

GENERAL PURCHASE CONDITIONS OF PARTNER IN PET FOOD NL B.V.

A. General provisions

Article 1: Definitions

Unless expressly indicated otherwise, the capitalized terms as used herein shall have the following meanings.

Services:	the Services to be provided by Supplier for PPF based on the Agreement;
PPF:	Partner in Pet Food NL B.V., having its registered office in Nijmegen, the Netherlands, as well as any of its affiliated legal entities;
Supplier:	any private individual or legal entity having entered, or wishing to enter, into an Agreement with PPF;
Assignment:	any assignments issued by PPF to Supplier in writing, orally or electronically, relating to the provision of Products and/or Services;
Agreement:	the agreement between Supplier and PPF relating to the provision of Products and/or Services;
Party/Parties:	PPF and Supplier, jointly or each individually;
Product/s:	any Products marketed by Supplier;
In Writing:	by letter, by telefax or electronically;
Confidential Information:	all visual, oral, written and/or electronic information and data directly or indirectly disclosed by the providing Party to the receiving Party or to the management board and/or the employees of the receiving Party, including but not limited to information relating to the business operations, products, manufacturing methods, financial information, prices, market information, customers or suppliers, as applicable, and/or competition sensitive information;
Conditions:	these general purchase conditions.

Article 2: Scope of Application

1. The provisions of these Conditions shall apply to all enquiries from PPF, offers from Supplier (including but not limited to quotations) and Agreements entered into and to be entered into by Client, under which PPF will act as client or potential client or as receiver of Products and/or Services and/or related matters, to the extent not expressly agreed otherwise between the Parties In Writing.
2. The applicability of any general conditions, howsoever denominated, of Supplier is hereby expressly waived. By the mere entering into an Agreement Supplier waives any general conditions on its part, so that all Agreements shall be governed exclusively by the present Conditions.
3. Any derogations from these Conditions shall be binding on PPF only if and to the extent confirmed by PPF In Writing and only in respect of the enquiries, offers, Assignments and Agreements to which they apply. The invalidity, unlawfulness or unenforceability of any of the provisions of these Conditions shall not affect the validity of the remaining provisions.
4. In the event of conflict between the provisions of the Conditions and any Agreement, the Agreement shall prevail.

Article 3: Formation of an Agreement

1. An enquiry from PPF shall be followed by an irrevocable offer or quotation from Supplier.
2. If an offer or quotation from Supplier is followed by an Assignment, the Agreement shall be deemed to have been formed upon despatch of the Assignment by PPF.
3. If an Assignment is issued by PPF without being preceded by an offer or quotation from Supplier, the Agreement shall be deemed to have been formed if either within five (5) days of despatch of the Assignment the assignment confirmation or a copy thereof signed by Supplier is received by PPF or as a result of Supplier's commencement of performance of the Assignment in accordance with the Assignment within such term. In such event the Agreement shall be deemed to have been formed upon receipt of the assignment confirmation, or copy thereof, or upon commencement of performance of the Assignment. If the Assignment is not confirmed or performance thereof is not commenced within the said term, PPF may assume that Supplier has accepted the Assignment tacitly and in accordance with the Assignment. Even after confirmation of the Assignment by Supplier, PPF reserves the right to withdraw the Assignment within five (5) days, without any liability arising on its part to pay damages to Supplier.

4. The contents of the Assignment cannot derogate from that stated by PPF in the Assignment, either preceded by a quotation issued by Supplier or otherwise, unless PPF agrees In Writing to such derogating contents. Any amendment of the Agreement, including an expansion or reduction, shall take effect upon despatch of the amendment, or the confirmation thereof, by PPF, unless Supplier objects to the amendment, or the confirmation thereof, In Writing, stating arguments, within three (3) days of despatch.
5. In the event that an Agreement is formed orally, performance of the Agreement shall be suspended until PPF's despatch of the confirmation of the Assignment In Writing. Performance of the oral Agreement shall, however, not be suspended if upon entering into the oral Agreement PPF issues an assignment number to Supplier.

Article 4: Prices

The price agreed between Supplier and PPF, as indicated in the Agreement, shall be fixed and can, therefore, not be subject to revision; is expressed in euro; is exclusive of BTW (Dutch VAT); and furthermore, includes taxes, levies, packing and changes to exchange rates, unless expressly agreed otherwise In Writing. The prices may be changed only with PPF's prior consent In Writing.

Article 5: Payments

1. Unless agreed otherwise In Writing, payment shall be made within 60 days of the end of the month in which PPF has received the invoice, provided that PPF has received and approved the delivered and agreed Products and/or Services and - to the extent applicable - has received all accompanying documentation, drawings, quality and guarantee certificates.
2. Any payment conditions stated in Supplier's invoice shall not be deemed to constitute payment conditions In Writing as referred to in paragraph 1 of this article.
3. PPF shall at all times be authorized, before payment is made, to require adequate security - at its discretion - for performance of Supplier's (remaining) obligations. Refusal by Supplier to provide the required security shall entitle PPF to dissolve the Agreement without any liability arising on its part to pay damages to Supplier, without prejudice to PPF's right to claim full damages.
4. Payment by PPF shall not in any way whatsoever be construed as a waiver of any rights or as approval of the deliveries. PPF may at all times set off all or part of the invoice amount against a claim against Supplier.

Article 6: Delivery, Delivery Time and Terms of Delivery

1. Delivery by Supplier shall take place at the agreed place and punctually at the agreed time and within the agreed term. The delivery times stated by Supplier shall be deemed to be deadlines, unless expressly agreed otherwise In Writing. Delivery prior to the agreed time may be refused by PPF.
2. As soon as Supplier knows or should know that delivery cannot take place, or not punctually or properly, but not later than the Delivery Time, it shall immediately notify PPF thereof In Writing, stating the circumstances that have caused such non-performance. If PPF deems the time by which the term is thus exceeded unacceptable, it may dissolve the relevant Agreement with immediate effect and without any judicial intervention being required, by giving notice In Writing, without any liability arising on its part to pay damages to Supplier and without prejudice to any of PPF's other rights.

Article 7: Quality, Warranty, Inspection

1. Supplier warrants that the Products and Services provided (i) are in compliance with the Agreement; (ii) are in compliance with the applicable laws and regulations; (iii) are fit for their intended purpose, are of good quality and are free of defects; (iv) do not infringe any third-party rights, including but not limited to rights of intellectual and industrial property.
2. If it is discovered, on or after delivery, that all or part of the Products or Services provided do not meet the requirements set in paragraph 1 of this article, Supplier shall, in the event of delivery of Products, within a reasonable term remedy the defects by repairing the defective Products and/or replacing the Products, and/or by arranging an additional delivery of the Products. In the event of Services, all or part of the Services to be rendered shall be performed again. All costs involved shall be payable by Supplier.

3. If Supplier fails to perform its warranty obligations under this article within a reasonable term set by PPF, PPF may perform the necessary repairs itself or have a third party perform such repairs, or purchase replacement and/or additional Products and/or Services from a third party, all at Supplier's expense.

Article 8: Termination of the Agreement

1. PPF may at all times terminate the Agreement (early) by giving notice In Writing to Supplier. Immediately upon receipt of the notice In Writing Supplier shall discontinue performance of the Agreement.
2. If Supplier fails to perform the Agreement entered into between the Parties by failing, or failing punctually or properly, to perform any of its obligations under the Agreement or any other ensuing agreements, as well as in the event that the insolvency or bankruptcy, or a (provisional) moratorium on payment of debts is filed for or granted, in the event of closing down, winding-up, dissolution, discontinuation or takeover or similar situation of the business of Supplier, Supplier shall be in default by operation of law, and PPF may unilaterally dissolve all or part of the Agreement, without any notice of default or judicial intervention being required, by giving notice In Writing to Supplier. In such event PPF may also suspend its payment obligations and/or assign performance of all or part of the Agreement to third parties, without any liability arising on PPF's part to pay damages and without prejudice to any of PPF's other rights, including PPF's right to claim full damages.
3. In the event of any of the circumstances referred to in paragraph 1 and/or 2 of this article on the part of Supplier, all PPF's claims against Supplier shall become immediately and fully due and payable and subject to the statutory commercial interest (Article 6:119a in conjunction with Article 6:120 of the Netherlands Civil Code [*Burgerlijk Wetboek - BW*] as from such time or the earlier due date. Supplier shall thereby also pay to PPF all extrajudicial costs to be incurred by PPF, equal to at least 15% of the outstanding claim, all without prejudice to PPF's right to claim judicial costs, if any. Furthermore, PPF may suspend, terminate or dissolve all other agreements with Supplier.
4. In the event of termination or expiry of an Agreement, Supplier shall immediately return all originals and copies of Confidential Information made available to it by PPF.

Article 9: Liability

1. Supplier shall indemnify and hold PPF harmless against any claim on the part of PPF or a third party relating to the sale and/or delivery of the Products and/or Services. Claims shall in any event be taken to include, but not be limited to, claims for compensation of damage and costs on account of attributable failure, wrongful act, product liability, infringement of intellectual property rights, claims based on the fact that the Products and/or Services are not in compliance with the applicable laws and regulations, and claims as a result of, or in connection with, the nature of, or defects in, the Products and/or Services provided, or as a result of the fact that the Products and/or Services do not have the properties that the third party could expect, etc. Supplier shall be liable for compensation of all damage, losses, costs and charges, etc., that PPF may suffer or incur in relation to any such claim, including but not limited to costs of legal assistance and all other legal costs and charges.
2. PPF shall not be liable for any damage, due to any cause whatsoever, save to the extent caused by intentional act or gross negligence. This also includes all damage as a result of liability to third parties. Liability for damage caused by non-managerial personnel of PPF or third parties engaged by it, indirect damage, consequential damage, non-material damage, trading loss or environmental damage, including lost turnover and profit, losses incurred, loss of market share, stagnation in production, investments made, goodwill acquired, damage to reputation, etc., is also expressly excluded.
3. Supplier shall take out adequate insurance against the liability referred to in this article and shall, if required, allow PPF to inspect the relevant insurance policy.

Article 10: Confidential Information and Secrecy

1. All Confidential Information (including the intellectual property rights in such Confidential Information) shall remain the property of the providing Party. Provision of Confidential Information by the providing Party to the receiving Party can in no way be deemed to constitute a transfer of rights or the grant of a licence to use the Confidential Information.
2. The receiving Party undertakes vis-à-vis the providing Party without the prior consent of the providing Party In Writing not directly or indirectly to disclose all or part of the Confidential Information or make it

available to any third parties, either orally or In Writing, and to observe strict secrecy in respect of the Confidential Information. Furthermore, the receiving Party undertakes not to use the Confidential Information in any way that may damage the interests of the providing Party, or for any purpose other than the performance of its obligations under the Agreement entered into.

3. The receiving Party shall not make any copies, in any form whatsoever, of the Confidential Information. Furthermore, the receiving Party undertakes, on the providing Party's demand as well as in the event of termination or expiry of the Agreement entered into, promptly to return to the latter: (i) all documents in its possession, as well as any copies made thereof, in any form whatsoever, on which the Confidential Information is recorded; (ii) all other (electronic) data carriers on which the Confidential Information is recorded; (iii) all notes for the preparation of which the Confidential Information has been used; (iv) all documents, memoranda, reports, etc., containing Confidential Information, either in processed form or otherwise, and/or for the preparation of which the Confidential Information has been used.

Article 11: Intellectual and Industrial Property

1. All rights of intellectual and/or industrial property in all items made available to Supplier pursuant to an Agreement, including but not limited to drawings, materials, moulds and other movable property, shall be owned exclusively by PPF. Supplier shall only be granted the – non-transferable – right to use the items made available to it by PPF in the context of an Agreement during the term of the Agreement and for purposes of performance of the Agreement/s entered into between PPF and Supplier.
2. To the extent that results of work performed by Supplier for PPF are subject to rights of intellectual and/or industrial property, such rights shall be owned exclusively by PPF. Any rights that have been created on Supplier's part in the context of performance of the Agreement/s between PPF and Supplier shall be transferred to PPF by signing the Agreement, which transfer is hereby accepted by PPF. If that should prove necessary for formal reasons, Supplier shall, on PPF's demand, without setting any further conditions, render its cooperation in the execution of an instrument and perform all such acts as may prove necessary to arrange that all rights of intellectual and industrial property that have been created in the context of performance of an Agreement between PPF and Supplier shall be owned by PPF.
3. Supplier may not use PPF's trade name, trademark, designs, etc. without PPF's prior consent In Writing.
4. To the extent that Supplier is to use patented materials of PPF in the performance of an Agreement, PPF hereby grants Supplier the non-transferable right to use such patented material for purposes of performance of the Agreement, which right is hereby accepted by Supplier.
5. All know-how made available by PPF to Supplier in connection with the performance of an Agreement shall be used by Supplier only for purposes of performance of that Agreement. Article 10 (Secrecy) shall fully apply to any and all know-how made available by PPF.
6. For each violation of the provisions of this article Supplier shall forfeit to PPF an immediately payable penalty in the amount of EUR 5,000 for each day that the violation continues, all to a maximum of EUR 100,000 for the duration of the violation. PPF shall be entitled to claim full damages if the amount of the damage exceeds that of the penalty.

Article 12: Assignment and Substitution

1. Supplier may not and can not assign all or part of the rights and obligations ensuing for Supplier from the Agreement to any third parties without PPF's prior consent In Writing.
2. In respect of the performance of all or part its obligations under the Agreement Supplier may not be substituted by any other without PPF's prior consent In Writing.
3. If PPF grants its consent as provided in paragraphs 1 and 2 of this article, it may attach conditions to such consent.
4. In urgent cases and, furthermore, if after consultation with Supplier it should reasonably be assumed that the latter can or will not, or not punctually or properly, perform its obligations under the Agreement, PPF may require that Supplier contracts performance of all or part of the Agreement out to one or more third parties to be designated by PPF, all at Supplier's expense and risk. The foregoing shall not release Supplier of its obligations under the Agreement.

Article 13: Applicable Law and Dispute Resolution

1. The enquiries, offers, Assignments and Agreements, and the performance thereof, and these Conditions themselves, shall be governed by the laws of the Netherlands, with the exclusion of the Convention on International Sales of Goods 1980.
2. Any disputes as a result of, or in connection with, an Agreement governed by these Conditions, or the relevant Conditions themselves and their interpretation or implementation, either of a factual or of a legal nature, shall be decided by the competent court in the district of Gelderland, location Nijmegen, the Netherlands, without prejudice to PPF's right to submit a dispute to the court in the district where Supplier is based.

Article 14: Miscellaneous Provisions

1. These Conditions have been filed with the Commercial Register of the Chamber of Commerce in the Netherlands. The most recently filed version shall be applicable.
2. These Conditions have been drawn up in the Dutch and English languages. In the event of conflict between the substance and purport of these Conditions, the Dutch text and its interpretation in the Netherlands jurisdiction shall be binding only.
3. For purposes of interpretation of international commercial terms, the "Incoterms 2010" as drawn up by the International Chamber of Commerce in Paris, France (I.C.C.), as amended from time to time, shall apply.
4. These Conditions are subject to amendment by PPF. Any such amendments shall take effect on the effective date announced, save with respect to Agreements entered into prior to such date. PPF shall send Supplier the amended Conditions in good time. If no effective date has been communicated, amendments shall take effect vis-à-vis Supplier as soon as it has been notified or has taken cognizance of such amendment, save with respect to Agreements entered into prior to such date.
5. No rights whatsoever can be derived from any headings or subheadings as used herein. The subheadings shall not affect the independent purport and validity of each article or paragraph as used herein.
6. Supplier shall be entirely independent in the performance of the Agreement. In no event will there be any employment relationship with PPF, representation, etc.

B. Specific Provisions Applicable to PPF's Purchase of Products**Article 15: Scope of Application**

In addition to the provisions as set forth under A of these Conditions, the purchase of Products by PPF shall be governed by the provisions under B of these Conditions. In the event of conflict between the provisions under A and the provisions under B, the provisions under B shall prevail.

Article 16: Prices

Without prejudice to the provisions of article 4, the price agreed between Supplier and PPF shall be based on Delivery Duty Paid (Incoterms 2010), unless expressly agreed otherwise In Writing.

Article 17: Delivery, Delivery Time and Terms of Delivery

1. Unless agreed otherwise In Writing, delivery shall be based on Delivery Duty Paid (Incoterms 2010) at PPF's premises as stated in the Agreement. Partial deliveries shall not be permitted, unless expressly agreed with PPF In Writing.
2. The time of delivery of Products shall be deemed to be the time of receipt by PPF of such Products. Receipt of the Products shall not constitute acknowledgment of their sound quality.
3. The risk in respect of the Products shall not pass to PPF until PPF's receipt of the Products. In the event that PPF returns the delivery pursuant to article 7, paragraph 2, the risk of the relevant Products shall pass back to Supplier upon despatch by PPF.
4. Supplier shall deliver the Products ordered by PPF in accordance with the Assignment issued by PPF. If the Products have been modified or are temporarily unavailable, Supplier shall not deliver any other

(alternative) Products unless expressly agreed otherwise In Writing. PPF shall be notified In Writing of any variation to the Assignment not later than three (3) days prior to delivery.

Article 18: Transport and Risk

1. The method of transport, despatch, packing, etc., shall, if no further instructions have been given by PPF, be determined by Supplier acting as a good supplier, with due observance of the applicable statutory rules.
2. Transport of Products shall be entirely at Supplier's risk. Supplier shall take out adequate insurance against such risk.

Article 19: Packing

1. Supplier shall properly pack the Products, so as to ensure safe transport of the Products to, and unloading thereof at, the place of delivery.
2. Supplier shall take back all packing used, including boxes, crates, loading boards, etc.

Article 20: Transfer of Title

1. Title and risk in respect of the Products delivered by Supplier shall pass to PPF upon approval of such Products by PPF. Supplier shall indemnify PPF against any infringement by Supplier or third parties of PPF's property rights.
2. The risk of damage or loss of the Products shall pass to PPF upon acceptance or actual delivery, whichever is later. Products that have been lost or damaged prior to acceptance or actual delivery - other than as a result of fault or negligence on PPF's part - shall be replaced or repaired by and at the expense of Supplier, or Supplier shall fully hold PPF harmless.

Article 21: Quality, Warranty, Inspection

1. If Supplier has shown or provided a design, sample or example, the Products shall be delivered in accordance with the design, sample or example shown or provided. The qualities and properties of the Products to be delivered may, in principle, not differ from the sample, design or example.
2. Inspection, checking and/or testing of the Products by PPF or by persons or bodies designated by PPF can take place either prior to, or during or after, performance of the Agreement. PPF shall not be under any obligation to inspect, check and/or test the Products upon receipt. PPF may check and/or test the Products at Supplier's production facilities and/or office. The costs of inspection, checking and/or testing shall be payable by Supplier.
3. If any defects are discovered, Supplier shall be notified In Writing. Supplier shall, without reservation, either repair the defects discovered by PPF within five (5) days or arrange proper replacement. PPF retains the right again to check the renewed, replaced or improved Products.
4. In the event of partial deliveries, each shipment shall be inspected separately. In the event of rejection of a shipment Supplier cannot invoke a third party's approval.
5. After delivery the rejected Products shall be at Supplier's disposal for a period of eight (8) days from the third work day after notice of rejection In Writing. After that the Products may either be returned to Supplier by PPF at Supplier's expense and risk or destroyed by PPF at Supplier's expense and risk.
6. In the event of rejection of the Products during or after performance of the Agreement, the risks associated with the rejected Products shall be borne by Supplier or shall pass to Supplier with effect from the date of the notice referred to in the foregoing paragraph.
7. Supplier warrants that the production process of Products intended for use as pet-food raw materials is in compliance with the HACCP (Hazard Analysis and Critical Control Points) principles. If, after (periodic) verification by Supplier, Supplier turns out no longer to comply with the HACCP principles, Supplier shall immediately notify PPF both orally and In Writing. The documentation and registrations mandatorily kept by Supplier pursuant to the HACCP principles shall be submitted to PPF on the latter's demand.
8. If at any time Supplier discovers that the Products already delivered do not meet the requirements set in paragraph 7 of this article, Supplier shall promptly notify PPF both orally and In Writing. Any costs to be

incurred for the purpose of making an inventory, collecting and return, shall be at the expense and risk of Supplier.

C. Specific Provisions Applicable to PPF's Purchase of Services

Article 22: Scope of Application

In addition to the provisions as set forth under A of these Conditions, the purchase of Services by PPF shall be governed by the provisions under C of these Conditions. In the event of conflict between the provisions under A and the provisions under C, the provisions under C shall prevail.

Article 23: Delivery, Delivery Time and Terms of Delivery

The time at which the Services are to be completed shall be deemed to be the day and time stated in the Agreement. The Services shall be deemed to have been performed after approval by PPF In Writing.

Article 24: Personnel

1. In the event of an Agreement for the performance of Services Supplier warrants that the education level, expertise and experience of the personnel to be engaged by it in such performance are in accordance with the qualifications expressly stated in the Agreement.
2. The personnel engaged by Supplier shall fully work under the management, supervision and responsibility of Supplier. In no event will there be any employment relationship with PPF.
3. With respect to the personnel Supplier shall observe all obligations pursuant to the Dutch Working Conditions Act [*Arbeidsomstandighedenwet*] and Article 7:658 BW. Supplier shall indemnify PPF against any claims in this respect.
4. Supplier shall ensure that the personnel is fully instructed, prior to commencement of the work, about the applicable safety rules on PPF's premises and any risks associated with the work place or the work to be performed, as well as the general risks. It is Supplier's responsibility to monitor and ascertain that the personnel observe the regulations and instructions prevailing at PPF's. If PPF does not have any safety rules in place, Supplier's safety rules shall apply.
5. If a personnel member suffers an industrial accident or contracts an occupational disease, Supplier shall promptly notify the competent authorities and ensure that a report is drawn up without delay, setting forth the circumstances surrounding the accident or disease in such a manner that it can reasonably be determined if and to what extent the accident or disease is the result of insufficient measures being taken to prevent such an industrial accident or occupational disease.
6. Supplier shall compensate the personnel for all damage (such as costs including the actual costs of legal assistance) to be incurred by the personnel in the performance of the Agreement, including damage to the relevant personnel member's property, unless the damage is substantially attributable to intentional act or wilful recklessness on the part of the personnel. Supplier shall indemnify PPF against any claims in this respect.
7. Without prejudice to the foregoing and the provisions of article 9 of these Conditions, PPF shall not be liable for any damage as a result of non-performance of obligations by the personnel and/or damage directly or indirectly caused by acts of the personnel. Supplier shall indemnify PPF against any claims in this respect.
8. Supplier shall take out adequate insurance against the liability referred to in this article and shall, if required, allow PPF to inspect the relevant insurance policy.