

General Purchasing and Orders Terms and Conditions

(hereinafter referred to as AEBs)

1. Scope

These AEBs exclusively shall apply. Any conditions from the supplier shall not apply. These AEBs shall also apply if we accept delivery or pay for same in the knowledge of the contractor's differing conditions.

These AEBs shall also apply to all future business with the contractor.

2. Offers

Offers and cost estimates are binding and are not to be remunerated. Furthermore, we do not assume costs and do not pay remuneration for visits, planning and other preliminary work and services, which the contractor provides in conjunction with the submission of offers.

Offers submitted to us must correspond to our enquiries. We must be advised separately and in writing of any deviations in offers from our enquiry.

3. Orders, conclusion of contract

Orders, contracts and delivery call orders require the written form. The contractor shall accept our order within 7 days. Delivery call orders within the framework of an order and call plan are binding if the contractor does not object within three working days of receipt.

Verbal agreements of any kind – including subsequent amendments and addenda – are only binding if they are confirmed by us in writing.

Data transmission and fax also satisfy the written form requirement.

4. Changes to the scope of the order

If, during implementation of the contract, it is found that deviations from the originally agreed specifications are necessary or essential, the contractor shall immediately notify us in writing. To this extent, we reserve the right to demand changes in respect of the scope of the delivery and services, insofar as this is reasonable. The impact (e.g. on delivery dates, additional or reduced costs, etc.) of this shall be agreed by mutual consent.

5. Subcontractors / sub-suppliers

Subcontractors may not be engaged by the contractor unless we have granted our consent in writing in advance. If subcontractors are engaged, the contractor shall impose all obligations, which the contractor has accepted from us in respect of the tasks assumed by it, on the subcontractors and shall ensure they are fulfilled.

The supplier shall also inform us of its suppliers upon initial request.

6. Price, insurance

The prices stated in the order or delivery call order are binding. Prices are fixed prices. They shall include everything to be done by the contractor in order to fulfil its delivery and service obligations to the agreed delivery location, including packaging and freight.

Unless agreed otherwise, the supplier shall insure the goods at its own cost in our favour against usual transport risks.

7. Transfer of risk

If no separate agreement is concluded, prices are free at destination, customs-cleared (DDP according to the respective valid Incoterms), including packaging. The contractor shall bear the material risk until acceptance by us or our agent at the location where the delivery of service is to be provided.

8. Deliveries and services

Unless expressly agreed otherwise in writing, all deliveries have to correspond to the laws, directives, DIN and/or EN standards and other applicable conditions in force at the time of delivery at the receiving location. This shall apply in particular to all applicable conditions under food law.

In addition, all occupational health and safety provisions as prescribed by law, mutual indemnity associations and the respective professional associations must be observed.

The supplier shall comply with the respective statutory regulations regarding dealing with employees, environmental protection and occupational health and safety and shall work to reduce any negative impact of its activities on people and the environment.

Unless agreed otherwise, partial deliveries and partial services are excluded.

9. Buy on sample

In the event of buy on sample, our approval of the sample must be in writing; nil response is rejection.

10. Delivery time and delivery dates

Agreed delivery dates and deadlines are binding. The timeliness of deliveries shall be based on the time of receipt at the receiving office as stated by us in the order.

If agreed dates are not met, the statutory provisions shall apply. The contractor shall immediately advise us in writing if circumstances arise or become discernible, from which it is possible that

the agreed dates may be missed. The contractor shall state the reason for this and the estimated duration of the delay.

The unreserved acceptance of late delivery or services shall not include a waiver of claims, to which we are entitled because of late delivery or service.

The contractor can only claim that required documents to be provided by us were omitted if it has sent a written reminder regarding the documents and has not received them within a reasonable period.

Forces majeures, such as strikes, lock-outs, unrest, official measures and other events, which are not our responsibility, as well as unforeseeable, unavoidable and serious events, shall entitle us to postpone the fulfilment of the duty of acceptance by the duration of the hindrance plus an appropriate preparatory period. If implementation of the contract is fully or partly unreasonable for one of the parties, it can withdraw from the contract in respect of the unreasonable part. The contractor cannot derive any claims to compensation from our postponement of the duty of acceptance or our withdrawal from the contract.

11. Invoices, payments

Invoices and invoice copies must be sent stating our order number corresponding to the information in our contracts and orders.

We only accept invoices for services if they include work and material sheets confirmed by us in writing.

Unless different payment terms are agreed, payments are due within 30 days of receipt of the service and invoice or within 14 days with a discount of 2 %. The payment period shall start no earlier than upon receipt of the invoice but not before receipt of goods or provision of the service. The payment shall be made subject to audit of the invoice.

12. Assignment of claims

In order to assign claims and to transfer the collection of claims against us, the contractor shall require prior written consent from us.

13. Warranty

The contractor guarantees that its deliveries or services correspond to the agreed specifications and do not have any defects, which remove or reduce their suitability for the usual use required or for use according to the contract. In addition, it guarantees that the deliveries or services correspond to the recognised rules of technology (latest status) and the statutory requirements applicable at the time of delivery.

A check of received goods shall include obvious defects, transport damage, completeness and identity of the goods. We shall report defects within a reasonable period. We reserve the right to

carry out a more detailed check of received goods. If defects are discovered, we shall report these in the normal course of business. To this extent, the contractor shall waive the defence of late complaint.

We are entitled to assert the statutory claims for any to defects without deduction. In any case, we reserve the right to demand repair or delivery of a new item from the contractor at our discretion. We expressly reserve the right to compensation, in particular the right to compensation instead of performance.

Claims due to defects – for whatever legal reason – shall expire no earlier than 36 months after provision of service or acceptance, if this is later. Longer contractual or statutory expiration periods shall be unaffected hereby.

If the contractor fulfils its duty of subsequent performance through substitution, the expiration period for the service provided as substitution shall start again anew after it has been accepted. The contractor shall be liable for any consequential damages.

Insofar as the contractor does not provide subsequent performance within the additional reasonable period set by us, we reserve the right to correct the defects ourselves or by third parties at the contractor's cost.

14. Product liability

Insofar as the contractor is responsible for product damage, upon initial request it shall indemnify us to this extent from third party claims for compensation.

Within this framework, the contractor shall also reimburse any expenses from or in conjunction with a recall action conducted by us. We shall inform the contractor of the content and extent of the recall actions to be conducted – insofar as this is possible and reasonable – and shall give it the opportunity to comment. Other statutory claims shall remain unaffected.

The contractor shall purchase sufficient public liability and product liability insurance and shall maintain it for the contractual term, including the guarantee periods. If we are entitled to further claims for compensation, these shall remain unaffected. Upon request, the contractor shall provide us with a copy of the valid insurance contract.

15. Third party property rights

No third party property rights may be infringed by the service provided and its use. We shall inform the contractor of third party claims of infringement. We will not acknowledge said claims ourselves. To this extent, we authorise the contractor to assume the judicial and extrajudicial dispute with the third parties.

In the case of a claimed infringement of third party property rights, at its own cost the contractor shall defend against third party claims, which third parties bring against us because of an infringement of property rights as a result of the contractor's services. The contractor shall

indemnify us from all claims from the use of such property rights, insofar as it is responsible for their infringement.

If our use of the service is affected by existing third party property rights, the contractor shall at its own cost either obtain the corresponding approval or change or replace the affected parts of the delivery such that the use of the delivery is no longer prevented by third party property rights and this also corresponds to the contractual agreements.

16. Retention of title

Insofar as we provide parts to the supplier, we shall retain title to same. Processing or forming by the supplier is performed for us. If our conditional goods are to be processed with other objects not belonging to us, we shall acquire co-ownership of the new object in relation to our goods (sale price plus VAT) to the value of the other processed items at the time of processing.

If goods provided by us are to be inseparably mixed with other objects not belonging to us, we shall acquire co-ownership of the new object in relation to our goods (sale price plus VAT) to the value of the other mixed items at the time of mixing. If the mixing is performed such that the supplier's item is deemed to be the main item, it is agreed that the supplier shall transfer co-ownership to us rateably; the supplier shall safeguard sole ownership or co-ownership for us.

We shall retain title to tools; the supplier shall only use the tools for manufacturing the goods ordered by us. The supplier shall insure tools belonging to us as new at its own cost against fire and water damage and theft. The supplier shall carry out any required maintenance and inspection work, and all servicing and commissioning work, on our tools, on time and at its own cost. It must report any problems to us immediately; culpable omission of this shall not affect claims for compensation.

Insofar as the security interest, to which we are entitled according to para. 1 or para. 2 of this Section 16, exceeds the sale price of all our conditional goods that have not yet been paid for of more than 10%, upon request from the supplier we shall release the security interest at our discretion.

17. Place of performance, place of jurisdiction, applicable law

Place of performance for deliveries and services is the receiving office stated by us.

Place of performance for payments is Hamburg.

Place of jurisdiction for all disputes from the business relationship, including all claims from cheques and bills of exchange is Hamburg. However, we reserve the right to sue the contractor at its place of business.

German law shall apply to all legal relationships between the parties. Application of the Vienna UNCITRAL Convention of the International Sale of Goods Law of 11 April 1980 (United Nations Commission on International Trade Law of 11 April 1980) is excluded.

The respective applicable version of Incoterms shall apply.

18. Miscellaneous

Correspondence shall exclusively be with the purchasing department. If correspondence with other departments is unavoidable in some cases, a copy must be sent to the purchasing department.

If one of the above provisions is or becomes invalid, this shall not affect the validity of the other provisions. In the case of a clause being invalid, the parties shall replace it with a provision, which comes economically closest to the invalid clause.

CARL KÜHNE KG (GmbH & Co.) - 03/13