

General terms and conditions of Papillon Pet Products B.V. in Dongen.

1. General.

- 1.1 The supplier is Papillon Pet Products B.V. applying these conditions, and is referred to as "the Supplier". The counterparty is referred to as "the Client".
- 1.2 These terms and conditions apply to all offers and agreements of purchase & sale and services to be performed in that context, issued by Papillon Pet Products B.V., to all agreements concluded and to all agreements that may result there from.
- 1.3 Once a contract between Papillon Pet Products B.V. and the client has been concluded upon, subject to the applicability of the conditions as stated below, these conditions will also apply in full to future transactions.
- 1.4 The purchaser's general terms and conditions do not apply, even if the supplier has not specifically declined them.

2. Retention of ownership.

- 2.1 The supplier remains after delivery, the owner of the products for as long as the full amount of the agreement has not been paid by the client.
- 2.2 The client takes over the risks related to the products once delivery of the goods takes place.

3. Offer and conclusion of contract.

- 3.1 All offers are non-binding upon the parties until they have been accepted.
- 3.2 In case an offer, made free of obligation, is accepted by the client, the supplier has the right to revoke the same offer within 5 working days after acceptance.
- 3.3 Contracts concluded by an agent or a representative, do not become binding upon the parties, until the supplier has confirmed this.
- 3.4 Prices appearing in an official pricelist, brochures or advertisements, do not bind the supplier.
- 3.5 Documentation, processing- and other advices given by the supplier to the client, are without engagement, unless otherwise stated.
- 3.6 Any changes made in the order, should be reported to the supplier by the client in time and in writing to the supplier. The supplier is allowed to charge extra costs for every amendment made by the client.
- 3.7 All indicated sizes, weights and volumes in the offers or pricelists of the supplier, are indicative and can deviate.
- 3.8 Article descriptions, type of packaging and units are indicative as well.
- 3.9 All the orders will be confirmed in writing by the supplier and will be considered as binding, in case the client has not refuted it within 5 working days.

4. Prices.

- 4.1 All prices quoted are without sales tax and excluding Works, indicated in Euros unless stated otherwise. They do not include any transport charges or insurance or other subsequent supplements such as taxes, customs duties, packing- or storing costs, costs for loading and unloading and administration costs.
- 4.2 Papillon Pet Products reserves the right to pass on a price increase if between the time of the accepted offer and the delivery, a price increase has occurred due to for example the alteration of the exchange rate, an increase of the raw materials etc., unless otherwise stated.
- 4.3 The supplier reserves the right to charge orders, with a value less than Euro 500, with extra costs.

5. Delivery and delivery times.

- 5.1 In case the delivery has been partially or completely made impossible due to "force majeure", the supplier is entitled to postpone the delivery or to cancel the agreement

partially or completely. Partial deliveries referring to the same agreement, should be accepted and paid normally by the client.

5.2 The supplier may send the goods in partial deliveries on condition that this has been agreed upon with the client. Every delivery should be paid separately in that case.

5.3 The supplier reserves the right to supply and invoice 10% more or 10% less than the agreed quantity.

5.4 Unless otherwise agreed, the delivery will be excluding Works and on account and risk of the client.

5.5 Samples provided by the supplier are only indicative. The quality of the delivery can differ from the samples.

5.6 The delivery deadline stated by the supplier is estimated and can never be considered as fatal, unless expressly agreed otherwise.

5.7 In determining delivery deadlines, the supplier assumes that the engagement can be carried out under the circumstances as they are known to the supplier at that moment.

5.8 Delivery deadlines do not start until the parties have agreed on all commercial details, all necessary data etc. are in the supplier's possession, the payment or instalment has been received and the conditions necessary for the performance of the engagement have been met.

5.9 In the event of circumstances that are different to those known to the supplier when the delivery deadline was determined, the supplier may extend the delivery deadline with the time that is required in order to perform the engagement under those circumstances. If the delivery deadline agreed is exceeded, that does not entitle the client to ask compensation for damages, unless agreed in writing.

6. Payment.

6.1 Payment must be made at the supplier's place of business or to an account specified by the supplier.

6.2 Unless otherwise agreed, payment must be made, using one of the following methods:

- a. In advance;
- b. For counter sales: cash;
- c. In all other cases: within thirty days from date of invoice.

6.3 The payment conditions specified notwithstanding, the client is obliged, at the Suppliers request, to provide security for payment, to the client's satisfaction. Failure on the client's part to provide such security for payment within the period specified, will immediately constitute default. In that event, the supplier is entitled to dissolve the agreement and recover any damages from the client.

6.4 The client's right to offset any claims on the supplier is excluded, except in the event of the supplier's bankruptcy or if judicial debt rescheduling is applied in respect of the supplier.

6.5 The full claim for payment is payable on demand in the following instances:

- a. If any payment deadline has been exceeded;
- b. If the client has been declared bankrupt or requests suspension of payments;
- c. If any of the client's assets or claims are seized;
- d. If the client (if a company) is dissolved or liquidated;
- e. If the client (if a natural person) makes a request for judicial debt rescheduling, is placed under guardianship or dies.

6.6 If payment has not been made by the payment deadline specified, the client is immediately liable to pay the supplier's interest. That interest is payable at a rate of 12% per year, or at the statutory rate if that is higher. For the purposes of calculating the interest, partial months are counted as full months.

6.7 If payment has not been made by the payment deadline, the client is immediately liable to pay the supplier all extrajudicial costs, to a minimum of Euro 500.

6.8 If judicial proceedings are decided in the supplier's favour, all costs incurred by the supplier in connection with those proceedings, are for the client's account.

7. Complaints.

7.1 The client must check and investigate the quantity and quality of the delivered goods immediately on receipt and notify the supplier in case of any irregularity, giving the supplier the possibility to investigate the complaint or to instruct others to do so.

7.2 Complaints regarding visible defects, should be lodged in writing and within 10 days after receipt of the goods.

7.3 Complaints, referring to defects which normally could not have been noticed on receipt of the goods, should be submitted to the supplier within three working days after discovery, or after they could have reasonably been discovered, or at least within maximum of 3 months after delivery.

7.4 Complaints submitted to the supplier, later than 3 months after the delivery, will not be honoured. In case the supplier is nevertheless willing to deal with such a complaint, it should be considered as a service, excluding any acceptance of liability.

7.5 The client is only allowed to return goods to the supplier if this has been approved in writing by the supplier. Goods have to be returned in the original state and original packaging, on the account and risk of the client.

7.6 Goods which are being considered as unsellable by the supplier, will be replaced or reimbursed by means of a credit note by the supplier.

7.7 In case of a complaint, the client must always pay the invoice at the condition agreed upon with the supplier.

8. Cancellation.

8.1 Should the client wish to cancel a contract before the deadline of delivery has been reached, the supplier will charge 10% of the order value, unless it concerns a special order made only for the client. In such a case, the supplier can charge the client a bigger amount, up to the full 100% order value.

8.2 Cancellation should be done by the client by means of a registered letter and must be confirmed by the supplier.

9. Uncollected goods.

In case the client does not collect the goods after the delivery time has passed, they will remain in possession of the supplier. Uncollected goods will be stored on account and risk of the client. The supplier is always authorized to make use of article 6:90 of the Civil code.

10. Guarantees.

10.1 The supplier guarantees the proper performance of the product for a period of three months after delivery. However, his guarantees and liability will remain limited, all in accordance with and in the same extent as the guarantees and liability which the supplier agreed upon with his suppliers of the goods.

10.2 In all situations, the client must allow the supplier the opportunity to repair any shortcomings.

10.3 The client may only invoke guarantees after all obligations have been fulfilled by the supplier.

10.4 No guarantee will be given in the following cases:

- a. Improper storage of the product;
- b. Repacking of the product.

11 Liability.

11.1 The supplier is liable for all damages which the client incurs, that stem directly and exclusively from a shortcoming of the supplier. However, only those damages, for which the supplier is insured, or should within reason have been insured, qualify for compensation.

11.2 If, when the agreement is concluded, it is impossible for the supplier to take out insurance as meant in the previous paragraph, or impossible to do so at reasonable conditions, or if it is subsequently impossible to renew the insurance policy at reasonable conditions, the maximum compensation, payable for damages is the amount that the supplier charged for the agreement in question (exclusive of VAT).

11.3 Trading losses, including losses caused by delay and loss of profits will not be reimbursed. The client should take out Insurance to cover such damages, if such is deemed desirable;

11.4 The supplier is not responsible for:

- a. Violation of Patents, licences or other rights of third parties, resulting from the use of, or by information, supplied by the client;
- b. Damage or loss, by whatever kind of cause, of raw materials, semi-manufactured goods, models and tools or other matters, supplied by the client.

12. Settlement of disputes/arbitration clause.

12.1 In the event of any dispute between the client and the supplier, only the Dutch law applies.

12.2 The Vienna sales convention, does not apply to these terms and conditions, nor do any other international regulations whose exclusion is permitted.

12.3 Only the Dutch civil Court, within whose jurisdiction the supplier's place of business is situated, is competent to pass judgement on disputes. The supplier is entitled to deviate from this jurisdiction clause and apply the statutory rules for jurisdiction.

12.4 Should one or more conditions in our agreement with the client and also in these general terms turn out not to be legal, the other terms will remain valid. In case of an invalid term, an appropriate arrangement will be made, allowing each party to thrive its desired economic & legal result, which will be withstanding.

12.5 In the event of any disputes on the interpretation of any of the provisions of these terms and conditions, or any of the provisions included in contracts to which these terms and conditions apply, the Dutch text shall be conclusive.

13. Effect.

These general terms are valid from April 1st. 2010.