

GROBEL GENERAL CONDITIONS OF SALE 2006

Article 1 - Principle – applicability

- 1.1 The parties agree that these General Conditions of Sale form an integral part of the Sales Contract. By signing the Sales Contract they agree to be bound by these General Conditions of Sale, without any reservation or exception. The parties hereby exclude the applicability of any other terms and conditions used or relied upon by the Buyer in any document or communication.
- 1.2 The Buyer purchases the Products from GROBEL and, as the case may be, the Buyer sells the Products to its own customers in its own name and for its own account. The Buyer shall act as an independent trader, both towards GROBEL and towards its own customers. The Buyer shall not have the right to commit GROBEL, nor to enter into any obligations in GROBEL's name or for the latter's account, unless the Buyer is expressly authorised in writing by GROBEL.
- 1.3 The present GROBEL General Conditions of Sale 2006 (hereafter "Conditions") apply to all agreements between GROBEL and the Buyer. Deviations from these Conditions, even if mentioned in documents originating from the Buyer, are valid only when confirmed in writing by GROBEL.

Article 2 - Preceding and additional orders from the Buyer

- 2.1 In case the execution of the Sales Contract was preceded by an order from the Buyer, the contents of such order are only binding upon GROBEL after incorporation thereof in the Sales Contract. All provisions or specifications contained in such order from the Buyer that are not expressly incorporated in the Sales Contract, are not applicable and can under no circumstance be invoked by the Buyer.

Article 3 - Inaccuracies in the Sales Contract

- 3.1 Complaints relating to alleged inaccuracies in the Sales Contract must be notified by the complaining party to the other party within seven (7) calendar days from the day of execution of the Sales Contract. GROBEL shall in any event be able to rely on apparent writing errors or miscalculations in the unit prices of the total amount appearing in the Sales Contract.
- 3.2 Unless otherwise agreed in writing, the information and descriptions relating to the Products made available by GROBEL outside the framework of the Sales Contract, cannot bind GROBEL in any way. The customer shall not be able to rely upon deviations from such information or descriptions, whatever their nature, to refuse acceptance of the Products, to refuse payment, to claim the annulment, dissolution or rupture of the Sales Contract or to claim damages.



Article 4 - Time of delivery

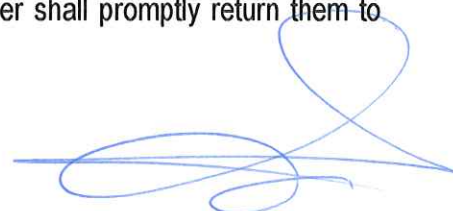
- 4.1 Unless expressly otherwise agreed upon in writing, the time of delivery indicated in the Sales Contract is always approximate and in no way binding.
- 4.2 Delay in delivery can only give rise to damages insofar as this has been agreed upon in advance and in writing. In any event the amount of the damages shall never exceed 5% of the total price of the Products concerned. Even if strict terms of delivery and payment of damages in case of late delivery have been agreed upon, GROBEL still retains the right, in case of exceptional circumstances, to postpone the delivery until the circumstances referred to have come to an end. As exceptional circumstances in the meaning of this Article 4.2 are to be understood, for instance, the circumstances described in Article 14 hereof.

Article 5 - Delivery, transportation and receipt – visible defects and shortages

- 5.1 Unless otherwise agreed upon in the Sales Contract, all deliveries will be made ex-works (EXW) Grobbendonk, Belgium, as defined in the current ICC official rules for the interpretation of trade terms ("Incoterms 2000"). The Products are at the Buyer's risk as from GROBEL's factories and GROBEL's suppliers.
- 5.2 Without prejudice to the retention of title provided in Article 6 hereof, the Products sold by GROBEL to the Buyer are in transit at the risk of the Buyer, even if they are sold free or FOB, and even if they are transported to a destination other than that agreed upon.
- 5.3 In the event that the Buyer fails to take delivery of the Products after he has received a written reminder to do so, GROBEL is entitled to store the goods at its own premises or at third party premises for the account and at the risk of the Buyer. In such case, GROBEL is entitled, at its discretion and following a prior notice of default to the Buyer, either to invoice the Products sold and increase the invoice amount by the storage costs, or to consider the order as cancelled and the purchase as terminated.
- 5.4 The Buyer undertakes to inspect all deliveries of the Products for transit damage or shortage immediately upon arrival, notifying – in writing and within 24 hours upon delivery – the delivery agent and GROBEL in all cases in which transit damage or shortage has been identified. After the expiry of said term, any complaint relating to visible defects or shortage of the delivered Products shall be inadmissible.

Article 6 - Retention of title

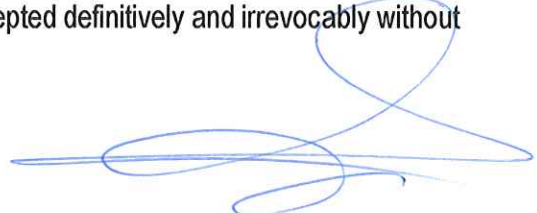
- 6.1 The ownership of the Products shall devolve upon the Buyer no sooner than at the moment when the Buyer has fully paid the purchase price for the Products to GROBEL in Belgium (available at the counters of the Bank of GROBEL in Belgium). Until the full purchase price, including all costs, interests or damages has been so paid, the Products shall remain the sole property of GROBEL and GROBEL shall have the right, at all reasonable times, to inspect the Products in the Buyer's premises, and to recall the Products in which case the Buyer shall promptly return them to GROBEL's depot at GROBEL's cost.



- 6.2 The Buyer shall not dispose of the Products if the payment to GROBEL referred to in Article 6.1 of these Conditions has not taken place. More specifically, the Buyer shall not be able to transfer the title thereof to third persons, to pledge or to burden with any kind of security right or lien the Products prior to the settlement of these payments. The Buyer shall notify GROBEL if the goods and materials are placed in a space or a place leased by the Buyer and in such case shall make known the identity and the place of residence of the lessor.
- 6.3 The customer should ensure himself against possible damages to the delivered Products. For delivery and placement of the Products at the premises of third parties, the risk lies exclusively with the Buyer.

Article 7 - Pricing, invoicing and payment conditions

- 7.1 GROBEL shall supply the Products to the Buyer at the price agreed upon between the parties in the Sales Contract.
- 7.2 The invoices of GROBEL issued in the context of the Sales Contract are payable immediately and without any discount at the registered office of GROBEL in Belgium, at the latest 7 calendar days after the date of invoice and notwithstanding any other indication on the invoice or in the Sales Contract (available at the counters of the Bank of GROBEL in Belgium).
- 7.3 The net amount of the invoices shall be paid. The Buyer shall not be entitled to deduct any discounts, costs or other amounts from the invoice. All taxes and costs, including banking costs, shall be borne by the Buyer. A discount for cash payment will be granted if expressly agreed in writing between GROBEL and the Buyer.
- 7.4 Each invoice which remains unpaid on its due date, shall be increased without prior notice or any summons by 10%. This increase corresponds to the hindrance and administrative costs incurred by GROBEL. This does not affect the Buyer's obligation to pay GROBEL the full amount of any additional or any other non-judicial and judicial costs. The invoice so increased shall generate without prior notice a monthly interest of 1.5% from the due date of the invoice.
- 7.5 Non-payment on due date of an invoice shall make the balance of the outstanding invoices, including the non-expired invoices, immediately due, without the need to give prior notice. The same applies in case of the non payment at the due date of an accepted bill of exchange and in case of the late or non-payment of the increase and the interests as mentioned in Article 7.4 of these Conditions.
- 7.6 In case of non-payment of an invoice on its due date, GROBEL reserves the right to suspend, without prior notice, all further deliveries, irrespective of whether such deliveries fall within the scope of the Sales Contract.
- 7.7 Without prejudice to Article 5.5 of these Conditions, invoices must be contested, by registered mail and by fax message, within seven (7) calendar days following receipt of the invoice. If an invoice is not contested within this period, it shall be deemed accepted definitively and irrevocably without any reservation.



- 7.8 If the Buyer fails to fulfil his payment obligations, GROBEL shall be entitled to call in third parties to help collect the outstanding amount. These non-judicial costs shall be borne by the Buyer. These costs shall amount 20% of the amount due, and shall be a minimum of €7.500,00. This does not effect the Buyer's obligation to pay GROBEL the full amount of any additional or any other non-judicial and judicial costs.
- 7.9 The above provisions do not restrict the right of GROBEL to claim the dissolution of the Sales Contract, including its right to claim damages, in case of non-payment by the Buyer.

Article 8 - Documentary credits

- 8.1. Unless expressly agreed otherwise in the Sales Contract between the parties, the Buyer undertakes to apply for a documentary credit or, if expressly agreed by GROBEL, for a standby letter of credit, in order to effect payment of the invoiced price for the Products. The documentary credit issued in accordance with this Article 8 must be irrevocable within the meaning of Articles 6 (ii) and 9 (a) of the Uniform Customs and Practice for Documentary Credits, 1993 Revision, ICC Publication N° 500 ("UCP 500"). In addition, the documentary credit must be confirmed by a first rate Belgian bank, acceptable to the Buyer, in accordance with Article 9 (b) of the UCP 500.
- 8.2 The documents to be presented by GROBEL to the issuing bank and/or to the confirming bank in order to receive payment, are limitatively listed and described in the Sales Contract. The Buyer undertakes to apply for a documentary credit that stipulates that both the issuing bank and the confirming bank will accept as original documents all documents produced by reprographic, automated or computerized systems, provided that they are marked as original and, where necessary appear to be signed or stamped. Documents may be signed by handwriting, by facsimile signature, by perforated signature, by stamp, by symbol or by any other mechanical or electronic method of authentication. The Buyer undertakes to stipulate in the documentary credit he applies for, that no other authentication, validation, legalisation, visation, certification or similar requirement applies to the documents to be presented, than those requirement that are clearly provided in the Sales Contract.
- 8.3 The UCP 500 shall apply to all documentary credits issued in the context of the Sales Contract, including, to the extent to which they may be applicable, all standby letters of credit. The UCP 500 are deemed to be incorporated in the text of such documentary credits or standby letters of credit. The UCP 500 are binding on al the parties to such documentary credits or standby letters of credit, unless otherwise expressly stipulated in the credits. The Buyer undertakes to stipulate the applicability of the UCP 500 in its contractual relationship with the issuing bank and with the confirming bank authorised to effect payment to the order of GROBEL. If a party other than the Buyer makes its lines of credit and its accounts available, the UCP 500 shall also apply both to this party and the Buyer.
- 8.4 The Buyer undertakes to supply his bank issuing the documentary credit in good time and in any case prior to the delivery of the documents, with adequate funds for the settlement of the obligations which the issuing bank has entered into for her account.



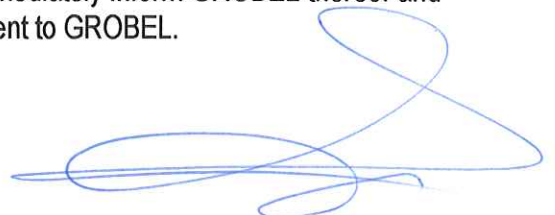
- 8.5 All costs, fines, duties, etc. occasioned by the application of documentary credits in the context of the Sales Contract, including costs of pledges, insurance, etc., will be exclusively borne by the Buyer.
- 8.6 All disputes relating to the documentary credits (c.q. standby letters of credit) issued in the context of the Sales Contract, as well as all disputes relating to their execution, will come under the exclusive jurisdiction of the courts of the judicial district of Antwerp (Belgium). The application and execution of the documentary credits shall be governed exclusively by Belgian law.

Article 9 - Cancellation of orders

- 9.1 Whenever the Sales Contract is cancelled by the Buyer, in whole or in part, GROBEL is entitled to receive payment of an indemnification of 25% of the price for the ordered Products, notwithstanding GROBEL's right to claim any additional indemnification of all expenses which might be incurred by GROBEL to regain possession of the Products and to restore them to their original condition.

Article 10 - Warranty and liability

- 10.1 GROBEL warrants that at the time of delivery of the Products to the Buyer:
- The Products shall be in conformity with the specifications of the Sales Contract. The specifications shall be average values, unless otherwise indicated by GROBEL. The average values shall be governed by the analytical tolerances as defined in EU regulations and which are in force at the time of production;
 - The Products shall be fit for veterinary consumption;
 - The Products shall be in conformity with all applicable mandatory laws and regulations in force in Belgium and the European Union;
 - GROBEL has and shall transfer to the Buyer good and marketable title to all Products delivered hereunder.
- 10.2 GROBEL shall indemnify the Buyer against any claims, costs and damages (including those resulting from recall or destruction of the Products) arising as a result of any breach of the warranties included in Article 10.1 hereof, provided and to the extent that such claims, costs or damages do not arise out of the acts or omissions on the part of the Buyer. This indemnification obligation shall not affect the duty of the Buyer to mitigate its losses.
- 10.3 GROBEL and the Buyer shall co-operate in good faith in handling any claims which may be presented by third parties with respect to Products supplied under the Sales Contract and, as soon as such a claim is made by a third party, they shall consult with each other on the details of such co-operation in respect of such claim.
- 10.4 If the Buyer learns about a serious accident or incident involving a Product, which could result in a product liability claim by a third party, the Buyer shall immediately inform GROBEL thereof and send relevant information regarding the accident or incident to GROBEL.



- 10.5 The Buyer shall pass any quality complaints from his customers on to GROBEL and inform GROBEL of the measures taken to remedy such quality complaints.
- 10.6 Any complaint relating to hidden defects shall be admissible only if notified to GROBEL by registered mail within a period of eight (8) calendar days following the discovery of the defects.
- 10.7 The examination of a warranty claim or a complaint for hidden defects, does in no way mean that GROBEL accepts the claim or complaint as being well-founded.
- 10.8 The liability of GROBEL under the Sales Contract shall in any event not cover labour or transport costs, nor compensation for reduced benefit of the delivered goods, loss of profit or any other indirect damage, which shall exclusively be borne by the Buyer. Any compensation under the warranty and liability provided for in Article 10 hereof and any compensation for (hidden) defects shall in no event exceed the price of the Products concerned.
- 10.9 GROBEL shall not pay the Buyer any kind of damages for whatever reason, if the Products were processed or altered, if the instructions of GROBEL or its representatives were not correctly followed, if the Products were used inappropriately or not in conformity with their purpose or if the damage has been caused by an error or negligence on the Buyer's part.
- 10.10 If the Buyer, in his turn, sells the delivered Products, this will not in any way be capable of aggravating the liability of GROBEL. The Buyer will safeguard GROBEL against the consequences of any claim of his customers against GROBEL, to the extent this claim exceeds the limits of the claims which the Buyer himself could invoke against GROBEL in accordance with these Conditions.


Article 11 - Import licenses and other licenses required

- 11.1 The Buyer undertakes to ensure that the requisite import or any other licenses are obtained with respect of the Products. GROBEL cannot be held liable in this respect.

Article 12 - Mandatory legislation applied by countries outside the European Union

- 12.1 The Buyer undertakes to inform GROBEL in advance and in writing of any applicable mandatory legislation or regulations applied by countries that are not a member state of the European Union. In case the Buyer does not comply with this information duty, GROBEL cannot be held liable for any inconformity of the delivered Products with such mandatory laws and regulations.

Article 13 - Recall of Products

- 13.1 The Buyer commits himself not to organize any recall and/or destruction of the Products for any reason whatsoever without the prior written information, consultation and approval of GROBEL.
- 13.2 It is however understood that said information, consultation and approval does not imply any acknowledgement prejudicial to GROBEL's interests and that such information, consultation and approval are formulated with all proper reserves of GROBEL's rights with respect to any liability whatsoever relating to the recall and/or destruction of the Products.
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- 13.3 The parties acknowledge that the prior written information, consultation and approval in accordance with Article 13.1 hereof shall be required only for the purpose of allowing GROBEL, as manufacturer and/or seller of the Products, to decide upon any and all necessary measures to be taken or investigations to be carried out in order to determine the cause of any defects in the Products and in order to minimise all possible negative consequences that might result there from.
- 13.4 The Buyer commits himself to fully co-operate with GROBEL in case GROBEL takes the initiative to organise a recall and/or destruction campaign with regard to the delivered Products. In this respect, the Buyer shall stipulate the necessary contractual provisions vis-à-vis his own customers, in order to enable such recall and/or destruction campaigns.

Article 14 - Force Majeure

- 14.1 Neither party shall be liable to the other for any delay or failure to perform fully where such delay or failure is caused by exceptional events or circumstances beyond the reasonable control of the affected party, such as fire, explosion, exceptionally inclement weather, war, civil unrest which render full performance or timely performance by that party impossible. Upon the occurrence of such a force majeure event or circumstance the affected party shall give written notice to the other party and both parties shall use all reasonable endeavours to mitigate the effects of the force majeure event or circumstance.

Article 15 - Extraordinary Termination

- 15.1 In the event of decease, incompetence, declaration of incapacity, liquidation, manifest insolvency or bankruptcy of the Buyer, GROBEL reserves the right to terminate the Sales Contract without prior notice or to require appropriate securities.

In addition to this, GROBEL will have the right to require appropriate securities in case its confidence in the solvability of the Buyer is lost on account of other acts of judicial execution against the Buyer or any other event which may lead GROBEL to question the correct execution by the Buyer of his obligations.

- 15.2 If the Buyer does not provide an appropriate security in accordance with Article 15.1, GROBEL shall be entitled to annul the Sales Contract, even if the Products have already been delivered in whole or in part.

Article 16 - Confidentiality

- 16.1 GROBEL and the Buyer agree that any confidential information relating to the Sales Contract including, without limitation, confidential information concerning quality requirements, product specifications, market information, customers, products, processing, distribution, accounting and tax matters, any material figures and calculation methods (hereinafter "Confidential Information") which is disclosed within the framework of this Sales Contract will only be made available subject to the terms and conditions set forth in this Article 16.



- 16.2 Each of the parties will keep and will cause to be kept the Confidential Information and any part thereof revealed by the other party secret and confidential and will neither disclose it to third parties without the prior written consent of the disclosing party, nor use it for any purpose other than that for which it is communicated within the framework of the Sales Contract.
- 16.3 GROBEL and the Buyer will therefore take all reasonable steps to ensure that no such Confidential Information is disclosed to any third party, nor to any officers or employees who are not directly concerned with the implementation of the Sales Contract.
- 16.4 GROBEL and the Buyer shall use all reasonable endeavours to ensure that all the officers or employees to whom the said Confidential Information is disclosed will also observe said conditions of confidentiality.
- 16.5 The above restrictions on disclosure and use shall not apply to public information already known to the relevant party at the date of execution of this Sales Contract, nor information which it subsequently acquired from any third party with good legal title thereto, nor information which subsequently became public knowledge without any fault on its part.

Article 17 - Entire agreement

- 17.1 The Sales Contract embodies the full intention of the parties with regard to the matters addressed therein and supersedes all negotiations and understandings regarding the same, whether written or oral, which are henceforth without effect whatsoever.
- 17.2 No amendment to the Sales Contract shall be valid unless agreed upon in writing by the duly appointed representatives of all parties hereto.

Article 18 - Severability

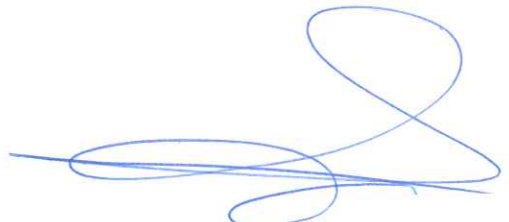
- 18.1 In the event that any provision of the Sales Contract shall be invalid, illegal or unenforceable, it shall not affect the validity, legality or enforceability of any other provision of the Sales Contract and the parties shall enter into good faith negotiations to replace the invalid, illegal or unenforceable provision by a valid, legal and enforceable provision which contains, as nearly as possible, the rights and obligations contained in the provision to be replaced.

Article 19 - Applicable Law

- 19.1 The Sales Contract shall be interpreted in accordance with, and governed by, the laws of Belgium.

Article 20 - Jurisdiction

- 20.1 The courts of the judicial district of Antwerp (Belgium) shall have exclusive jurisdiction over all disputes arising in connection with the Sales Contract.



Article 21 - Assignment or transfer

- 21.1 The Sales Contract may not be assigned or transferred in any other way without the prior written consent of all the parties thereto. It shall be binding upon and inure to the benefit of the permitted successors and assigns of the party concerned.

The GROBEL General Conditions of Sale 2006 are registered by the Belgian Federal Treasury Administration, First Office of Registration - Antwerp, having its registered office at Italiëlei 4 Box 3, B-2000 Antwerp (Belgium) on 01/06/2006.



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de - 1 JUNI 2006
Ontvangen: vijftieng euro (25.00 €)
De e.a. inspectie w

G. SLEGERS