

General Terms and Conditions of Purchase

of

Pro-Pak Foods Ltd

a part of the Tonnies Group

1. Validity of Terms

These Terms of Purchase shall apply for all international and local supplies ("Purchase"/"Delivery") to Pro-Pak Foods Ltd (Pro-Pak). Terms of Sale and Delivery from the supplier ("Supplier") shall not apply unless agreed to in writing by Pro-Pak.

2. Purchase Order and Order Confirmation

Pro-Pak shall place a Purchase Order with Supplier. Pro-Pak shall receive an Order Confirmation from the Supplier within 3 business days counting from the date of the Purchase Order, otherwise the Purchase Order and any potential subsequent Order Confirmation is non-binding to Pro-Pak.

Only Order Confirmations that comply with Purchase Orders placed by Pro-Pak shall be binding to Pro-Pak. Supplier's Order Confirmation shall contain the following information: Price, quantity, date of delivery, place of delivery, Pro-Pak's Purchase Order number and Pro-Pak's product code.

3. Prices and Terms of Payment

All prices in Purchase Orders and Order Confirmations are fixed.

All Prices shall be excluded from VAT and stated in the Local Currency at the place of delivery unless otherwise agreed in writing in the Purchase Order.

All prices shall include packaging, wrapping, documentation, transport, insurance, duties, taxes, fees etc.

Pro-Pak's Term of Payment is 60 days from the invoice date. Payment deadline shall be counted from the date of invoice or Delivery, if that date is later.

4. Delivery

Terms of Delivery are Incoterms 2010 DDP at the place of delivery specified by Pro-Pak.

Delivery shall take place on the date of delivery at the specified hour, no later than 12 am (noon), unless otherwise agreed.

Whether a Delivery is made by Supplier or an independent operator hired by the supplier, Supplier is responsible for the compliance of Pro-Pak's guidelines such as alcohol and smoking policies, routes to the place of delivery, parking, engine failure etc.

5. Packaging and labeling

Supplier shall ensure that goods are delivered in appropriate packaging and in compliance with the specifications stated on Pro-Pak's Purchase Order. Pallets and transport folio shall be

intact in order to avoid the risk of allergen-, microbiological or chemical contamination.

A delivery note shall be marked with Pro-Pak's Purchase Order number and product codes followed by name of Purchaser, nature of goods, delivered quantity and any potential certificates.

Items in direct contact with food, such as fresh meat, ingredients, packaging etc., shall be certified food grade products, which shall appear from the product label.

6. Delay

Supplier shall promptly notify Pro-Pak of any actual or anticipated delay.

Any actual delay, or a delay that is anticipated to occur, is considered material breach entitling Pro-Pak to choose either to cancel or maintain the Purchase and claim compensation for the incurred loss.

7. Defects and warranty

A delivery is considered incomplete when it does not comply with the specifications given by Pro-Pak, such as quality, quantity, process control, documentation, certification etc., or when the delivered goods are not comparable to usual well standard of its nature of goods.

If defects are found, Pro-Pak is entitled to choose either to maintain the Purchase, to demand replacement delivery / subsequent delivery at Supplier's expense and risk, to demand remediation from Supplier, take remedial action at Supplier's expense or cancel the Purchase and return the goods to Supplier at Supplier's expense and risk.

Pro-Pak may also require a proportional reduction of the Purchase price if the Purchase in which defects have been discovered is maintained by Pro-Pak, and Supplier shall be liable for any loss Pro-Pak suffers from the delivery of the defective goods.

Pro-Pak's potential payment of the goods does not imply a waive of any claim against Supplier in case of defects.

8. Force majeure

Either Party is entitled to cancel a Purchase without notice when delay occurs for more than 14 days as a result of force majeure including strike.

9. Product liability and insurance

Supplier warrants that a Delivery of goods from the Supplier does not cause any material or personal damage.

Supplier is fully liable for any product liability claims resulting from products delivered from Supplier including consequential losses.

Supplier shall indemnify Pro-Pak for any loss concerning goods from Supplier, which Pro-Pak is required to compensate to a third party.

Supplier shall take out and maintain a valid adequate and amount sufficient Product Liability Insurance with a generally approved insurance company, which includes general product, ingredient and component liability. The insurance shall be valid for at least one year after Delivery to Pro-Pak.

Upon Pro-Pak's request Supplier shall prove a valid Product Liability Insurance has been taken out.

10. Claims and recall of product

If Pro-Pak receives a claim from a customer this shall be forwarded to Supplier if Pro-Pak assess the complaint is reasonable. Supplier shall promptly supply Pro-Pak with all relevant information needed to process the claim and assist on reaching a solution to the claim including reimbursing Pro-Pak's loss, if and in the extent the complaint proves to be reasonable.

Supplier shall promptly notify Pro-Pak, if the Supplier becomes aware of a defect Delivery or if a Delivery is of risk being defective. Pro-Pak is then entitled to recall the product in which the defective goods are included from Pro-Pak's customers at Suppliers expense and risk. The same applies if Pro-Pak is otherwise informed of a defect.

Supplier is obliged to provide the assistance needed to ensure the recall of a product as early as possible. Supplier shall be liable for identification and location of all products from Supplier.

Supplier shall indemnify Pro-Pak from the total loss caused by the recall of defective products. Upon the recall of a product Pro-Pak is exclusively entitled to deal with the Authorities and the Press including issuing press releases and answers to inquiries on the matter.

11. Public regulations and policies

Supplier warrants that any Delivery to Pro-Pak comply with all public regulations including environmental and safety standards at the place of delivery.

Supplier shall ensure, that manufactures/sub suppliers of material and items in contact with food delivered to Pro-Pak are registered and approved by the relevant public Authority.

Supplier shall at all times comply with the current regulations relating to environment, health and safety, child labor etc.

Supplier shall act in an environmental and social responsible way.

Supplier shall ensure that their sub suppliers and carriers comply with the above mentioned regulations.

12. Disputes

Any dispute between Pro-Pak and Supplier pertaining to deliveries shall be settled pursuant to the laws governing at the place of delivery.

Prior to the legislation in force at the place of delivery the following applies in order:

The Purchase Order,

These General Terms of Purchase,

The International Sale of Goods Act (CISG)

In the event that the above rules do not settle a dispute, the dispute shall be settled by law at the place of delivery in consideration to the above mentioned rules and otherwise in accordance with the legislation at the place of delivery.