

GENERAL CONDITIONS OF SALE OF SONAC AUSTRALIA

Article 1 – Payment terms, interest and costs

1. All Sonac's invoices must be paid within the due date for payment agreed on establishment of credit facilities.
2. If payment is not made on or before the due date for payment, interest shall be payable at a rate of 1.5% per calendar month, calculated daily.
3. Any costs incurred recovering overdue payments will be borne by the Buyer.

Article 2 – Quality

1. Sonac shall supply the goods in accordance with Sonac's most current specifications.
2. The Buyer shall exercise incoming quantity and quality control of the Product.
3. The Buyer accepts the quantity of goods within (5) business days following delivery of the goods to your factory.
4. The Buyer will perform a quality check on the goods upon delivery. A quality defect must be notified in writing to Sonac within twenty-one (21) business days of the delivery. After that period the goods are deemed to be accepted.
5. During the shelf life of the goods the Buyer is still entitled to lodge a quality claim when it concerns a contamination with foreign bodies which was undetectable at the time the quality check under 4 was performed. A quality claim during the shelf life can only be lodged within five (5) business days of discovery of the defect and when the Buyer is able to prove the goods were continuously stored under appropriate feed storage conditions.

Article 3 – Retention of title and passing of risk

1. Risk in any goods supplied by Sonac to the Buyer shall pass to the Buyer when they leave the possession of the Seller according to the applicable transportation term.
2. All the goods delivered by Sonac, except for those goods which are no longer recognizable property of Sonac, shall remain its property until the Buyer has fully paid all the amounts due to Sonac, including any interest and costs where applicable.
3. Where applicable, the Buyer shall inform third parties about Sonac's retention of title.
4. The Buyer shall be obliged to keep the goods delivered under retention of title with due care but is not obliged to keep the goods as recognizable property of Sonac if, in the ordinary course of business, the Buyer is reasonably required to modify, mix, consume or otherwise use the goods in a manner which causes the goods to become unrecognizable. In the event of any overdue payment by the Buyer, Sonac shall be entitled to take back the recognizable goods belonging to it on its own authority at the expense of the Buyer, regardless of where they are located. The Buyer shall be obliged to provide all cooperation for this purpose.

Article 4 – Liability for damage; indemnity

1. Sonac's total liability for any and all claims is strictly limited to the direct damages incurred by the Buyer. Sonac shall not be liable for any indirect, special, incidental, or consequential damages, including but not limited to, loss of profits, loss of revenue, business interruption, or loss of data.
2. If Sonac should be liable, the Buyer must report the damage suffered by him in writing to Sonac as soon as possible within four (4) weeks after the damage has arisen or has become known. Any damage that is not reported within this period shall not qualify for compensation. All legal claims of the Buyer in respect of Sonac shall at any rate expire after twenty four (24) months, to be calculated with effect from the day on which the relevant obligation from the order became payable or the loss-causing event occurred.
3. The Buyer shall indemnify Sonac against all claims from third parties in connection with goods delivered by Sonac to the Buyer, except where the third party's loss is caused by the negligence of Sonac

Article 5 – Intellectual property

1. All rights of intellectual property in respect of delivered goods shall rest with Sonac.
2. The Buyer may not trade the goods originating from Sonac under the (pictorial) trademark, trade name and the specifications on which the goods have been delivered to him. The Buyer shall not be entitled to alter the nature of the goods purchased by him from Sonac, also including labeling, printing and instructions.

Article 6 – Confidentiality

The Buyer shall be obliged to observe absolute confidentiality of all the information originating from Sonac (including ideas, know-how, trade secrets, data, procedures, substances, samples and the like) which become known to the Buyer and which is designated as confidential by Sonac or of which the Buyer can reasonably assume the confidential nature ("Confidential Information"). The Buyer shall restrict the access to Confidential Information to the persons who need this for the (performance of) the Agreement. Subject to Sonac's prior written permission the Buyer shall not make known or make public any confidential Information of any part thereof to any person, firm, company or other entity and the Buyer shall not use the Confidential Information or any part thereof otherwise than for the (performance of) the Agreement.

Article 7 – Force Majeure

1. Sonac shall not be responsible for delay in delivery of goods or any part thereof occasioned due to an event of force majeure, such as fire, flood, wind, explosion, power failure, war, embargo, act of government, (suspicion of) animal diseases, the circumstance that Sonac does not receive, or does not receive in time or properly a delivery of goods or services which is of importance in connection with the goods or services to be delivered by itself, strike (including dock and/or shipping strike), lock-out, combination of workers, or civil commotion which is not due to Sonac's own acts or negligence.
2. In case of an event of force majeure Sonac shall be relieved of its obligations towards the Buyer for the duration of the force majeure event without being liable for any damages caused.
3. Where an event of Force Majeure ceases, the parties must immediately commence performing the duties that were affected by the event of force majeure. In case of an event of force majeure Sonac shall be relieved of its obligations towards the Buyer without being liable for any damages caused.

Article 8 – Notices

All notices shall be given by written letter delivered by hand on the day of writing, or by facsimile, or by telex, or by email or by other method of rapid written communication. Any notices received after 1700 hours local time on a business day shall be deemed to have been received on the business day following.

Article 9 – Applicable law and competent court

1. The legal relationship between Sonac and the Buyer shall only be governed by the laws of Australia and in the state of Victoria, this with exclusion of the Vienna Sales Convention.
2. All disputes which cannot be resolved between the parties, will be referred to the competent court of the place of business of Sonac.