller and receive reimbursement by the Seller within five (5) days following the payment.

7.2. As provided in paragraph (b) of clause 7.1.1 above, the Seller shall deliver to Cargill, within three (3) business days from the date of receipt of the written notice by Cargill in this sense, an Products equivalent to which it would have been rejected in accordance with the conditions, specifications and descriptions of the Order, and the Seller has sole responsibility for all expenses and charges associated to such replacement. In case that Seller does not replace the Products within the period specified in this clause, Cargill will have the right (but not the obligation), irrespective of any formality or notice to Seller, to return the rejected Products to the Seller and purchase them from a third party, in which case the Seller shall be obliged to pay Cargill: (i) the price set in the Order, calculated on the amount of Products paid by Cargill to the Seller before the return and which was subsequently returned; and (ii) all costs and expenses of removal and return of Products, including but not limited to taxes, transportation costs, insurance and administrative fees; and (iii) the amount resulting from the positive difference between the price paid by Cargill to third parties for substitute Products to those being returned, if any.

7.1.3. In case of defective products, the provisions of clauses 7.5 and 7.6 of these General Conditions shall apply.
7.2. Cargill will have the right (but not the obligation) to inspect the manufacture and/or purchase of Products and track the delivery thereof. The right of inspection provided for in this clause does not exempt or restrict the Seller’s liability for damages caused to third parties or to Cargill by apparent or hidden defects in the Products. After reporting of any defect in the Products, in addition to the provisions of clauses 7.1 to 7.1.2 above, the Seller will be required to indemnify third parties and/or Cargill for any damages suffered associated with the defect.

7.3. Delivery of the Products shall strictly comply with the schedule set out in the Order. Failure to deliver the Products in accordance with the schedule set out in the Order will give Cargill the right (but not the obligation) to cancel the Order and terminate the business relationship formed by these General Conditions. Is the Seller’s sole responsibility all losses resulting from any delay in delivery of the Products, including damages, fines and/or penalties incurred by Cargill due to late delivery or the cancellation of the Order, as appropriate. The right to track the delivery of Products referred to in paragraph 7.2 above does not exempt the Seller of the responsibility for delivery.

7.4. The Seller agrees to deliver, together with the Products, the respective certificates of guarantee, analysis, composition and/or quality of material used in the manufacture of the Products, equipment, components or other elements used to manufacture the Products, and statements and proof of payment of customs duties and other taxes applicable, within one (1) business day after the date of receipt of the written notice from Cargill in this regard.

7.5. The Seller agrees to repair any and all defects in the Products detected by Cargill during the period provided for in the Order or in the manual for the Products, if any. The Seller agrees to replace or repair the Products immediately during the warranty period, at its sole and exclusive risk and at no cost to Cargill.

7.6. In case the Seller shall fail to perform the repair within ten (10) days following the date of written communication from Cargill, Cargill is authorized to instruct third parties to perform such repair, committing the Seller to indemnify Cargill, within five (5) following the written request by the latter, with all costs, direct and indirect, incurred by Cargill for repair.

7.7. The Seller is responsible for ensuring the quality of the Products and that they can be fully utilized for the intended purpose and during the time established by law, the manufacturer or the Order, whichever is greater. Even if the Seller is not the manufacturer of the Products, it shall be jointly liable with the manufacturer for compliance with the obligations set out in this chapter.

8. Default and Breach.
8.1. The delay in compliance with any of the obligations of the Parties referred to in these General Conditions, in the Order and/or the applicable law, shall be automatically deemed as default after the deadline to fulfill the corresponding obligation, without warning or notice to the other party. For compliance obligations without a deadline expressly stated in the Order or in these General Conditions, the Party shall be deemed in default from the date of receipt of the written notice of default from the other Party.
8.2. In case the Seller is unable to or estimates to be unable to fully comply with the obligations set out in the Order or in these General Conditions for any reason, the Seller should notify Cargill, verbally and in writing, the day after that in which it was able to find out the circumstances that prevents or could prevent full compliance with their obligations. Such communication shall not exempt the Seller from the responsibility for any obligation under the Order and/or these General Conditions.
8.3. The Seller shall indemnify Cargill or any third party for any damages (moral, material, lost profits, direct, indirect, consequential or otherwise) caused to Cargill or third parties arising from acts or omissions by the Seller or acts or facts attributable to the Seller that are contrary to the provisions of these General Conditions, the Order or the applicable law.

8.4. Notwithstanding clause 10.3, in any case of breach or delay in payment of Seller’s obligations under these General Conditions or the Order, Cargill is authorized by the Seller, with irrevocable and irrevocable nature, to withhold and compensate any payments due to the Seller under these General Conditions and/or the Order until the effective satisfaction of obligations by the Seller and until the payment of amounts owed to Cargill under the terms of these General Conditions and/or the Order.

9. Labor and Social Responsibility.
9.1. The Seller and/or the applicable law, shall not create or maintain any employment relationship between Cargill and the Seller and/or their legal representatives, employees, agents or contractors. The Seller will be responsible for all labor obligations (including but not limited to payment of wages, social benefits and other labor rights), social benefits, social security, occupational health and any other benefit or obligation related to their own legal representatives, employees, agents or contractors, as appropriate, as well as taxes and other payments and contributions established by law that have as cause the employment relationship, and shall assume responsibility for the costs and expenses of any judicial or extrajudicial claim suffered by Cargill and related to the Order, these General Conditions or the Agreement, or to the performance or breach of any obligation under the Order or these General Conditions, with no solidarity, subsidiary liability or any kind of responsibility between the Parties.
9.2. The Seller is responsible for ensuring that the Seller and/or its partners, legal representatives, suppliers, customers, employees, former employees or any third party creditor in any capacity may maintain Cargill harmless and free from any liability for claims, complaints, actions, labor claims and representations of any kind relating to the activities carried out by the Seller or a third party for the fulfillment of the Seller’s obligations under the Order or these General Conditions.

9.3. In the event the Seller and/or its partners, legal representatives, suppliers, customers, employees, former employees or any third party creditor in any capacity may intend actions, claims, labor claims or any other judicial or extrajudicial action against Cargill, the Seller hereafter will be required to:
   a) Assume the position of defendant (taxable person) in said instance or claim; and
   b) Pay the attorneys’ fees and other costs and legal expenses Cargill had to bear for their defense in the action referred to in this clause 9.3, including but not limited to expenses for travel, lodging, food, experts’ fees, etc.

9.4. The Seller represents and agrees that:
   a) it shall perform the activities described in the Order and/or these General Conditions with its own elements, resources and employees;
   b) it has a diversified customer portfolio in Venezuela; and
   c) under the Order and these General Conditions, there will be no economic dependence between the Seller, its legal representatives, employees, agents or contractors and Cargill. The Seller represents and agrees that the activities carried out under these General Conditions are not directly related to the main production processes of Cargill and its provision is not permanently required within Cargill facilities. Consequently, (i) neither the Seller nor any representative, employee, agent or contractor used by the Seller to perform the activities described in the Order and/or these General Conditions will be considered to be an element of the Seller’s supply chain or part of a labor contract, nor (ii) Seller and/or the applicable law, shall be considered to be an element of the Seller’s supply chain or part of a labor contract, nor (iii) Seller and/or other subcontractors or third parties with respect to the obligations of the latter with their own workers. During the term of the Order and/or these General Conditions, the Seller will supply to Cargill any information that Cargill may reasonably require in relation to employees, agents or contractors used by the Seller to perform the activities described in the Order and/or these General Conditions (subject to any applicable data privacy requirements in accordance with applicable law).

10. Rescission and Termination.
10.1. As cases for rescission, additional to those provided in the specific provisions of these General Conditions and/or the Order, these General Conditions and the Order may be terminated for the following reasons:
   a) Due to insolvency, order or request for delay or bankruptcy or similar request for judicial and/or extrajudicial recovery by the other Party, regardless of any prior notification;
   b) Due to intervention, expropriation, occupation, temporary or permanent, of the Seller;
c) By Cargill, at its sole discretion, in the case of (I) any interruption of activities experienced by the Seller and/or its suppliers, which according to Cargill may hinder in any way the supply of products under the conditions and within the deadline stipulated in the Order and these General Conditions; or (ii) default or delay by the Seller of any obligation under these General Conditions and/or the Order.

d) By the Seller, if Cargill fails to make the payments under the Order and these General Conditions within thirty (30) days from the date of receipt of the written notice sent by the Seller to Cargill demanding the payment of the amount due, if applicable.

10.2. The Parties will not be obliged to pay any compensation or penalty in the event of rescission on the grounds mentioned in paragraphs a) and b) of clause 10.1 above, however, it should be considered all obligations under these General Conditions and/or the Order, as arisen before the rescission date.

10.3. In case of termination based upon paragraphs c) or d) of clause 10.1 above, the breaching Party shall be subject to a non-compensatory penalty for damages, equal to five percent (5%) of the total Order value, in addition to reimbursement and/or compensation for the losses incurred by the non-breaching party and without prejudice to compensation and sanctions provided in these General Conditions and/or the Order.

10.4. In any event of termination of these General Conditions and the Order, without excluding other established sanctions and compensations, the Seller is obliged to supply those Products whose price has already been paid or, at the discretion of Cargill, return to Cargill all amounts paid adjusted according to the index approved in writing by the Parties, whenever permitted by the applicable law.

10.5. Except in cases of malice or gross negligence, the Parties are not required to pay to the other Party any compensation for lost profits, indirect or consequential damages.

10.6. Any indemnity or compensation payable by Cargill to the Seller under the Order and/or these General Conditions will be limited to ten (10%) percent of the price of all Products.

10.7. The Parties may, for any reason or no reason, early terminate these General Conditions and/or the Order without payment of any penalty to the other party, provided that they notify in writing to the other party at least thirty (30) days in advance and comply with their obligations validly entered into prior to the early termination.

11. Confidentiality.
The Seller shall maintain absolute confidentiality and discretion over all the information that may be disclosed by Cargill, including, but not limited to any information, materials, data, documents and technical specifications to which it may have knowledge or access, or can be entrusted with, related or not to the object of its Order. This obligation shall remain in force while the Seller's obligations under the Order and these General Conditions are in effect, and for five (5) years following its fulfillment or rescission, as appropriate.

All notices, requests, orders and other communications directed at either Party concerning these General Conditions and/or the Order shall be in writing to be considered valid, and shall be forwarded to the addresses of the Parties listed in Order.

13.1. Neither Party may, without prior written consent from the other Party, assign or transfer, in whole or in part, any of its rights or obligations under the Order or these General Conditions.

13.1.1. Notwithstanding the provisions of clause 13.1 above, Cargill is authorized by the Seller to assign or transfer, in whole or in part, any of its rights and/or obligations under the Order and/or these General Conditions, to any of its subsidiaries or affiliates, either parent, affiliate or subsidiary, directly or indirectly.

13.1.2. The Seller agrees from this moment, and with irrevocable and intractable nature, not to transfer, encumber, factor or otherwise transfer to third parties any credit it may have against Cargill related to the Order and/or these General Conditions without the express written permission from Cargill. Any assignment or transfer made in breach of this obligation shall be considered null and void, being considered duly made all payments made by Cargill directly to the Seller, and releasing Cargill from its obligations.

13.2. Failure to demand, by either Party, strict compliance with any obligation or condition in these General Conditions or the Order, shall be considered as mere tolerance and shall not involve altering the obligation or condition nor waive the right to demand it in the future, not affecting the validity of these General Conditions and/or the Order or Agreement and any of its conditions.

13.3. The obligations of each Party set out in these General Conditions or the Order constitute legal, valid, binding obligations which are enforceable in accordance with its terms, and supersede all previous accords, representations, negotiations and agreements, whether verbal or by writing, that have its purpose in whole or in part.

13.4. The Order and these General Conditions may be modified only in writing, observing that: (I) the Order may be changed only upon the sending of a rectifying application by Cargill to the Seller; and (ii) these General Conditions may only be modified by amendments signed by the Parties or their legal authorized representatives.

13.5. The invalidity of any provision of these General Conditions and/or the Order due to being considered void and/or contrary to law, by any competent governmental authority or court, will not affect the other provisions, which shall be deemed valid and shall be fully effective between the parties.

13.6. All titles of chapters, clauses, paragraphs or other items of these General Conditions are used only as a reference and, therefore, will not affect the content thereof.

13.7. The Seller may not use the brand names, trademarks, logos, service marks or other signs owned by Cargill in any way, including, among others, for advertising, lists of users or customers etc., unless the Seller obtains the prior written consent by Cargill.

13.8. For the interpretation, compliance and enforcement of these General Conditions, the Parties are subject to the laws and jurisdiction of the courts of the capital city or region of the country in which the Order was entered. Seller hereby acknowledges and agrees to fully comply with Cargill’s Supplier Code of Conduct, which can be accessed in its entirety at www.cargill.com/supplier-code.