

## **SCANFLAVOUR A/S: GENERAL CONDITIONS OF SALE AND DELIVERY**

### **1. APPLICATION**

These General Conditions of Sale and Delivery shall govern all sales and deliveries between Scanflavour A/S (hereinafter called "Scanflavour") and the purchaser. Any deviation from the General Conditions of Sale and Delivery shall be subject to written agreement between the parties. Any general conditions of purchase on the part of the purchaser shall not be recognized, unless approved in writing by Scanflavour.

The final agreement on the sale and delivery from Scanflavour is made by means of Scanflavour's order confirmation to the purchaser. If the purchaser does not agree to the terms in Scanflavour's order confirmation or believes it differs from the terms agreed upon, the purchaser must notify Scanflavour in writing within 2 business days after the receipt of the order confirmation. In the absence of a timely objection, the terms of Scanflavour's order confirmation and these General Conditions of Sale and Delivery apply in any respect to the sale.

### **2. PLACE OF DELIVERY AND TRANSPORT**

The parties' agreement on transport, costs of transport and passing of the risk is the Incoterms 2010 condition stated in the order confirmation or in the absence hereof FCA Incoterms 2010.

### **3. DELAY**

Scanflavour shall not be liable for delay in delivery as a result of force majeure, for example strike, civil unrest, war, natural catastrophes, government intervention, outbreak of diseases among livestock and similar, major impediments affecting delivery, whatever the nature hereof. The delivery time stated in the order confirmation is approximate, and delay with delivery shall be deemed immaterial unless it is accepted in writing by Scanflavour that any delay is deemed material or unless Scanflavour is still unable to supply the goods agreed after a substantial delay has occurred defined as 14 days after the purchaser's written request. Even though it does not appear from the contract, Scanflavour shall be entitled to deliver its performance by instalments, provided that such delivery by instalments is not of major inconvenience to the purchaser.

Only in the event of a material delay according to the above, the purchaser is entitled to remedies against Scanflavour, and the purchaser may then request re-negotiation of the contract concluded or in the absence of agreement on new terms, cancellation of the contract. No other remedies shall apply, including claims for damages of any kind.

If a material delay occurs after Scanflavour has commenced delivery by instalments, the purchaser shall pay for the instalments delivered in accordance with the contract.

### **4. PAYMENT**

Unless otherwise agreed, the purchase price falls due for payment at the same time as the risk passes to the purchaser according to the delivery clause agreed upon. The purchaser must make effective payment and the purchaser is not entitled to set off the purchase price against any actual or alleged claim against Scanflavour.

Payment must be made to the bank account printed on the invoices, and the purchaser is only discharged from its payment obligation when payment is made to this bank account. Information about change of payment instructions requires crediting the invoice with prior payment instructions and issue of new matching invoices with the new payment instructions. In the event of delayed payment, interest is added at the rate of 1% per commenced month as from the date of maturity until payment is received by Scanflavour.

If – in the opinion of Scanflavour – the purchaser's ability to pay the purchase price is impaired after conclusion of the contract or once performance hereof has commenced, Scanflavour is entitled to demand security for payment of the purchase price or pre-payment hereof respectively.

If payment terms are Cash Against Document or similar and the purchaser unjustifiably cancels the contract, rejects the goods or fails to take possession of the goods when required to do so, the purchaser is liable for all costs, expenses and losses involved with Scanflavour's resale or destruction of the goods including without limitation loss of purchase price, costs of freight, warehouse costs, demurrage, brokers fees, destruction costs etc.

Scanflavour is entitled to set off claims which the LGI Group (LGI Group defined as companies controlled by The Lauridsen Group, Inc.) has towards the purchaser against any amount owed by Scanflavour to the purchaser.

#### **5. CERTIFICATES**

The purchaser's requirements for veterinary certificates must appear from Scanflavour's respective offer or order confirmation to the purchaser, inclusive of special requirements as a result of any transiting of the goods. If the purchaser has made no special requirements as to veterinary certificates, only the veterinary certificates of the country of origin will be enclosed. The purchaser is responsible for ensuring that Scanflavour does not breach any statute, ordinance, public authority decision or other public resolution by providing the ordered goods.

#### **6. EXPORT REFUNDS**

If Scanflavour is entitled to export refunds from the EU in relation to the goods supplied as stated in Scanflavour's respective offer or order confirmation to the purchaser or otherwise, the purchaser will be responsible for ensuring that Scanflavour receives, well in advance of any deadlines in EU or national legislation, all required documentation in relation to the export of the goods to the country of destination (including without limitation all documents related to the customs clearing within 1 month of the goods crossing the border of the country of destination) to enable payment of the EU export refunds to Scanflavour. The purchaser warrants that all conditions related to the import to the country of destination and subsequent use and further circulation of the goods under applicable EU or national legislation for Scanflavour's entitlement to export refunds are adhered to. The purchaser will at its own cost assist Scanflavour in relation to any investigations or request for further documentation from EU or national authorities related to the goods. The purchaser will indemnify and hold Scanflavour harmless from any damages, claims, sanctions (including penalties or reimbursements), costs or expense (including reasonable fees for attorneys and other professionals to settle any claim in or out of court) arising out of the purchaser's failure to fulfil its obligations in relation to the goods.

#### **7. EXTRAORDINARY COSTS**

The purchaser shall compensate Scanflavour for any extraordinary costs if the purchaser's circumstances prevent Scanflavour from effecting punctual delivery.

#### **8. RESERVATION OF TITLE**

Scanflavour reserves title to the goods until the entire purchase price and any costs relating to the delivery, dispatch and insurance of the goods have been paid by the purchaser or security for the purchase price has been provided as agreed. Until this has happened, the purchaser shall not be entitled to resell the goods or otherwise dispose of the goods in any way violating Scanflavour's reservation of title.

#### **9. DISCLAIMER – QUALITY AND PURITY**

Scanflavour's suppliers are required to operate documented quality systems and all material from Scanflavour's suppliers is fully traceable at receiving point and throughout Scanflavour's entire process, storage and distribution. Reference samples are analysed (not DNA) in accordance with independent internationally approved methods to ensure that they conform to quality and compositional standards. However, as specifications are based upon typical results from reference samples, and because of the nature of the raw material some variations may occur. Scanflavour provides no warranty that the goods are free from impurities, trace elements or cross-species contamination, and it is the purchaser's responsibility to conduct tests to ensure that the goods are fit for the purchaser's intended purpose and that the purchaser's use of the goods is in accordance with existing legislation and standards.

#### **10. COMPLAINTS**

If the purchaser claims that the goods suffer from any defect, the purchaser must provide evidence of such defect and shall without undue delay complain in writing to Scanflavour, stating all the specifications of the goods such as country of origin, quality etc. and describing the documented defect. As for obvious defects in fresh goods the purchaser shall complain no later than 3 days after receipt and as for frozen goods no later

than 8 days after receipt. In the event of hidden defects, the complaint shall be made as soon as the purchaser has or should have detected it (by conducting tests or otherwise). However, in no event shall Scanflavour be liable for complaints received later than 180 days after receipt. The purchaser shall store the goods technically correct until Scanflavour or Scanflavour's representative on site has had the opportunity to examine the goods.

If the goods suffer from no or only immaterial defects, the purchaser is obliged to pay for Scanflavour's costs incurred in connection with handling the complaint, for example freight, travel and accommodation costs, survey costs etc. If the purchaser fails to notify Scanflavour of complaints in accordance with the above, the purchaser is deemed to have forfeited its claim towards Scanflavour.

#### **11. LIABILITY FOR DEFECTS**

Scanflavour is only liable for material defects in the goods and provided that the purchaser has complained about a material defect within the deadline set out in section 10 and the complaint is justified. If the purchaser established that Scanflavour can be held liable for the defects, Scanflavour shall in its sole discretion and as its sole obligation replace the delivery, remedy the defect, or offer the purchaser a proportional price reduction, whereupon the defect shall be deemed to be fully remedied. The purchaser is not entitled to compensation for losses including loss of business opportunities, loss of profit, loss of time or other indirect losses and Scanflavour's total liability is limited in accordance with section 13. Section 3 shall apply to delays in respect of replacement deliveries.

If goods are used as a component or ingredient in the purchaser's products and a material defect in the goods causes damage to such products or results in a loss for the purchaser, Scanflavour is subject to a timely and justifiable complaint according to sections 10 and 11 liable for the purchaser's documented direct loss. The purchaser is not entitled to compensation for other losses including loss of business opportunities, loss of profit, loss of time or other indirect losses and Scanflavour's total loss is limited in accordance with section 13.

#### **12. PRODUCT LIABILITY**

Scanflavour is liable for damage or injury caused by a defective product according to the general rules of Danish law and disclaims its liability to the furthest extent possible in relation to product liability. Additionally, section 13 below also applies to the furthest extent possible and the purchaser is not entitled to compensation for indirect losses including loss of business opportunities, loss of profit, loss of time etc. The purchaser must promptly notify Scanflavour of any claims or suits for which it may assert indemnification from Scanflavour, and the purchaser will permit Scanflavour to assume or participate in the defence of any such claims or suits. The purchaser will cooperate with Scanflavour in such defence when reasonably requested to do so and will not compromise or settle the claim or suit without Scanflavour's prior written consent, not to be unreasonably withheld or delayed.

#### **13. LIMITATION OF LIABILITY**

Except where by law its liability cannot be excluded or limited, Scanflavour shall not be under any liability (whether in contract, tort, breach or statutory duty or including any liability for negligence or otherwise) for any indirect or consequential loss (including any loss of business opportunities, loss of profit or loss of time) suffered by the purchaser as a result of the purchaser having entered into a contract with Scanflavour, including any act or omission by Scanflavour or its representatives. Furthermore, Scanflavour is not liable for any loss or aggravated loss caused by the purchaser's failure to handle or store the goods correctly or failure to conduct entry control or current monitoring and quality control. Scanflavour's aggregate liability in contract, tort, breach or statutory duty or otherwise, including any liability for negligence or otherwise, howsoever caused arising out of or in connection with the result of the purchaser having entered into a contract with Scanflavour shall be limited to the purchase price paid by the purchaser for the goods or batch of goods on which the claim is based.

#### **14. VENUE AND APPLICABLE LAW**

The venue for any dispute between Scanflavour and the purchaser arising out of the delivery of goods subject to these General Conditions of Sale and Delivery shall be Scanflavour's home court in Denmark.

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Danish law shall apply to any dispute between Scanflavour and the purchaser with the exception of the United Nations Convention on Contracts for the International Sale of Goods (CISG) and the Danish Act No. 733 of 7 December 1988 incorporating the United Nations Convention on Contracts for the International Sale of Goods into Danish law.