

General Terms of Sale and Delivery for Pro-Pak Foods Ltd.

These Terms of Sale and Delivery shall apply for all sales made by Pro-Pak Foods Ltd. ("Pro-Pak") unless otherwise agreed in writing.

1. Terms of delivery:

The terms of delivery are INCOTERMS 2010: EX WORKS, Pro-Pak, unless otherwise specified in Pro-Pak's offer.

2. Terms of payment:

Terms of payment are cash on delivery in GBP, unless otherwise agreed in writing.

Payment shall be effected directly to Pro-Pak or to a bank account assigned by Pro-Pak. Any transfer costs are irrelevant to Pro-Pak.

If payment is not made at the date of maturity, interest of 1.5 per cent pr. month of the total amount due will be charged until payment takes place.

At the same time Pro-Pak reserves the right to cancel and/or put orders from customers on hold until Pro-Pak's total outstanding amount has been paid.

Standard terms are 30 days from the date of invoice.

3. Retention of title:

Notwithstanding delivery and the passing of risk, property in and title to the goods shall remain with Pro-Pak until Pro-Pak has received payment for the goods.

4. All monies:

Notwithstanding delivery and the passing of risk, property in and title to the goods shall remain with Pro-Pak until Pro-Pak has received payment of the full price of (a) all Goods and/or Services the subject of the Contract and (b) all other goods and/or services supplied by Pro-Pak to the buyer under any contract whatsoever. Payment of the full price shall include, without limitation, the amount of any interest or other sum payable under the terms of this and all other contracts between Pro-Pak and the buyer. Monies due will be set off against monies owed if not received in full within 30 days of the payment date

5. Delay:

Pro-Pak constantly aims at observing the agreed times of delivery. The buyer shall be informed of any delay.

If time is of the essence, the buyer can terminate the agreement. In that case the buyer shall forward a

written request to Pro-Pak demanding delivery within 8 days. The request cannot be forwarded to Pro-pak earlier than after expiry of the time of delivery.

The customer is not entitled to claim damages or other remedies for breach of contract from Pro-Pak as a consequence of the delay.

6. Claims

The risk in the goods shall pass to the buyer on delivery of the goods.

Any claim regarding quality or quantity of Pro-Pak's goods shall be forwarded to Pro-Pak as soon as possible and no later than 12 hours after delivery.

The quantity (net weight) stated at a signed shipping document shall be the true and correct weight as agreed between the buyer and Pro-Pak.

Any deviation between the agreed quantity and the delivered quantity shall be adjusted proportionally to the total purchase price.

In case of a defect representatives from Pro-Pak shall have access to inspect the total lot. If the parties cannot agree on the causes or the scope of the defects the matter shall be referred to an independent internationally recognised authority for clarification of the questions including gathering of evidence related to the case.

Pro-Pak has the right to replace the defective goods.

If Pro-Pak has not received a complaint within the stated time-limit or if the buyer does not allow Pro-Pak to inspect the goods, the buyer loses the right to rely on the non-conformity of the delivered goods.

On receipt of the goods the buyer shall inspect the goods before use. If the goods are to be used in the buyer's production the buyer shall inspect the production continuously to ensure that any defects in the goods supplied are discovered as soon as possible.

If the buyer complains wrongfully the buyer shall pay all Pro-Pak's documented hotel and travelling expenses incurred in connection with inspection of the delivery as well as all costs related to the independent inspection.

Pro-Pak's liability is limited to the circumstances stated above. Pro-Pak shall not be held responsible for any loss caused by the defects including loss of profits, loss of earnings and other financial consequential losses.

In all circumstances Pro-Pak's liability is maximised to the invoiced value of the goods sold.

7. Product liability

The buyer shall indemnify Pro-Pak against any liability incurred towards a third party for such damage and loss, which Pro-Pak is not liable towards the buyer.

Unless otherwise prescribed by mandatory statutory provisions of English law Pro-Pak shall not be liable for damages caused by the products sold:

- a) to real estate or chattels occurring while the buyer has possession of the goods
- b) to products produced by the buyer or to products forming part of the products sold

Pro-Pak shall not be held liable for loss of profits, loss of earnings or other financial consequential losses.

The mentioned liabilities are not excluded in case of gross negligence from Pro-Pak.

In the event that a third party makes a claim for damages against one of the parties in accordance with this clause the party shall inform the other party about this without undue delay.

The buyer shall let himself be subject to litigation or arbitration at the same court which considers claims for damages against Pro-Pak based on damage or loss caused by the products sold by Pro-Pak.

However, the mutual relations between the buyer and Pro-Pak shall always be settled by the agreed arbitration in accordance with Pro-Pak's General Terms of Sale and Delivery.

8. Reusable packaging

Pro-Pak reserves the right to invoice the buyer for reusable packaging including EUR-pallets, plastic pallets, plastic big boxes and plastic cases, racks of metal or plastic as well as metal and plastic hooks.

9. Exemption of liability and force majeure

The following circumstances shall exempt Pro-Pak from liability as well as release Pro-Pak for their obligations to fulfil the agreement:

Strikes, lock-outs, business interruptions, delayed delivery from sub-suppliers and similar events shall prolong the time of delivery proportionally.

Wars, civil unrest, terror, natural disasters and similar events beyond the control of the parties including shortage of raw materials, confiscation, currency restrictions and intervention by the authorities shall entitle Pro-Pak to cancel any offer and outstanding orders in full or in part.

The party claiming force majeure shall inform the other party by e-mail and telefax or courier letter no later than 7 days after the occurrence of the force majeure. The party shall send an official statement from the local chamber of commerce to substantiate the occurrence of the force majeure. The substantiation shall be sent no later than 4 weeks after the party has claimed force majeure.

10. Disputes

Any dispute between the parties pertaining to sale made by Pro-Pak shall be settled pursuant to the laws of England.

Efforts shall always be made to settle disputes out of court. If the dispute cannot be settled amicably the dispute shall be settled by the courts in England.