

Definitions

In connection to DanAvI, the following terms and definitions must be interpreted as written below.

| " <u>Fees</u> " | Charged when selling DanAvl breeding material and used for financing |
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| | breeding work in Breeding herds, development work in VSP, control of |
| | breeding material as well as marketing of DanAvl. |
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"Agreement on Nuclues

| Breeding" | pig producers for the execution of breeding work in DanAvl. |
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| "Agreement on DanAvI | (In Danish: Aftale om DanAvl-KS-station) Agreements entered into by VSP with |
| Al station" | a number of AI stations as a part of breeding work in DanAvI. |

(In Danish: Aftale om Avl) Agreements entered into by VSP with a number of

| "Agreement on On- | Agreements entered into by a Distributor with a number of Commercial herds |
|-------------------|--|
| Farm Replacement | for the production or supply of P-breeding stock to be used in ones own |
| Production" | Holding |

| "Agreement on On- | Additional ("add-on") agreements entered into by VSP with a number of DanAvI |
|-------------------|--|
| Farm Replacement | herds for the production or supply of P-breeding stock to be used in their |
| Production with a | affiliated Commercial herds. |
| DanAvl herd" | |

| "Agreement on On- | Agreements entered into by VSP with a number of DanAvI distributors by which |
|-------------------|--|
| Farm Replacement | authorisation is given to enter into Agreements on On-Farm replacement |
| Production with | production with their customers. |
| Distributor" | |

| "Agreement on AI | Agreements VSP might enter into at a later point in time with a number of Al |
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| cooperation" | stations abroad for the production and sale of semen originating from DanAvI |
| | boars. |

| "Agreement on | Agreements entered into by VSP with a number of pig producers for the |
|-----------------|---|
| Multiplication" | production and sale of DanAvI breeding stock. |

| "Agreement on Agent's | The agreement signed by a Distributor and his Agent in order to comply with |
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| use of Trademark" | the Concept Manual. |

| "Agent" | The person or company acting on behalf of and at the expense of a Distributor. |
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| "Selection Criteria" | Are criteria laid down by VSP which a company must comply with in order to |
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| | enter into an Agreement on Sale and be registered as authorised DanAvl |
| | distributor |

| " <u>Breeder</u> " | Meaning herd owner, who as part of a Breeding system produces and sells (renting and lending) purebred Breeding stock. This does not prevent a Breeder from producing or selling Hybrids. |
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| "Nucleus Breeding herd" | (= Breeding herd) Meaning a herd, that as part of a Breeding system produces and sells (renting and lending) purebred Breeding stock. |
| "Breeding stock" | includes boars, sows, and gilts used for, or intended to be used for breeding or multiplication of pigs. The definition covers both the terms purebred Breeding stock as well as Hybrids. |
| "Breeding programme" | An organisation or corporate structure that conducts purebred breeding with a number of pig breeds or lines to pursue certain breeding objectives. |
| "Holding" | Is an operating unit that is run by the same physical or judicial person for the production of pigs at the address reported to VSP. |
| "Commercial semen" | (= Mixed semen) is semen originating from two or more boars. |
| " <u>User code</u> " | States the potential use of DanAvl breeding stock in a herd. User code 100 states that Breeding stock can be used by any type of herd. User code 200 states that Breeding stock can be used by any type of herd with the exception of such herds that have entered into an Agreement on Nucleus Breeding. |
| " <u>DanAvl</u> " | Is the name of the Breeding system operated and owned by VSP. |
| " <u>DanAvI breeding</u> material" | Includes Breeding stock, semen, and embryos (purebreds as well as Hybrids) used for, or intended to be used for breeding or multiplication of pigs with a minimum of 25 % DanAvI genes. |
| "DanAvl Breeding stock" | Is Breeding stock from DanAvI herds |
| " <u>DanAvI herds</u> " | Herds owned by Breeders and Multipliers with whom VSP has entered into Agreement on Nucleus Breeding, and/or Agreement on Multiplication. |
| " <u>DanAvI genes</u> " | Has the same meaning as DanAvl breeding stock. |
| " <u>DanAvI hybrid</u> " | Meaning Breeding stock, that is a first cross between two breeds from DanAvI herds. |
| "DanAvl Al station" | Is an AI station that has entered into an Agreement on DanAvl AI station with VSP as regards the use and collection and sale of semen from DanAvl boars. |

"<u>DanAvI distributors</u>" Are companies that have entered into an Agreement on Sale with VSP.

"DanAvl Opformering" Is the Association of Multipliers in DanAvl.

"<u>DanAvl boars</u>" Are boars (purebred as well as Hybrids) from DanAvl herds.

"DanAvl Trademark"

Is the registered trademark and brand name owned by the VSP/Danish Agriculture & Food Council, including, but not restricted to "DanAvl" and the logo consisting of a stylized pig, that is used in marketing of the DanAvl Breeding programme.

"DanAvl Committee"

(In Danish: *DanAvl Udvalget*) Is a marketing committee with the objective to strengthen the DanAvl brand, marketing strategies and the cooperation between Distributors. The Committee consists of representatives of DanAvl distributor, Dansk Svineavl, DanAvl Opformering, VSP and VSP's board.

"DBMC Arbitration Tribunal" The Danish Agriculture & Food Council's court of arbitration for the pig industry, which decides disputes arising between VSP and VSP's other contracting parties.

"Dansk Svineavl"

Is the Association of Danish Breeders. .

"Pig Breeding Database"

(= Database) is the name of the database storing and elaborating data received from DanAvI herds and Distributors.

"GGP-breeding stock"

(Great Grand Parent) Purebred breeding stock of a Breeding herd that produces purebred litters, which are integrated in the selection efforts within a breeding programme.

"GP-breeding stock"

(Grand Parent) Breeding stock that is being used for the production of Breeding stock for own use or for sale to a Multiplier herd (these are to be considered as purebred Breeding stock).

"Distributor"

See "DanAvl distributor"

"Agreement on Sale"

Are Agreements VSP has entered into with a number of companies on purchase and sale of DanAvI breeding material.

"On-farm Replacement Production"

Is the breeding work that is carried out in a Commercial herd for the production of P-Breeding stock for use in ones Holding.

"On-farm Replacement Production, number of sows"

Means number of females pig in relation to an Agreement on On-Farm Replacement production. The number of female pigs include any female that has been mated at least once.

"<u>Index</u>"

Also called Breeding index or Breeding value, states the potential financial value of Breeding stock. Transversely to age, gender and herd this index indicates a deviation of the average of all progeny tested females alive of that nucleus breed as well as progeny tested females that have died within a given period of time.

"Nucleus Management"

(In Danish: *Kernestyring*) Breeding work that is carried out in a Commercial herd, which practises On-farm Replacement production, but additionally is registered at VSP to access the Pig Breeding Database to determine the breeding value of their breeding efforts.

| "Concept manual" | Is the set of rules issued by VSP at any time in question regarding the use of the DanAvI trademark. |
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| "Hybrid females" | (= F1's) are females that are the first cross between two different breeds produced in a DanAvI herd. |
| "Hybrid boars" | Is a boar that is the first cross between two different breeds produced in a DanAvI herd. |
| " <u>Al</u> " | (= Artificial Insemination) means manual insertion of semen into the female. |
| "Al cooperation" | Is the cooperation a Distributor or VSP can enter into with an AI station abroad as stated in Minimum Terms for Agreement on AI cooperation. |
| "Al station" | A housing facility for boars, where semen is collected and sold. |
| "Buyer's Declaration and Acceptance of Terms of Sale" | A declaration laid down by VSP stating that a buyer of DanAvl breeding material agrees not to resell DanAvl breeding stock or offspring hereof or semen for other purposes than stated in the agreement. |
| Minimum terms for Agreement on AI cooperation | Conditions laid down by VSP, which, as a minimum must be included in Agreement on AI cooperation between Distributor and an AI station abroad. |
| "Named semen" | Is semen originating from an identified boar. |
| "Multiplication herd" | Means a herd which, as part of a Breeding system, produces and sells (lending and loaning) Hybrids (F1). |
| " <u>Multiplier</u> " | A herd owner who, as part of a Breeding programme, produces and sells lending and loaning) Hybrids. This does not exclude Multipliers from the production and sale of purebred Breeding stock. |
| "Organized collaboration" | Organised collaboration does typically mean – however not exclusively – that the owner of the particular herd is engaged in breeding or multiplication work for another breeding system. |
| "P-breeding stock" | (Parent) Breeding stock, which is part of a Commercial herd intended for the production of finishers (and which are to be considered as Hybrids). |
| "Commercial herd" | (= Production herd) Are herds that introduce Breeding material to the herds concerned by purchasing Breeding stock from a Breeding Programme, and that are not engaged in the sale of Breeding stock, and neither directly nor indirectly are owned or controlled by a Breeding Programme or have entered into Organised collaboration with a Breeding Programme. |
| "Product description" | Is the name used for marketing and sale of Breeding stock under the terms and conditions laid down in Rules for Multiplication and/or Rules for Breeding. |
| "Rules for Breeding" | Is the set of rules Breeders must comply with when performing breeding work |

in their own herd.

"Rules for Multiplication" Is the set of rules Multiplier must comply with when performing multiplication

work in their herd.

"Purebred DanAvl breeding stock" Means Breeding stock which is the offspring of parents from the same breed

from DanAvl herds.

<u>"Standby females"</u> Finishers from multiplier herds with a certain SPF-SuS-health status, which

VSP, after approved application, has authorized for sale if gilts of equivalent

health status from DanAvI herds are not available.

"F2-females" are females produced in DanAvI herds with an approved DanAvI hybrid as

mother and either a DanAvl Landrace or a DanAvl Yorkshire boar as father.

<u>"VSP"</u> (= The Danish Pig Research Centre) is an department under the Danish

Agriculture & Food Council, which in joint efforts carries out the development and research in relation to Danish pig production, including the administration

of DanAvl.

"VSP, Breeding &

Genetics"

(= Breeding & Genetics) is the department of VSP responsible for development

and administration of DanAvl.