

SCANFLAVOUR A/S: GENERAL CONDITIONS OF PURCHASE

1. APPLICATION

The General Purchase Conditions below are applicable to all contracts entered into or all orders placed by Scanflavour A/S (hereinafter called "Scanflavour") with suppliers, unless otherwise expressly agreed.

2. CONCLUSION OF A BINDING AGREEMENT

An order shall only be binding upon Scanflavour if it is in writing and has been confirmed by Scanflavour in writing. By confirming or executing orders, the supplier accepts Scanflavour's General Conditions of Purchase. Any conditions of the supplier, e.g. the supplier's sales terms that do not comply with Scanflavour's General Conditions of Purchase, shall not be binding, even though such conditions have not been explicitly rejected by Scanflavour. Scanflavour's taking delivery of goods shall not be interpreted as Scanflavour's implied acceptance of any deviating terms of delivery.

3. TIME AND PLACE OF DELIVERY AND TRANSPORT

The place of delivery is the delivery address stated in the purchase confirmation. The time of delivery specified by Scanflavour is fixed and shall be strictly observed. Scanflavour does not accept early delivery and may reject such delivery. The supplier must immediately inform Scanflavour of any anticipated delay. Any delay of delivery entitles Scanflavour to cancel the order and Scanflavour is exempt from paying any consideration. In addition, Scanflavour is entitled to claim damages for its direct and indirect losses suffered following the delay including compensation paid to Scanflavour's customers due to the delay. If Scanflavour fixes a new time of delivery, this is deemed the agreed delivery date and implies that any deviation from such time of delivery shall be deemed a material breach. The parties' agreement on transport, costs of transport and passing of the risk appears from the Incoterms 2010 condition stated in the purchase confirmation.

4. DEVIATION IN QUANTITIES

Deviations in quantities of up to +/- 5% shall be deemed acceptable. Deviations of more than +/- 5% shall be deemed unacceptable and shall entitle Scanflavour to cancel the order and/or claim damages.

Even if the quantity delivered is less than -5% of the agreed quantity, Scanflavour is always entitled to compensation for any extra transport expenses imposed on Scanflavour because of the shortfall of quantity.

5. QUALITY REQUIREMENTS

The goods supplied shall be of satisfactory quality and fit for the purpose according to the purchase confirmation. The supplier shall be responsible for supplying goods that meet the quality, veterinary and other requirements and standards of both the country of origin, the country of production and the country of destination. In the event of disagreement among such requirements and standards, the strictest requirements and standards shall apply. The supplier must ensure that the goods supplied are not in any way restricted from being sold in the country of destination. The supplier shall be responsible for ensuring that the necessary official certificates, e.g. veterinary certificates, are issued for the goods, also in the event of transiting of the goods.

6. WARRANTY

The supplier warrants that the goods supplied (i) will be of general good merchantable quality, (ii) will be free from defects and errors, (iii) comply with applicable industry norms and standards including applicable health and safety regulations, and (iv) strictly meet the requirements specified by Scanflavour. If the goods deviate from the before-mentioned, Scanflavour is entitled at its discretion to cancel the order or demand replacement delivery immediately without any expenses on the part of Scanflavour. In addition, Scanflavour is entitled to claim damages for any direct or indirect losses caused by the defect, including, but not limited to, reimbursement for product recall, cf. section 7. Scanflavour accepts no limitation of the supplier's liability in the event of delivery of defective goods. The supplier acknowledges that it is not practically possible for Scanflavour to inspect the goods upon delivery. Accordingly, a complaint from Scanflavour shall be deemed timely if made within reasonable time after Scanflavour became aware of the defect.

7. PRODUCT RECALL

In the event Scanflavour or one of its customers performs a recall of the goods, or of products containing the goods and the recall is required due to a defect in or non-compliance of the goods, the supplier shall reimburse Scanflavour's direct and indirect losses, costs, including, but not limited to, notification costs, return costs, cost of field recall, freight, and rework incurred in effecting any product recall.

8. PRODUCT LIABILITY

The supplier warrants, without any limitation in terms of time, that the goods do not suffer from any defects that may cause damage or injuries. The supplier shall indemnify and hold Scanflavour harmless against any product liability claims from its customers, distributors or other third party arising from any such goods delivered by the supplier as

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well as any legal cost of such action. Scanflavour will permit the supplier to assume or participate in the defence of such liability claim at the supplier's expense. The supplier must co-operate with Scanflavour in such defence when requested to do so.

9. DISPATCH

If the supplier does not comply with the shipping instructions issued by Scanflavour, the supplier shall be liable for any additional transport costs and other losses or damages arising as a result hereof.

10. CANCELLATION

The purchase confirmation from Scanflavour is issued subject to no circumstances arising in the country of destination and/or origin prior to passing of the risk to Scanflavour - regardless of the nature of such circumstances, for example veterinary, legal, economic or political circumstances - that partly or totally prevent the import of the goods into the country, or the export from the country of origin. If Scanflavour due to such circumstances is unable to import or export the goods as intended, Scanflavour has the right to renegotiate and/or cancel the order.

11. EXPORT REFUNDS

If Scanflavour or others are entitled to export refunds from the EU in relation to the goods supplied as stated in Scanflavour's purchase confirmation or otherwise, the supplier 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. The supplier 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 entitlement to export refunds are adhered to. The supplier 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 supplier will indemnify and hold Scanflavour harmless from any damages, claims, sanctions (including penalties or re-imburements), costs or expense (including reasonable fees for attorneys and other professionals to settle any claim in or out of court) arising out of the supplier's failure to fulfil its obligations in relation to the goods.

12. VENUE AND APPLICABLE LAW

The venue for any dispute between Scanflavour and the supplier arising out of the purchase of goods subject to these General Conditions of Purchase shall be Scanflavour's home court in Denmark.

Danish law shall apply to any dispute between Scanflavour and the supplier 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.

If the goods delivered by the supplier are resold by Scanflavour, the supplier accepts that a dispute between Scanflavour and the supplier is settled before the same venue where a dispute between Scanflavour and Scanflavour's customer is settled.