

CONDITIONS OF SALE – Flour, Grains, Animal Feed,

Seed and Fertilisers

The Buyer's attention is drawn in particular to the provisions of clause 8.

1. INTERPRETATION

1.1 **Definitions.** In these Conditions, the following definitions apply:-
Buyer means the person who accepts a quotation from Heygates for the sale of Goods or whose Order for Goods is accepted by Heygates.

Business Day means a day (other than a Saturday, Sunday or public holiday) when banks in London are open for business.

Conditions means the standard terms and conditions of sale set out in this document and (unless the context otherwise requires) includes any special terms and conditions agreed in writing between the Buyer and Heygates in accordance with clause 2.2 of these Conditions.

Contract(s) means the contract(s) between Heygates and the Buyer for the purchase and sale of the Goods in accordance with these Conditions.

Force Majeure Event has the meaning given in clause 9.

Goods means the Goods (including any instalments of the Goods) which Heygates is to supply under a Contract in accordance with these Conditions. The term "Goods" includes any items sold by Heygates.

Heygates means the Heygate Group Company contracting with the Buyer under a Contract.

Heygate Group of Companies means the Heygate and Sons Limited (Company registration no. 719446) and its subsidiaries as defined by section 1159 of the Companies Act 2006.

Order means the Buyer's order for the Goods as set out in the Buyer's purchase order form or written acceptance of a quotation provided by Heygates as the case may be.

Specification any specification of the Goods, that is agreed in writing by the Buyer and Heygates, and in the absence of any agreed written specification this shall be Heygates' current specification for the Goods.

Total Debt means any amounts owing by the Buyer to Heygates or to the Heygate Group of Companies whether or not under a Contract or any other Contract(s), agreement or deed between the parties.

1.2 **Construction.** In these Conditions, the following rules apply:

1.2.1 Any reference to any provision of a statute or regulation or of any EU legislation shall be construed as a reference to that provision as amended, re-enacted or extended at the relevant time.

1.2.2 words denoting the singular shall include the plural and vice versa.

1.2.3 words denoting any gender shall include all genders.

1.2.4 words denoting persons shall include bodies corporate, partnerships and individuals.

1.2.5 Any phrase introduced by the terms **including, include, in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

1.2.6 A reference to **writing** or **written** includes faxes and e-mails.

2. SALE AND PURCHASE

2.1 The Order constitutes an offer by the Buyer to purchase the Goods in accordance with these Conditions. The Contract is not concluded until the Order has been reviewed and accepted in writing by Heygates at which point the Contract shall come into existence, subject to these Conditions, which shall govern the Contract(s) to the exclusion of any other terms and conditions subject to which any such Heygates quotation is accepted or purported to be accepted by the Buyer.

2.2 No variation to these Conditions shall be binding unless agreed in writing between an authorised representative of the Buyer and an Executive Director of Heygates.

2.3 The Buyer acknowledges that it has not entered into the Contract(s) in reliance upon any representation, warranty or undertaking of Heygates which is not expressly set out or referred to in these Conditions or in writing on a quotation or order.

2.4 Any typographical, clerical or other error or omission in any sales literature, quotation, price list, acceptance of offer, invoice or other document or information issued by Heygates shall either be subject to correction without any liability on the part of Heygates or in the event the error or omission results in a material increase in price per kilogram (being in excess of 10%) the Buyer shall have the option to cancel the Contract within two Business Days of notification of the error or omission by Heygates.

3. QUOTATIONS AND ORDER

3.1 Any quotation by Heygates (whether written or oral) shall be deemed to be accepted by the Buyer once an Order confirming the quotation is placed by the Buyer.

3.2 The Buyer shall be responsible to Heygates for checking the accuracy of the terms of any quotation or Order (including any applicable Specification) and for giving Heygates all necessary information relating to the Goods within a sufficient time to enable Heygates to perform the Contract(s) in accordance with its terms. The quantity, quality and description of any Specification for the Goods shall be those stated in the Order if accepted by Heygates).

3.3 In accordance with the usual practice of the trade, Heygates reserves the right, in the event that the product Specification ordered is not available, to the substitution thereof, at Heygates option, a suitable alternative product. If the substituted product is not acceptable to the Buyer the Buyer must notify Heygates within five Business Days of receipt and it must be returned, in the same state that it was delivered (and if delivered in bags, those bags being unopened), to Heygates within eight Business Days of receipt, when any price paid and transport costs will be refunded in full and the Contract(s) will then be deemed to be cancelled without any liability to either party.

3.4 Heygates reserve the right to make any changes in the Specification of the Goods which are required to conform with any applicable safety or other statutory or regulatory requirements.

3.5 No order which has been accepted by Heygates may be cancelled by the Buyer (save as provided for in clause 2.4 and 3.4).

4. PRICE OF THE GOODS

4.1 Subject to the provisions of clause 4.3,;

4.1.1 the price of the Goods shall be Heygates quoted price, or, where no price has been quoted (or a quoted price is no longer valid), the price listed in the Heygates published price list current at the date of acceptance of the order or quotation (as appropriate).

4.1.2 All prices quoted are valid for the period stated on the quotation. If no such period is stated on the quotation any price quoted will be valid until 17:30 hours GMT on the date of the quotation only or until earlier acceptance by the Buyer.

4.2 After expiry of the relevant period, all prices may be altered by Heygates without giving prior notice to the Buyer. Heygates reserves the right to accept an Order after the expiry of the relevant period for acceptance of the quotation.

4.3 Heygates may, by giving notice to the Buyer at any time before delivery, increase the price of the Goods to reflect any increase in the cost of the Goods that is due to any levies, taxes, duties or tariffs imposed on the Goods or any other factor beyond Heygates' control (including foreign exchange fluctuations, general increases in taxes and duties).

4.4 Except as otherwise stated under the terms of any quotation or in Heygates price list, or unless otherwise agreed in writing between the Buyer and Heygates, all prices given by Heygates are on a delivered basis.

4.5 The price of the Goods is exclusive of any applicable value added tax, or any other levy, tax or financial imposition which the Buyer shall be additionally liable to pay to Heygates.

4.6 The Buyer will be charged for any pallets, returnable containers and packaging not returned in good condition to Heygates.

5. TERMS OF PAYMENT

5.1 Subject to any special terms agreed in writing between Heygates and the Buyer, Heygates shall be entitled to invoice the Buyer for the price of the Goods on or at any time after delivery of the Goods, unless the Goods are to be collected by the Buyer or the Buyer wrongfully fails to take delivery of the Goods, in which event Heygates shall be entitled to invoice the Buyer for the price at any time after Heygates has notified the Buyer that the Goods are ready for collection or (as the case may be) Heygates has offered delivery of the Goods.

5.2 The Buyer shall pay the price of the Goods within 28 days after the delivery of the Goods or such other time period as specified by Heygates. Time of payment is of the essence.

5.3 Any variation in the terms of payment will be shown on the quotation or invoice for the Goods

5.4 Remittance must be sent to the address stated on the invoice quoting the relevant invoice number(s).

- 5.5 If the Buyer fails to make any payment to reduce its Total Debt (whether relating to this Contract(s) or any other) within the due time period, then the full amount of the Total Debt becomes immediately due and payable without prejudice to any other right or remedy available to Heygates, in which event Heygates shall be entitled to:
- 5.5.1 cancel the relevant Contract or any Contract(s) which the Buyer has with the Heygate Group of Companies or suspend any further deliveries to the Buyer;
- 5.5.2 appropriate any payment made by the Buyer to such of the Goods (or any Total Debt) as Heygates think fit (notwithstanding any purported appropriation by the Buyer);
- 5.5.3 charge the Buyer interest on the amount of the Total Debt unpaid at the rate of 8% per annum above the Bank of England Base Rate from time to time in force. Such interest shall accrue on a daily basis from the due date until the date of actual payment of the Total Debt, whether before or after judgement.
- 5.5.4 recover from the Buyer on demand and on a full and unlimited indemnity basis all costs, charges, expenses and liabilities paid or incurred by Heygates (whether directly or indirectly) by reason of the Buyer's said payment default, including (by way of illustration only) the following costs of recovering outstanding monies, namely: all internal administrative costs, all bank charges (including any charges for re-presenting dishonoured or unpaid cheques) and all legal and other professional costs and fees and disbursements and VAT thereon.
- 5.6 Whenever any sum of money shall be due from or payable by the Buyer to any member of the Heygate Group of Companies, the same may be deducted from any sum then due or which may at any time thereafter become due to the Buyer from any other member of the Heygate Group of Companies. Whenever any sum of money shall be due from or payable by any member of the Heygate Group of Companies to the Buyer, the same may be deducted from any sum then due or which may at any time thereafter become due from the Buyer to any other member of the Heygate Group of Companies.

6. DELIVERY

- 6.1 Delivery of the Goods shall be made by the Buyer collecting the Goods at Heygates premises at any time after Heygates has notified the Buyer that the Goods are ready for collection or, if some other place for delivery is agreed, by Heygates delivering the Goods to that place.
- 6.2 Any dates quoted for delivery of the Goods are approximate only and Heygates shall not be liable for any delays in delivery of the Goods howsoever caused. Time for delivery shall not be of the essence unless previously agreed by Heygates in writing. The Goods may be delivered by Heygates in advance of the quoted delivery date upon giving reasonable notice to the Buyer.
- 6.3 Whilst every effort will be made to deliver the quantities ordered, where delivery of the Goods is to be made in bulk, then Heygates reserve the right to deliver more or less than the quantity ordered (up to 10% more or less) without any adjustment in the price per kilogram, and the quantity so delivered shall be deemed to be the quantity ordered.
- 6.4 Where the Goods are to be delivered in instalments, each delivery shall constitute a separate Contract(s) and failure by Heygates to deliver any one or more of the instalments in accordance with these Conditions or any claim by the Buyer in respect of any one or more of the instalments shall not entitle the Buyer to treat the Contract(s) as a whole as repudiated.
- 6.5 If Heygates fail to deliver the Goods for any reason other than any Force Majeure Event or the Buyer's fault, and Heygates accordingly become liable to the Buyer, Heygates liability shall be limited to the excess (if any) of the cost to the Buyer (in the cheapest readily available market) of buying similar Goods to replace those not delivered in excess of the price of the Goods per kilogram.
- 6.6 If the Buyer fails to take delivery of the Goods within three Business Days of Heygates notifying the Buyer that the Goods are ready for delivery or fails to give Heygates adequate delivery instructions at the time stated for delivery (otherwise than by reason of any Force Majeure Event or by reason of Heygates fault) then, without prejudice to any other right or remedy available to Heygates they may:
- 6.6.1 store the Goods until actual delivery and charge the Buyer for the reasonable costs (including insurance) of storage; or
- 6.6.2 resell or otherwise dispose of part or all of the Goods at the best price readily obtainable and (after deducting all reasonable storage and selling expenses) account to the Buyer for the excess over

the price under the Contract(s) or charge the Buyer for any shortfall below the price under the Contract(s).

7. TITLE AND RISK

- 7.1 Risk of damage to or loss of the Goods shall pass to the Buyer:
- 7.1.1 in the case of Goods to be delivered at Heygates premises at the time when Heygates notifies the Buyer that the Goods are available for collection, or
- 7.1.2 in the case of Goods to be delivered otherwise than at Heygates premises, at the time of delivery or, if the Buyer wrongfully fails to take delivery of the Goods, the time when Heygates have tendered delivery of the Goods.
- 7.2 Notwithstanding delivery and the passing of risk in the Goods, or any other provisions of these Conditions the title in the Goods shall not pass to the Buyer until Heygates has received payment in full (in cash or cleared funds) for:
- 7.2.1 the Goods; and
- 7.2.2 any other goods that Heygates or the Heygate Group of Companies has supplied to the Buyer in respect of which payment has become due.
- 7.3 Until title to the Goods has passed to the Buyer, the Buyer shall:
- 7.3.1 hold the Goods on a fiduciary basis as Heygate's bailee;
- 7.3.2 store the Goods separately from all other goods held by the Buyer so that they remain readily identifiable as Heygate's property;
- 7.3.3 not remove, deface or obscure any identifying mark or packaging on or relating to the Goods;
- 7.3.4 maintain the Goods in a satisfactory condition and keep them insured against all risks for their full price from the date of delivery;
- 7.3.5 notify Heygates immediately if it becomes subject to any of the events listed in clause 10;
- 7.3.6 give Heygates such information relating to the Goods as Heygates may require from time to time; and
- 7.3.7 on request the Buyer shall allow Heygates to inspect the Goods and any insurance policy.
- but the Buyer may resell or use the Goods in the ordinary course of its business.
- 7.4 If before title to the Goods passes to the Buyer the Buyer becomes subject to any of the events listed in clause 10, or Heygates reasonably believes that any such event is about to happen and notifies the Buyer accordingly, then, provided that the Goods have not been resold, or irrevocably incorporated into another product, and without limiting any other right or remedy Heygates may have, Heygates may at any time require the Buyer to deliver up the Goods and, if the Buyer fails to do so promptly, and in any case within three Business Days, enter any premises of the Buyer or of any third party where the Goods are stored in order to recover them.
- 7.5 The Buyer shall not be entitled to pledge or otherwise charge by way of security for any debt any of the Goods in which title remains vested in Heygates but if the Buyer does so, all monies owed by the Buyer to Heygates shall (without prejudice to any other right or remedy of Heygates) forthwith become due and payable.
- 7.6 Where the Goods have been mixed with other similar or identical Goods belonging to the Buyer and/or third parties then title in the resulting mixture ("the Mixture") shall be retained by Heygates in respect of a share of the Mixture that is proportionate to Heygates contribution of Goods to the Mixture and the provisions of this clause 7.6 shall apply to Heygates proportion of the Mixture. Until title in the Mixture has passed to the Buyer, the Buyer shall:
- 7.6.1 hold the Mixture on a fiduciary basis as Heygate's bailee;
- 7.6.2 maintain the Mixture in a satisfactory condition and keep it insured against all risks for the full price from the date of delivery;
- 7.6.3 notify Heygates immediately if the Buyer becomes subject to any of the events listed in clause 10;
- 7.6.4 give Heygates such information relating to the Mixture as Heygates may require from time to time;
- 7.6.5 on request the Buyer shall allow Heygates to inspect the Mixture and any insurance policy;
- 7.6.6 provided the mixture is still in existence and has not been sold or incorporated in or used as material for other goods, Heygates shall be entitled at any time without notice to the Buyer to enter upon the premises

of the Buyer or any third party where the Mixture is stored and take possession of a proportion of the Mixture equal to the amount of Heygates contribution to the Mixture; and

7.6.7 the Buyer shall not be entitled to pledge or otherwise charge by way of security for any amount owing any of the Mixture in which title remains vested in Heygates but if the Buyer does so, all monies owed by the Buyer to Heygates shall (without prejudice to any other right or remedy of Heygates) forthwith become due and payable.

8. WARRANTIES AND LIABILITY

8.1 In relation to the sale of animal feeds and fertilisers only the terms of the Agriculture Act 1970 shall apply and no further warranties or liabilities are accepted by Heygates.

8.2 In relation to the sale of seeds only the Buyer acknowledges that Heygates is not involved in the production of any seeds and any claim the Buyer may have against Heygates in addition to the limits or liability contained in this clause 8 is limited to the sum which Heygates can claim from the producer of such seeds.

8.3 Subject to clauses 8.1 and 8.2, Heygates warrants that on delivery of the Goods to the Buyer, or upon notification to the Buyer that the Goods are ready for collection, the Goods shall:

8.3.1 be of the variety or type specified in Heygates quotation or the Buyer's order as the case may be and conform with the description in any applicable Specification; and

8.3.2 be free from any material defects that would be apparent upon reasonable examination.

8.4 Subject to clause 8.5 if:

8.4.1 the Buyer notifies Heygates within five Business Days from the date of delivery or (where the failure was not apparent on reasonable inspection) within a reasonable time after discovery of the failure to correspond with any applicable Specification; and

8.4.2 Heygates is given a reasonable opportunity of examining such Goods; and

8.4.3 the loss or damage is of a type which would normally be recoverable in a court of law in respect of a claim for damages for breach of contract; and

8.4.4 the Buyer (if asked to do so by Heygates) returns such Goods to Heygates place of business at Heygates cost.

Heygates shall, at its option, replace the defective Goods, or refund the price of the defective Goods in full.

8.5 Heygates shall not be liable for Goods' failure to comply with the warranty set out in clause 8.3 or breach of the implied terms of the Agriculture Act 1970 (as amended) in any of the following events:

8.5.1 the Buyer makes any further use of such Goods after giving notice in accordance with clause 8.4;

8.5.2 the defect arises because the Buyer failed to follow Heygate's oral or written instructions as to the storage or use of the Goods or (if there are none) good trade practices regarding the same;

8.5.3 the defect arises as a result of wilful damage, negligence, or abnormal storage or working conditions; or

8.5.4 the Goods differ from their description or Specification as a result of changes made to ensure they comply with applicable statutory or regulatory requirements.

8.6 Except as expressly provided in these Conditions, all warranties, conditions or terms relating to fitness for purpose, quality or condition of the Goods, whether express or implied by statute or common law, custom of trade or otherwise are excluded to the fullest extent permitted by law. In particular, and without prejudice to the generality of the foregoing, in no case are the Goods warranted free from any defect which would not be apparent upon reasonable examination.

8.7 Subject to clause 8.1, the terms implied by sections 13 to 15 inclusive of the Sale of Goods Act 1979 are, to the fullest extent permitted by law, excluded from the Contract(s).

8.8 Subject to clause 8.9:

8.8.1 Heygates shall under no circumstances whatever be liable to the Buyer, whether in contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise, for any loss of profit, or any indirect or consequential loss arising under or in connection with the Contract(s); and

8.8.2 Heygates' total liability in contract, tort (including negligence), breach of statutory duty, misrepresentation or otherwise, arising in connection with the performance or contemplated performance of a Contract(s) shall be limited in the case of any

Goods, excluding seeds, to the purchase price of the Goods the subject of the Contract and in the case of seeds to the amount which Heygates can claim from the producer of such seeds. The Buyer is responsible for making its own arrangements for the insurance of any excess loss; and

8.8.3 Heygates shall not be liable to the Buyer for any special, indirect or consequential loss or damage (whether for loss of profit, loss of business, loss of business opportunity, loss of anticipated saving, depletion of goodwill or otherwise) costs, expenses or other claims for consequential compensation whatsoever (howsoever caused) which arise out of or in connection with the Contract(s).

8.9 Nothing in these Conditions excludes or limits the liability of Heygates for:

8.9.1 fraud or fraudulent misrepresentation;

8.9.2 death or personal injury caused by Heygates negligence or the negligence of Heygates employees, agents or subcontractors (as applicable); or

8.9.3 any matter in which it would be unlawful for Heygates to exclude or restrict liability.

8.10 The price of any Goods sold or offered for sale is based upon the foregoing limitations upon Heygates liability. The price of such Goods would be much greater if a more extensive liability were required to be undertaken. In accepting the Goods upon these conditions, the Buyer acknowledges that the limitation of Heygates liability is fair and reasonable. If the Buyer requires a more extensive liability it should raise the issue direct before the Contract(s) comes into existence.

8.11 These Conditions shall apply to any replacement Goods supplied by Heygates.

9. FORCE MAJEURE

Neither party shall be liable for any failure or delay in performing its obligations under the Contract to the extent that such failure or delay is caused by a Force Majeure Event. A Force Majeure Event means any event beyond a party's reasonable control, which by its nature could not have been foreseen, or, if it could have been foreseen, was unavoidable, including strikes, lock-outs or other industrial disputes (whether involving its own workforce or a third party's), acts, restrictions, regulations, by-laws, prohibitions or measures of any kind on the part of any governmental, quasi governmental or local authority, import or export regulations or embargoes, failure of energy sources or transport network, acts of God, war, terrorism, riot, civil commotion, interference by civil or military authorities, national or international calamity, armed conflict, malicious damage, breakdown of plant or machinery, nuclear, chemical or biological contamination, sonic boom, explosions, collapse of building structures, fires, floods, storms, earthquakes, loss at sea, epidemics, natural disasters or extreme adverse weather conditions, difficulties in obtaining raw materials or default of suppliers or subcontractors.

10. INSOLVENCY OF OR BREACH OF CONTRACT BY THE BUYER

10.1 This clause applies if:

10.1.1 the Buyer fails to make any payment on the due date towards reducing its Total Debt; or

10.1.2 the Buyer commits any other breach of the Contract(s); or

10.1.3 any distress or execution shall be levied upon any of the Buyer's goods; or

10.1.4 the Buyer offers to make any arrangement with its creditors; or

10.1.5 any bankruptcy petition is presented against the Buyer or the Buyer is unable to pay its debts as they fall due or if being a limited company any resolution or petition to wind up the Buyer (other than for the purpose of amalgamation or reconstruction without insolvency) shall be passed or presented; or

10.1.6 a receiver, administrator, administrative receiver or manager shall be appointed over the whole or any part of the Buyer's business or assets; or

10.1.7 the Buyer shall suffer any proceedings analogous to the proceedings under clause 10.15 or 10.1.6 under foreign law; or

10.1.8 the Buyer ceases, or threatens to cease, to carry on business; or

10.1.9 Heygates reasonably apprehends that any of the events mentioned above is about to occur in relation to the Buyer and notifies the Buyer accordingly.

10.2 If the Buyer is a partnership, this clause applies if any of the above events occurs with respect to the partnership or to any partner therein.

- 10.3 If this clause applies, without prejudice to any other right or remedy available to Heygates:
- 10.3.1 Heygates shall be entitled to cancel the Contract(s) or suspend any further deliveries under it without any liability to the Buyer;
- 10.3.2 if the Goods have been delivered but not paid for the price shall become immediately due and payable notwithstanding these Conditions or any previous agreement or arrangement to the contrary;
- 10.3.3 the Total Debt (whether or not immediately due and payable) shall forthwith become immediately due and payable.
- 13.3 suspending any further deliveries under the Contract(s) until the Total Debt has been cleared.

11. GENERAL

11.1 Assignment and subcontracting.

- 11.1.1 Heygates may at any time assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights or obligations under the Contract(s).
- 11.1.2 The Buyer may not assign, transfer, charge, subcontract or deal in any other manner with all or any of its rights or obligations under the Contract(s) without the prior written consent of Heygates.

11.2 Notices.

Any notice required or permitted to be given by either party to the other under a Contract shall be in writing addressed to that other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.

11.3 Waiver.

- 11.3.1 No waiver by Heygates of any breach of the Contract(s) by the Buyer shall be considered as a waiver of any subsequent breach of the same or any other provisions.
- 11.3.2 Failure or delay by Heygates in enforcing any provision of the Contract(s) will not be construed as a waiver of any of its rights under the Contract(s).
- 11.3.3 Each right or remedy of Heygates under the Contract(s) is without prejudice to any other right or remedy of Heygates whether under the Contract(s) or not.

11.4 Severance.

- 11.4.1 If any provision of these Conditions is held by any competent authority to be invalid, illegal or unenforceable in whole or in part, that provision or part-provision shall, to the extent required, be deemed to be deleted, and the validity of the other provisions of these Conditions and the remainder of the provision in question shall not be affected thereby.
- 11.4.2 If any invalid, unenforceable or illegal provision of the Conditions would be valid, enforceable and legal if some part of it were deleted, the provision shall apply with the minimum modification necessary to make it legal, valid and enforceable.

11.5 Governing Law and jurisdiction.

The Contract(s) shall be governed by the Laws of England and the parties submit to the exclusive jurisdiction of the English Courts.

11.6 Third Part Rights

No third party (save for any company within the Heygate Group of Companies) shall have a right to enforce a provision under the Contracts (Rights of Third Parties) Act 1999.

12. By entering into this Contract(s) or requesting a quotation from Heygates the Buyer authorises:

- 12.1 the Heygate Group of Companies to make a credit search against the Buyer and to keep a record of that search for 2 years after fulfilment of the Contract(s) or any contract with the Heygate Group of Companies and the Buyer will provide if specifically requested written authorisation from directors of the Buyer (if a company) or individual partners of the Buyer (if a partnership) or members (if a limited liability partnership) authorising a credit search of that individual.
- 12.2 the Heygate Group of Companies to share such credit records and the Buyer's record of payment of invoices to the Heygate Group of Companies with credit reference agencies and other organisations on an unrestricted basis.

13. The Buyer or individuals searched against because of their links to the Buyer may withdraw their consent given in clause 12 on 14 days' written notice but if they do so the Heygate Group of Companies has the option of: -

- 13.1 withdrawing all of the Buyer's credit facilities without further notice;
- 13.2 terminating the Contract(s) but without prejudice to the Total Debt the full amount of which shall immediately become due and payable;