

DeLaval's General Terms for Field Tests

1 APPLICABILITY

These General Terms for Field Tests (the "Terms") shall, except as and with the modifications explicitly agreed in writing, apply to and form part of an agreement (whether oral or written) if: (a) the Terms have been referenced in the agreement or in any other correspondence leading up to the agreement; or (b) the agreement concerns field testing and the Terms have previously been applied to any agreement between the contracting parties. A "Contract" means an individual agreement to which these Terms apply.

2 PARTIES, OBJECTS AND SCOPE

The Contract is made solely between the DeLaval entity ("DeLaval") and test host (the "Test Host") identified in the Contract.

DeLaval will provide the test objects specified in the Contract (collectively with any ancillary equipment, products and software provided by DeLaval, the "Test Objects") for field testing at the premises of Test Host (the "Field Tests").

The aim of the Field Tests is to verify whether the Test Objects meet the general expectations and requirements of Test Host and DeLaval. Specific aims and scope of the Field Tests may be further described in a test plan.

3 DELIVERY AND INSTALLATION

Unless otherwise specified in the Contract, DeLaval will deliver and install the Test Objects to and at the premises of Test Host. However, prior to delivery and installation of the Test Objects, DeLaval will carry out an inspection of the facilities at Test Host's premises that are directly affected by the Field Tests. If DeLaval determines that Test Host's facilities requires modification for the performance of the Field Tests, DeLaval and Test Hosts shall agree on whether the facilities shall (a) be modified (and, in such case, who shall bear the costs for the modification) or (b) the Field Tests shall be cancelled. DeLaval shall not be obligated to bear any cost for any such modification unless to the extent DeLaval has confirmed in writing that it will bear the cost.

4 ACCESS

Test Host shall provide DeLaval such reasonable assistance, such information and such access to its premises and to relevant equipment and software (including, without limitation, by remote connection) as DeLaval reasonably requests to be able to perform the Field Tests. In particular, DeLaval shall be permitted sufficient access to the Test Objects and the premises of Test Host to (a) allow collection of test data and evaluation of results from the Field Test, as well as for the purpose of ensuring the correct functioning of the Test Objects during the Field Test; and (b) install the Test Objects at the start of the Field Tests and remove the Test Objects at the expiry of the Field Tests (except for Test Objects that Test Host acquires according to section 7). Visits by DeLaval shall, however, take place in consultation with Test Host to minimise interference with Test Host's operations.

Test Host shall notify DeLaval in writing and provide detailed information about all occupational hazards that may affect the security or safety of DeLaval's personnel when working on Test Host's premises and about all injuries to persons and/or damages to property (including livestock) related to the Test Objects.

5 OPERATION AND MAINTENANCE

During the Field Tests, Test Host is entitled and obligated to use the installed Test Objects for their intended purposes.

Test Host is responsible for the day-to-day operation of the Test Objects and shall: (a) maintain the Test Objects responsible fashion (subject to section 7, Ownership); and (b) monitor the performance of the Test Objects on an ongoing basis. Test Host shall comply with DeLaval's instructions concerning the operation, support and monitoring of the Test Objects.

If breakdown of the Test Objects or other deviations from normal operation or functions are observed, Test Host shall without delay report to the assigned DeLaval contact person(s). In the event of such breakdown or of a disruption of Test Host's operations caused by the Test Objects, DeLaval undertakes to without unreasonable delay use commercially reasonable efforts to remedy any defects in the Test Objects, with a view to minimise any negative effects on Test Host's operations.

6 COMPENSATION AND COSTS

Unless otherwise specified in the Contract, no compensation is payable by either party for the Field Tests or otherwise by reason of the Contract.

Except to the extent explicitly agreed in writing, the Parties shall bear their own costs incurred by reason of the Contract.

7 OWNERSHIP

The Test Objects are and shall, subject to what is set out below in this section (Ownership), remain the property of DeLaval (or, as applicable, another entity in the DeLaval Group). Test Host is not entitled to undertake any action with respect to the Test Objects that may jeopardise DeLaval's rights to the Test Objects. In particular, Test Host may not alter, adjust or exchange the Test Objects or any part of it without the written consent of DeLaval.

If it is agreed that Test Host shall be entitled to acquire one or several Test Objects, such right shall be subject to the following conditions:

- The right shall expire if Test Host has not given DeLaval written notice of acquisition within 30 calendar days of the expiry of the Field Tests.
- The right shall only be valid to the extent DeLaval launches the relevant Test Object for commercial sales.
- Software included in the Test Objects shall be considered licensed (not sold) according to the terms set referred to in section 9 (Software and Online Services).
- If Test Host acquire any Test Object, DeLaval agrees to update such Test Object to serial production standard at no cost of Test Host.
- Each acquisition is made from DeLaval and is subject to *DeLaval's General Terms of Service and Supply*, which are provided by DeLaval upon request and are also available for download and printing at <http://www.delaval.com/legal/>.

Except with regard to Test Objects that are acquired by Test Host, DeLaval undertakes to restore Test Host's facilities to its original condition at the termination of the Field Test, at no cost to Test Host, provided that the original equipment and/or software is in such condition that restoration can reasonably take place (noting that it may not be possible to do downgrade certain software, e.g. *DeLaval DelPro™*).

8 INTELLECTUAL PROPERTY

DeLaval International AB, corporate registration number 556012-3928, P.O. Box 39, Gustaf de Lavals väg 15, SE 147 21 Tumba, Sweden ("DLI") (or, as applicable, its affiliates or licensors) owns and retains all rights, titles and interests in and to all trademarks, trade names, patents, copyrights, neighbouring rights, confidential information, data, trade secrets, know-how and other intellectual property and intellectual property rights (whether or not any of them are registered, and including applications for registration of any of them) (collectively "Intellectual Property") in or related to the Test Objects.

DLI shall own all rights, titles and interests in and to all Intellectual Property made or generated under or in connection with the Field Tests (e.g. any suggestions, comments, ideas or inventions communicated by the Test Host) (the "Results"). Test Host hereby assigns all such rights, titles and interests to DLI and undertakes to execute all documents and do all acts reasonably

requested by DLI to secure and enforce any such right, title or interest. For the avoidance of doubt, DLI shall have unfettered ownership rights in respect of the Results, including without limitation the right to modify, combine and create derivative works of the Results and to transfer the rights, titles and interests in and to the Results to any third party.

Nothing in these Terms and no act or omission of a Party shall be construed as an assignment to the other Party of any Intellectual Property owned by such Party or its affiliates.

9 SOFTWARE AND ONLINE SERVICES

The *DeLaval Software and Online Service Terms of Use*, which are governed by Swedish law and are available for download and printing at <http://www.delaval.com/legal/> (it is recommended to print copies for future reference), shall exclusively govern the rights to, use of and liability for each DeLaval software and DeLaval online service (including, without limitation, each software and online service provided as part of or in connection with any DeLaval product) and all documentation and data made available or generated through or in connection with such software or service (unless other terms are provided with the software or online service, in which case such terms will apply).

Other software and online services provided under or in connection with the Contract shall, if applicable, be governed by the terms that are provided with such software or online services.

With regard to third party software and third party online services, DeLaval's only liability for defects in the software or service shall be to forward Test Host's claims against the third party.

10 LIMITATIONS OF LIABILITY

Test Host is aware that the Test Objects are subject to testing and that DeLaval therefore gives no warranties and disclaims all liability in relation to the Test Objects, except to the extent explicitly set out in these Terms or otherwise in the Contract.

DeLaval shall be liable and responsible for ensuring that the Test Objects as such satisfies applicable safety requirements. However, for the avoidance of doubt, DeLaval shall not be liable or responsible for the safety in the surroundings of the Test Objects or other work environment issues with respect to Test Host's premises.

DeLaval shall not be liable under or in connection with the Contract for indirect, special or consequential loss or damage, for loss of profit, loss of production, loss of use, loss of revenue, loss of business or loss of goodwill, for loss of or unauthorised access to data or other information or for loss of or damage to Test Host's property, whether or not such loss, damage or access could have been reasonably foreseen.

The limitations of liability set out above in this section (Limitations of Liability) do not apply to the extent DeLaval has caused the relevant loss or damage intentionally (wilful misconduct) or with reckless disregard for the consequences of its acts (gross negligence). Furthermore, nothing in the Contract shall limit or exclude liability for fraud or fraudulent misrepresentation, for death or personal injury caused by negligence or for any other liability that may not be so limited or excluded under applicable law.

11 TEST PERIOD AND TERMINATION

The Contract enters into force on the date it has been duly accepted by both parties and shall remain in effect until the end date of the Field Tests.

The Field Tests start at installation of the Test Objects and continue until the date specified in the Contract or, if no end date has been specified, until terminated by either party by no less than 1 month's written notice to the other party.

However, DeLaval reserves the right to terminate the Field Tests prior to the end of the agreed test period upon written notice to the test host.

12 SUB-CONTRACTING

DeLaval may appoint sub-contractors for the performance of its obligations under the Contract.

13 CONFIDENTIALITY

Test Host acknowledges that DeLaval by the Contract, on a strictly confidential basis and due to the specialist knowledge of Test Host and its staff, is giving Test Host and its staff access to new technology for testing purposes. After completed operational testing, DeLaval (or any other entity in the DeLaval Group) may apply for patents covering technology included in the Test Objects. Disclosure of such novelties to third parties may thus have a detrimental effect for the DeLaval Group. In view thereof and without limitation of the confidentiality obligations set forth below, Test Host may not demonstrate the Test Objects to a third party or otherwise disclose the technology included in the Test Objects to any third party.

Test Host must not, without the prior written consent of DeLaval, use any information about the Test Objects (e.g. information concerning their existence, technology, function or performance) or any information disclosed to or otherwise obtained by Test Host under or in connection with the Field Tests other than for the performance of the Field Tests and must not disclose such information to any third party. This confidentiality obligation shall, however, not apply to the extent Test Host shows that the information: (a) is in the public domain through no fault of Test Host; (b) has been lawfully and without restrictions developed or obtained by Test Host wholly independently of the Field Tests; or (c) is required to be disclosed by applicable law or

regulation or by order of any competent body or authority (in which case Test Host shall promptly notify DeLaval and allow DeLaval a reasonable time to oppose such disclosure).

Test Host is liable to DeLaval for any breach of this section (Confidentiality) by any entity or individual that may have access to the premises of the Test Host and shall ensure that such entities and individuals are bound by confidentiality obligations no less restrictive than those set out in this section.

This section (Confidentiality) shall survive termination or expiry of the Contract for whatever reason and shall remain in force for 10 years from the date of termination or expiry.

14 DATA AND PRIVACY

As part of the Field Tests, DeLaval may collect, use and further process data from or through software and online services connected to or embedded in sensors and systems at the Test Host. The primary purpose of such processing is to evaluate the operation of the Test Objects, to improve functionality of the Test Objects, to optimize operational parameters and to identify causes of potential errors of the Test Objects. The processing of data in connection with DeLaval software and DeLaval online services is further described in the *DeLaval Software and Online Service Data and Privacy Statement*, which is available for download and printing at <http://www.delaval.com/legal/>.

DeLaval may also collect, use and further process data relating to Test Host and disclose the data for use and further processing by DLI and any other entity in the DeLaval Group. The processing of data in connection

with promotion, supply, use and service of DeLaval products and DeLaval services is further described in the data and privacy statements available for download and printing at <http://www.delaval.com/legal/>.

15 ENTIRE AGREEMENT

The Contract sets out the full scope of obligations and liabilities of DeLaval in relation to the Test Objects. To the extent permitted by applicable law, all promises, representations, warranties, consumer guarantees and conditions related to the Test Objects but not explicitly set forth in the Contract, including but not limited to any that may otherwise be implied by statute, common law or usage, including any warranties of merchantability and fitness for a particular purpose, are hereby excluded and are not binding on DeLaval.

16 SEVERABILITY

If any provision of the Contract is found to be invalid or unenforceable, the remaining provisions shall remain effective and such provision shall be replaced with another provision consistent with the purpose and intent of the Contract.

17 APPLICABLE LAW AND DISPUTES

The Contract is governed by and shall be construed and interpreted in accordance with the laws of the country of the principal place of business of DeLaval. The courts of that country will have jurisdiction to settle any dispute, controversy or claim arising out of or in connection with the Contract. Notwithstanding the above, DeLaval is always entitled to petition courts and authorities in any competent jurisdiction to secure claims of any payments due.