

# General conditions of VAEX Varkens- en Veehandel B.V. 'International'

## 1. General

1.1 VAEX Varkens- en Veehandel B.V., registered in the Commercial Court of the Chamber of Commerce for Noord-Brabant under number 16030924, is engaged in the trade and import of livestock and meat, as well as the exercise of a national and international animal transport company in the broadest sense of the word. These conditions apply to all offers and all proposals of and to all orders to dealers registered with the Commission for Livestock Trade resorting under the Product Board for Livestock and Meat (hereinafter "Seller") for the sale and delivery by Seller of livestock (hereinafter "cattle"), and to all agreements with Seller.

1.2 'Cattle' in these conditions shall be understood to be the number of cattle as described in the agreement.

1.3 The applicability of any conditions of the other party, customer, purchaser or any other party (hereinafter: the Purchaser) is hereby excluded explicitly.

1.4 Purchaser can only invoke stipulations that deviate from these conditions if and in so far as such stipulations have been accepted by Seller in writing.

1.5 The Purchaser with whom an agreement is concluded under these conditions, agrees to the applicability of these conditions to all later agreements between itself and Seller.

1.6 If a provision of these conditions is deemed invalid for any reason, the other provisions shall continue to be effective. In that case the parties shall replace the invalid provision in mutual agreement, with the intention to maintain the effect of the original provision wherever that is possible.

## 2. Offers, assignments and agreements

2.1 All offers and tenders of Seller are without any engagement, unless the opposite has been stated explicitly.

2.2 All assignments and acceptances of offers by Purchaser, inclusive of all oral assignments or acceptances, shall be deemed to be irrevocable.

2.3 Seller has the right to refuse an assignment, including an order taken by a representative of Seller, giving reasons for this.

2.4 Seller shall only be bound by its written offers and by assignments granted by Purchaser to Seller if the acceptance thereof has been confirmed in writing, or if a start has been made the execution of the assignment. Furthermore, Seller shall only be bound to the extent to which it has accepted the assignment in writing. Oral commitments or arrangements made by or with its employees, representatives, salesmen or other intermediaries shall only be binding on Seller if, and to the extent to which, they have been confirmed by Seller in writing.

2.5 Additional arrangements, modifications and/or cancellations shall only be binding if, and to the extent to which, they have been confirmed by Seller in writing, or if they have been processed in the execution of the assignment.

2.6 In the event of oral assignments or orders, the risk of mistakes is borne exclusively by Purchaser.

## 3. Price

3.1 The prices listed by Seller or agreed upon with Seller are net prices and therefore, inter alia, exclusive of VAT and of other taxes imposed by the government. If the government changes any taxes to be charged by Seller, those changes will be charged on by Seller to Purchaser.

3.2 The prices shall apply to each kilogram of live weight or of slaughtered weight unless agreed upon otherwise.

3.3 In the event of prices applying to each kilogram of live weight, the total live weight indicated in the invoices of Seller shall be binding on Purchaser, unless:

- Seller lists shortweight with regard to the number of cattle delivered upon delivering to the driver;
- Purchaser makes available a specified list of shortweight found to Seller within four hours after the completion of the delivery; and
- If Purchaser fully and timely cooperates with Seller in checking or causing to be checked the shortweight listed if requested to do so.

The burden of proving the shortweight lies with the Purchaser in the cases a up to and including c.

3.4 The prices listed by Seller or agreed upon with Seller have also been based on factors determining the (cost) price (such as costs of transport, wages, social security contributions and other government charges, prices and other costs) that apply to the delivery at the time when the offer was made or acceptance of an assignment by Seller occurred. If the costs price for delivery increases afterwards, the Seller has the right to increase its price accordingly and to charge the increased price to Purchaser.

3.5 If a (fixed) price has been agreed upon and Purchaser wishes to apply changes and/or make additions to the assignment, the Seller shall have the right to adjust the price in accordance with the consequences of those changes and/or additions.

## 4. Time of delivery and delivery

4.1 The dates on which and/or terms within which the cattle to be transferred by the Seller must have been delivered as agreed upon with Seller, are no strict deadlines, and the Seller therefore shall only be in default after having been given notification of default by Purchaser.

4.2 The term of delivery shall become effective after the conclusion of the agreement, after Seller will have all documents and data to be provided by Purchaser at its disposal and after the advance sum, if any, that has been agreed upon has been received by Seller or security for payment has been provided for the benefit of Seller. If any payment under any other agreement is due and payable by Purchaser to Seller at the time of the conclusion of the agreement, the term of delivery shall only become effective on the day on which the Seller shall have received all that is owed to it under that other agreement.

4.3 If the terms of delivery are exceeded, Purchaser shall not be entitled to any additional or replacing compensation for loss and/or damage or be released from the obligation to perform its obligations resulting from the agreement. However, Purchaser shall have the right to terminate the agreement by a written statement, if and in so far as Seller fails to as yet deliver the cattle to be delivered with a fair term agreed upon after the aforementioned exceeding.

4.4 Delivery terms shall be extended by the time by which the execution of the agreement is delayed by an event of force majeure. They shall also be extended by the time by which the performance of any of the obligations of the Purchaser is delayed after the point of time agreed upon or at which such performance could be expected by Purchaser to occur in all

fairness. Seller reserves the right to extend the term of delivery if an ultimate date has been agreed upon and if Purchaser wishes to apply changes and/or make additions to the assignment.

4.5 Unless agreed upon otherwise, the delivery of the cattle shall occur DDU at the destination (Incoterms 2000). The cattle to be delivered by Seller shall be deemed to have been delivered as soon as the cattle is made available to Purchaser at the delivery address agreed upon. If Purchaser is not capable of receiving, or does not wish to receive, the cattle to be delivered at the point of time agreed upon, it shall be deemed to have been delivered at the moment it would have been taken receipt of if there would not have been any impediment on the part of Purchaser.

4.6 Seller shall see to it that customs formalities and other formalities, such as required permits, that must be complied with before the delivery, and that can be complied with by another party than Purchaser or its representative, will be complied with. The costs of the aforementioned formalities shall be for the account of Seller, with the exception of costs upon, or in connection with, the importation into the country of destination.

4.7 Purchaser shall see to it that all customs formalities and other formalities such as required permits that according to the provisions of the preceding paragraph are not complied with by Seller will be complied with and shall bear all costs that according to the same provisions are not for the account of Seller.

4.8 Seller has the right to make partial deliveries. Each partial delivery shall be deemed to be an independent delivery for the purpose of application of these conditions.

## 5. Transmission of risk and ownership

5.1 With effect from the moment at which the cattle is deemed to have been delivered, as referred to in clause 4.5, the risk with regard to the cattle to be delivered by Seller shall be the risk for Purchaser.

5.2 All cattle delivered by Seller shall remain the property of Seller until the moment of full payment of all that can be claimed by Seller from Purchaser in connection with the underlying agreement and/or earlier or later agreements of the same nature, inclusive of losses, costs and interests. Purchaser shall not have any right of retention. Purchaser is obliged to insure cattle that is the property of Seller sufficiently against the regular business risks and to keep that cattle separated and clearly marked as being the property of Seller.

5.3 Seller has the right to take repossession (to arrange for repossession) of the cattle delivered to Purchaser that has remained the property of Seller if Purchaser fails to perform its obligations or if Seller has reason to assume that Purchaser will fail to perform its obligations. Purchaser is obliged to make such repossession possible. The costs related to the repossession shall be charged to Purchaser. Upon repossession a crediting shall occur on the basis of the value that the cattle will prove to have at the time of the repossession, this at the sole discretion of Seller.

5.4 In the event that a reserved ownership is nullified as a result of the processing of the delivered cattle, Purchaser shall acquire the ownership of the asset resulting thereof in its capacity of representative of Seller and therefore on behalf of Seller. In that case Seller has a right to become owner of a share in the aforementioned asset that corresponds with the value of the cattle delivered by Seller. Purchaser shall always be obliged to create a non-possessory pledge with regard to all assets thus created upon the first request from Seller and hereby provides Seller a non-possessory pledge to that future asset if the aforementioned co-ownership is not created. Purchaser shall carry out all acts required for the factual effectuation of the pledge hereby agreed on upon first request.

## 6. Force majeure

6.1 Seller has the right, without being obliged to pay compensation for damage/losses, to invoke force majeure if the execution of the agreement in its entirety or partly is made impossible, or is made more difficult by circumstances that are in all fairness beyond its control, including animal diseases, export and/or import prohibitions, work strikes, excessive absenteeism of personnel, business blockades, technical and computer interruptions, government measures, delayed provision of services ordered from third parties caused otherwise than by circumstances for which Seller can be blamed, accidents, and business interruptions.

6.2 In the event of force majeure on the part of Seller the agreement is terminated partly or in its entirety by a written statement of Seller or performance of its obligations is suspended, this at the sole discretion of Seller. If the performance of its obligations is suspended and if the force majeure lasts longer than 60 days, both Seller and Purchaser shall be authorised to terminate the agreement for the part that cannot be executed by means of a written statement, without prejudice to the provisions of clause 11.

## 7. Taking receipt and inspection

7.1 Purchaser is obliged to take receipt of the cattle immediately as soon as Seller offers the cattle for receipt. All costs in connection with the not taking receipt of the cattle by Purchaser made by Seller shall be for the account of Purchaser, inclusive of costs of stalling and transport.

7.2 Purchaser is obliged to inspect the cattle delivered by Seller with regard to its quality and quantity within a reasonable term after the date of delivery. That reasonable terms shall not be longer than within 2 days after delivery. If Purchaser fails to carry out such an inspection, the cattle delivered by Seller shall be deemed to have been approved of.

## 8. Guarantee

8.1 Seller guarantees that the cattle has been approved of by the responsible EU institution, and that the transport is carried out with all documentation that is required for delivery according to the applicable national and EU regulations in as far as known on the day preceding the day of transport in the Netherlands.

## 9. Liability

9.1 Provided that the delivered cattle has been approved of as mentioned in the preceding clause, Seller shall not be liable for any visible or invisible defects, including also any visible or invisible diseases that the cattle may have at a given moment in time, nor for any consequences thereof.

9.2 Seller shall never be obliged to pay any replacing or additional compensation for damage/loss except if and in as far as the loss/damage has been caused by wilful intent or gross negligence on the part of Seller or its employees. However, any liability of Seller for business, consequential or indirect damage/loss is always excluded, except where it is caused by wilful intent on the part of Seller.

9.3 In all cases in which Seller is obliged to pay compensation for damage/loss, such compensation shall never amount to more than either the invoice value of the delivered cattle by which or in connection with which the damage/loss was caused, or, if the damage/loss is covered by an insurance policy of Seller, the amount that is actually paid by the insurer in that respect, this at the sole discretion of Seller.

9.4 Conditions that limit, exclude or determine liability that can be invoked by suppliers or subcontractors of Seller against Seller in connection with the delivered cattle, can also be invoked by Seller against Purchaser.

9.5 The employees of Seller or workers used by Seller for the execution of the agreement can invoke all defences to be derived from the agreement against Purchaser, as if they were themselves party to the agreement.

9.6 Purchaser shall indemnify Seller, Seller's employees and all workers used by Seller for the execution of the agreement for any and all claims from third parties in connection with the execution of the agreement by Seller, in as far as those claims involve amounts that are higher than or that differ from the amounts to which Purchaser is entitled towards Seller.

## 10. Payment and security

10.1 Payment shall occur within 8 days after the date of the invoice. Seller shall at all times have the right to claim full or partial payment in advance and/or to demand security for payment otherwise.

10.2 Seller shall have the right to send invoices for partial deliveries if agreements are carried out in parts.

10.3 Purchaser waives any and all rights to set off amounts owed by Seller against amounts it owes to Seller. By submitting a complaint, the payment obligations of Purchaser are not suspended.

10.4 Payments made by Purchaser shall always first serve to pay the invoice(s) that have been outstanding for the longest time, together with additional claims in the order of interest, followed by costs, and established claims, if any, with respect to that/those invoice(s), and then followed by the principal amount.

10.5 If Purchaser fails to pay any amount owed by it or fails to cause it being paid according to the provisions stipulated above, it shall be in default, without any prior notification of default being required. As soon as Purchaser is in default regarding the payment of an amount, all other claims of Seller against Purchaser shall also be due and payable and Purchaser shall also be in default regarding payment of those claims immediately, without any prior notification of default being required.

10.6 All (judicial and extrajudicial) costs made by Seller as a consequence of the Purchaser being in default shall be for the account of Purchaser. The extrajudicial costs are determined to be 15% of the invoice value. Purchaser shall owe a delay interest equal to the legal commercial interest increased by 4% a month or part of a month during which the default continues with effect from the day on which the Purchaser is in default, without prejudice to any additional rights to be paid compensation for damage/loss.

## 11. Suspension and termination

11.1 If Purchaser fails to perform one or more of its obligations, fails to perform them timely or fails to perform them properly, is declared bankrupt, applies for a (provisional) suspension of payments, liquidates its business or if its assets are attached fully or partially or if its credit insurer withdraws the credit limit given to it, or if that limit is for an amount that is too low, Seller shall have the right to suspend performance of the agreement or to terminate the agreement fully or partially by a written statement, without any prior written notification of default being required, this all at its sole discretion and always under reservation of any right to be paid compensation for costs, losses, damage or interest to which it is entitled. In such cases any and all claims of Seller against Purchaser shall have become due and payable immediately.

11.2 Purchaser shall only have the right to terminate the agreement in the cases mentioned in clauses 4.3 and 6.2 of these conditions and in that case only after payment to Seller of all amounts owed to Seller at that moment, irrespective of whether such amounts are due and payable or not.

11.3 If the agreement is terminated pursuant to clause 11.1 before the cattle agreed upon has been delivered, Seller shall be entitled to the full price for the cattle that has been agreed upon, reduced by the savings directly resulting from the termination. If the agreement is terminated pursuant to clause 11.2, Seller shall be entitled to a portion of the price agreed upon that is proportional, given the work that has already been carried out and the costs already incurred in relation to the delivery of cattle agreed upon and the work required for this, reduced by the savings directly resulting from the termination. The costs that have already been made or the investments that have already been made at the time of the termination must always be compensated for fully by Purchaser.

## 12. Disputes and applicable law

12.1 All relationships between Seller and Purchaser shall be governed by Dutch law. Applicability of the Vienna Sales Convention is excluded explicitly.

12.2 All disputes existing between the parties shall be solved exclusively by the arbitration committee of the 'Stichting voor Veearbitrage' [Cattle Arbitration Foundation] in conformity with the rules of the 'Stichting voor Veearbitrage', unless Seller prefers to submit the dispute to a competent Dutch court.

Herewith I agree with the general terms and conditions as described above. Date: .....

Name: .....

Company: .....

Signature: .....