

GENERAL TERMS AND CONDITIONS OF PURCHASE OF Josef Manner & Comp. Aktiengesellschaft

1. General terms and conditions – scope:

1.1. Josef Manner & Comp. AG ("Manner") shall only accept orders covered by the following terms and conditions of purchase. These terms and conditions of purchase shall be valid – in case no other agreement has been made explicitly and in writing – for any purchasing, work and service agreements concluded by Manner as the purchaser, customer or ordering partner, regardless of their individual designations.

1.2. Hereafter, the term "contractor" shall refer to the individual contracting partner assigned by Manner (such as supplier of raw materials, packaging material or services).

1.3. The legal relationship between Manner and the contractor shall be exclusively based on these terms and conditions of purchase as well as individual agreements concluded in specific cases. These terms and conditions of purchase shall become part of the contract upon the acceptance of an order. Relevant individual agreements shall have priority over these terms and conditions of purchase. Individual agreements that differ from these terms and conditions of purchase must be made in writing in order to be effective. Likewise, legal declarations and notifications made by the contractor, such as the setting of a deadline, a warning notice, or the declaration of cancellation, must be made in writing to be effective.

1.4. Employees or third parties employed by Manner shall not be entitled to make verbal agreements differing from the contractual conditions as well as from these terms and conditions of purchase.

1.5. Manner shall not accept the general terms and conditions of the contractor. Their application shall hereby be explicitly excluded without issuing a separate rejection. These terms and conditions of purchase shall also be valid, if Manner accepts the delivery or service of the contractor, being aware of any general terms and conditions that are contradicting or deviating from these terms of purchase – without explicit reservation.

In case the order confirmation differs from the order, the contractor shall be obligated to make reference thereto, clearly indicating the respective deviations. Manner shall only be bound to a deviation, in the case that Manner has explicitly agreed to the deviation in writing. The unconditional acceptance of goods is in no case considered as such agreement.

1.6. The acceptance and/or the execution of orders made by Manner shall be deemed as unconditional and full acceptance of these terms and conditions of purchase by the contractor.

1.7. These terms and conditions of purchase shall also apply for follow-up orders, without requiring further agreements. An order shall be deemed as a follow-up order if it is placed within a year following the previous order and addressed to the same contractor, without requiring a close connection in context between the orders.

1.8. These terms and conditions of purchase are accessible on the Internet, at the website of Josef Manner & Comp. Aktiengesellschaft at <http://josef.manner.com/en/company>.

2. Offer and placing of orders:

2.1. Orders shall only be legally binding for Manner if they are made in writing. With regard to these terms and conditions of purchase, the written form refers to letters, emails and faxes. Orders made orally or by telephone, supplementary agreements, modifications or deviations of any kind or other side agreements shall only be binding for Manner, after the immediate and written confirmation by the contractor. The contractor must draw attention to obvious errors and incompleteness of any order placed, including order documents for the purpose of correction or completion before acceptance – otherwise the contract shall be regarded as not concluded.

2.2. Orders made by Manner shall be confirmed by the contractor immediately and in writing. Manner reserves the right to cancel the order free of charge, in case the proper order confirmation is not received by Manner within a reasonable period of time, at latest within 10 work days after the order was made. Such cancellation shall be deemed as on time, if it is sent before the receipt of the order confirmation.

2.3. Notwithstanding any further reasons for cancellation, Manner shall be entitled to cancel the contract for important reasons. Important reasons shall include, but not be limited to, the following reasons:

a) The rejection of an application due to the opening of insolvency proceedings over the assets of the contractor for lack of assets; striving for an extrajudicial settlement; the opening of insolvency proceedings over the assets of the contractor, in case a cancellation is permitted by law according to §§ 25 a et seq. of the Austrian Insolvency Act (IO);

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- b) The acquisition of the contractor by a competitor of Manner;
- c) Repeated and/or serious breach of the contractor regarding the agreed terms and conditions;
- d) Interventions by public authorities and/or force majeure occurrences or other restrictions outside of Manner's control (such as factory interruptions, strikes, defects in machines required for the processing of the deliveries that cannot be remedied in reasonable time or a sharp decline in demand).

In the case of cancellation by Manner for important reasons, the contractor shall not be entitled to make any claims arising from the cancellation, excluding a claim to compensation for partial services that have already been made.

In case the reason for cancellation is point d), Manner shall also have the option to demand fulfillment at a later point of time instead of a cancellation, without this giving rise to any claims whatsoever by the contractor.

2.4. The contractor shall only be entitled to employ subcontractors prior to the written consent of Manner. Third party employment does not constitute any legal relationship between Manner and the relevant subcontractor.

3. Price and payment conditions:

3.1. The creation of a cost estimate by the contractor shall be binding and free of charge for Manner.

3.2. The price agreed upon shall be deemed as the fixed price. This price shall include the legal sales tax, carriage free, delivery and customary packaging. The contractor shall be obligated to take back packaging upon request. The fixed price shall include all services and additional services as well as all additional costs such as bank charges and especially the documents stated as examples under point 5.2.

3.3. The payment shall be effected within 30 days at a 3% cash discount or within 60 days without deduction from complete delivery and service (including a potentially agreed acceptance) as well as the receipt of a proper invoice (according to point 4). The payment shall neither be deemed as acceptance of the delivery item nor as recognition of a contractual obligation.

3.4. The interest rate for late payment amounts to a maximum of 4% per annum. Deferred payment shall only occur in case of a prior written reminder by the contractor.

3.5. Claims of the contractor against Manner shall only be pledged, assigned or transferred to a third party in any other way with prior written consent. In

case of a deviating payment recipient, Manner shall be entitled to deduct an expense allowance of € 20.00 plus sales tax per payment transaction.

4. Accounting and accompanying documents:

4.1. Invoices shall include all legally required details, in particular according to paragraph 11, section 1 of the Value Added Tax Act in its current version, in order to enable the right to deduction carried out by Manner and to fulfill the customs designations (such as customs tariff number, net weight). Each invoice must display the article number, all ordering details - especially the material number - the mode of dispatch and the delivery note. In case of intra-community deliveries, the relevant indications must be made. The invoice needs to be enclosed with the confirmed proof of performance and receipts. The contractor shall be liable for all damage occurring due to the non-compliance with these duties.

4.2. Invoices that do not comply with these terms shall be deemed as "not issued" and shall not commence the beginning of the agreed payment period. This payment period shall begin, at the earliest, on receipt of the proper invoice.

4.3. The order number and material number need to be indicated with all dispatch notes, freight and package labels, and other accompanying documents, as well as throughout the entire correspondence.

4.4. All invoices must either be sent via email to eingangsrechnungen@manner.com or by post to Manner (Josef Manner & Comp. Aktiengesellschaft, Wilhelminenstrasse 6, 1171 Vienna, Austria).

5. Scope and quality of delivery or service:

5.1. The delivery and/or service must comply with concluded agreements as well as state of the art technology and the specifications given by Manner. The delivery has to be new and of highest quality and comply with all legal requirements, regulations, in particular with those of the food legislation, especially those of the Austrian Food Safety and Consumer Protection Law (LMSVG), relevant laws, technical standards (such as suitability for line production) and the requirements of specialist associations, etc. In case a delivery mainly consists of raw materials and/or packaging material for the production of foods, the contractor shall warrant and guarantee that the delivered goods will have no impact on the suitability for consumption, in particular that they will have no impact on organoleptic properties and that said goods comply with the customary and usual standard quality criteria as is common in business practice. The scope of delivery and/or service shall include all common additional services as well as

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any other requirements that are necessary in order to ensure the agreed or commonly assumed properties, if such delivery requirements and additional services are not expressly stated in the order.

5.2 The contractor shall guarantee that any delivered goods coming into contact with products of Manner comply with relevant and currently valid food laws and will have no effect on the quality of Manner products – as far as an impact can be avoided by means of the latest state of technology.

5.3. The contractor shall hand over all agreed upon or common documents (invoices, transport documentation, certificates of origin, conformance declarations, letters of guarantee, technical documentation, operating manuals as well as equivalent documents). The contractor shall be obligated to provide Manner, upon request and without delay, any information that Manner, a contracting partner or an affiliated company may need in order to demonstrate conformity with regulations, including legal and other common regulations, to whatever individual or party.

5.4. The contractor shall be liable for any and all damages resulting for Manner due to missing, incomplete or delayed documents or pieces of information that have been agreed, that are common or that have been requested.

5.5. With regard to the goods delivered by the contractor, the contractor shall guarantee complete and consistent traceability according to the relevant legal provisions (in particular according to § 22 of the Austrian Food Safety and Consumer Protection Law (LMSVG) and the Regulation (EC) No. 178/2002 or their future replacements. With regard to packaging and raw material, a batch number must be attached to each item. This batch number must also appear in the relevant delivery documents.

6. Date of delivery or service:

6.1. The date of delivery or service shall be the point of time indicated by Manner, when the ordered good or service must be delivered in full at the point of delivery or when the service needs to be performed at the place of supply. If the date of delivery or service has not been indicated by Manner, the delivery date shall be 4 weeks from the date of contract.

6.2. The delivery of goods shall be carried out exclusively from Monday to Thursday, between 7.00 and 12.00 o'clock or between 12.30 to 14.00 o'clock. The purchasing department or the unit accepting delivery will need to be contacted to arrange delivery times or days outside of standard delivery hours in individual cases.

6.3. Manner shall be entitled to refuse an early delivery or service and also to send back goods at expense and risk of the contractor. If necessary, Manner might choose to store early deliveries at a location of Manner or a third party at the expense of the contractor. Also in case of the acceptance of early deliveries, the payment period shall not begin before the agreed delivery date.

6.4. The contractor shall immediately and in writing notify Manner of any imminent delay in delivery or performance of service, giving the reasons for the delay and the expected duration of delay.

6.5. Manner shall be entitled to refuse the acceptance of part, short or excessive deliveries.

6.6. Manner shall have the right to cancel parts of any effected orders even after the conclusion of contract by unilateral declaration. In this event, the price shall be reduced by the amount of the cancelled part. Manner shall bear the proven additional costs, but not the contractor's loss that may have resulted from said cancellation. Further claims of the contractor shall be excluded.

7. Place of delivery or service:

7.1. The place of delivery or service and place of fulfillment shall be the point designated by Manner in the order.

7.2. The goods to be supplied must be carefully packaged, labeled and delivered by the contractor. The delivery and dispatch to the place of delivery shall be carried out free of charge and at expense and risk of the contractor. The risk of accidental loss or accidental deterioration of the items shall only be passed over to Manner after acceptance of goods at the reception point stated by Manner. In the case an acceptance procedure has been agreed, it shall be decisive for the passage of risk.

7.3. The contractor must insure the delivery against damages of all kinds at his own expense.

8. Retention and set-off:

8.1. The contractor shall only have the right to set-off claims of Manner, if claims have been acknowledged by Manner in writing or have been determined judicially.

8.2. The contractor shall have no right of retention.

8.3. Manner shall be entitled to set off any claims of the contractor. Manner shall also be entitled to retain due payments, as long as Manner still holds claims against the contractor for incomplete or defective deliveries or services.

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8.4. Manner shall also be entitled to set off claims of affiliated companies or companies holding a participatory interest (subordinated companies).

8.5. Manner holds the right to withhold their services within the scope permitted by law.

9. Delay and consequences of delay:

9.1. In the event of delayed delivery or service (default) or delivery of goods other than ordered (aliud delivery), Manner shall – without prejudice to any further claims – be entitled to partly or fully withdraw from the contract and request damages due to non performance or to insist on performance of the contract and make claims for damages caused by the delay – after having granted an adequate period of time for correction of mistake. Manner shall be especially entitled to withdraw from a contract and to purchase ordered goods from another supplier in the case of delay or in the event of aliud deliveries of goods that are traded on a market, whereby the contractor must compensate for any additional costs arising hereof (covering purchase).

Without prejudice of this clause, the contractor must immediately provide notice giving details for, and the probable duration of, any delay as soon as the contractor concludes that the agreed time or date of delivery cannot be met. By the acceptance of delayed deliveries Manner does not waive their right to file claims for compensation of damage resulting from the delay.

9.2. In case the contractor does not meet the agreed date of delivery and/or service, Manner shall be entitled to demand a contract penalty in the amount of 2% of the total contractual amount per week, starting the week of delay, maximum penalty would not exceed 10% of the total contractual amount, with a minimum of €15,000.00 – without evidence of damage and regardless of which party is at fault. The right of mitigation by court shall be excluded. Further claims shall remain unaffected by this.

10. Warranty and guarantee:

10.1. The contractor shall warrant and guarantee that his deliveries and/or services are in due and proper quality and performance and that the ordered good and/or services comply with all legal requirements, especially those of the food law, as well as to relevant standards and state of the art technology. Any warranties or guarantees of the contractor shall apply for all apparent or other hidden defects discovered within the warranty period.

10.2. The warranty period for apparent defects shall begin at the point of time of acceptance of deliveries or services by Manner. The warranty period for hidden defects shall begin with the iden-

tification of the defect. In the event of lack of quality the warranty period shall not begin before processing, use or operation of the defective item. Payments shall not be deemed as a waiver of claims for warranty or guarantee.

10.3. Manner shall have no inspection and complaint obligations whatsoever. In particular inspection and complaint obligations pursuant to §§ 377 et seq. of the Austrian Commercial Code (UGB) shall be excluded.

10.4. In the course of exercising warranty rights, Manner shall be free to request improvements or replacements free of charge as well as reduction in price or rescission. Solely in case of minor defects, the right for rescission shall be excluded. In addition, Manner shall be entitled to let third parties execute the elimination of defects alternatively – prior to a written notification to the contractor. Any costs arising thereof shall be borne by the contractor. The costs related to the examination and subsequent improvement arising for the contractor (including potential dismantling and installation costs as well as transportation costs) shall also be borne by the contractor even in the case it becomes evident that there was, in fact, no defect. The claim for compensation of damage, in case the elimination of defects is unjustified, shall be excluded if this is not the result of intent of grossly negligent conduct by Manner.

10.5. In addition to the provisions on warranty, the contractor shall grant full warranty on the total scope of delivery and/or service for the duration of 24 months from acceptance of delivery or service or the duration of the specified best before date. The elimination of defects shall lead to a new guarantee period, even if the elimination has been carried out by Manner or a third party.

10.6. In case of claims against Manner on the basis of the deficiency of the contractor's delivery and/or service – regardless of whatever ground and by whatever individual or party – the contractor shall indemnify and hold Manner harmless. In particular Manner shall be granted the undiminished right of recourse as defined by § 933b of the Austrian Civil Code (ABGB). In such case, Manner shall be entitled to demand a contract penalty in the amount of 10% of the contractual amount, with a minimum amount of €15,000.00 – without evidence of damage and irrespective of which party is at fault.

10.7. The right to claim damages shall remain unaffected by warranty and guarantee.

11. Claims for damage and product liability:

11.1. The contractor shall warrant for any damage, including consequential damage and loss of profit

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resulting for Manner, due to delayed or faulty performance or due to the fault of vicarious agents called in by the contractor in order to fulfill the order. The contractor shall also explicitly warrant for damages occurring while executing the order that result from negligence of duties of protection and care. Manner shall hold the full right for claims resulting hereof; the exclusion of liability shall not be stipulated.

11.2. The contractor shall - in particular but not exclusively - be liable for any damages resulting for Manner due to the fact that a delivery and/or service do not meet the specifications indicated by Manner and/or do not comply with the requested properties and quality criteria as stated in point 5.1.

11.3. The contractor's liability shall also include any costs arising from a recall procedure carried out by Manner. In the event of a recall procedure due to a faulty delivery and/or service of the contractor, Manner shall be entitled to demand a contract penalty in the amount of 10% of the contractual amount, with a minimum amount of €15,000.00. Any claims over and above such claims shall remain unaffected hereof.

11.4. In the event that Manner faces a claim in accordance with the Governing The Liability For A Defective Product Act, the contractor is obligated to prove that the failure of said service or product according to the Governing The Liability For A Defective Product Act was not caused by the products provided by the contractor. The contractor shall indemnify and hold Manner harmless with respect to third parties in this respect.

11.5. Without prejudice to the provisions in point 5, the contractor shall also – without waiting for a request – deliver full and easily understandable user manuals and/or the relevant specifications/certificates of analysis/ certificates of origin for delivered products. The contractor must also retain all necessary documents and precisely monitor products. The contractor must recall faulty goods at his own expense.

11.6. The contractor shall be obligated to maintain appropriate product liability insurances with a coverage amount of at least € 2.5 million flat per damaging event for personal/material damage. The contractor must provide Manner with evidence of this valid coverage upon request.

11.7. Manner shall be entitled to access and visit the contractor's plant during normal business and opening hours, without prior notification, for the purpose of quality system assessment.

11.8. Liability for material and financial losses arising to the contractor or third parties hired for the fulfillment of an order – on entering or staying at the operating areas and buildings of Manner shall be excluded with the exception of gross fault. In case work is performed at the buildings of Manner, the contractor shall himself inspect the existing security devices and install them himself where necessary in order to protect his employees.

12. Protective rights and third party rights:

12.1. The agreed delivery or service shall also include the acquisition of legal proprietary rights - in particular patents - in so far that this acquisition is required by Manner in order to freely use and resell the delivery item.

12.2. The contractor shall warrant that his delivery or services are free from rights of third parties, in particular, free from protective rights of third parties, and shall – in this respect – exempt Manner from all claims of third parties and costs arising thereof. In such case the contractor shall explicitly bear any costs arising from defense measures against such claims by Manner.

12.3. Inventions belonging to the contractor that are used in the course the fulfillment either by him or by third parties, hired by the contractor to fulfill an order, may be also used by Manner free of charge after the fulfillment of the order.

13. Confidentiality:

13.1. The contractor shall be obligated to maintain confidentiality with regard to his business relationship with Manner and to treat any information received by Manner, especially information on Manner, their distributors or customers, as confidential. The contractor is obligated to convey these obligations to his employees as well as to commissioned companies. This obligation will remain valid even after any contractual agreement ends. The contractor must protect all documents and data belonging to Manner that he gained access to when fulfilling the contract from third parties. All documents and data received from Manner must be returned to Manner after the fulfillment of the corresponding order. Written consent from Manner is required prior to the use of any order information for the purpose of references or advertising.

13.2. In the event of violation against these provisions, Manner shall be entitled to demand a contract penalty in the amount of 10% of the contractual amount, with a minimum amount of €15,000.00. Any claims over and above such claims shall remain unaffected hereof.

14. Data protection:

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The contractor shall give his explicit consent that all of the contractor's data that is relevant to the order shall be electronically transmitted, processed and distributed to all locations of Manner.

15. Provisions of Manner:

15.1. Manner reserves ownership of provided goods. Processing or remodeling or modification by the contractor shall be carried out for Manner. In case goods of Manner are processed, mixed or blended in any way whatsoever with goods that are not owned by Manner, Manner shall acquire the sole ownership of the newly developed good.

15.2. The contractor shall store any objects solely owned by Manner with greatest care.

15.3. Manner retains the ownership of provided tools or technical documents. The contractor shall be obligated to use these items solely for the fulfillment of the order. After the fulfillment of the order, the contractor must hand over these items to Manner in proper condition. The costs for the maintenance and repair of these items shall be borne by the contractor for the duration of the order. The contractor shall be obligated to keep any provided items safe and maintained, and to insure them at their new value and at his own expense against damages of any kind whatsoever. The contractor now cedes all rights to claims from this insurance. The contractor shall immediately inform Manner of any malfunctions discovered. The contractor shall be held liable for the culpable infringement of these obligations.

15.4. Manner retains property and intellectual property rights on illustrations, drawings, calculations, recipes and all other documents. These documents shall only be used for the fulfillment of an order.

16. Renouncement of the reservation of title - contractor

The contractor shall waive the assertion of the reservation of title for the goods to be delivered.

17. Place of jurisdiction and applicable law:

17.1. Austrian substantive law - excluding its conflict of law rules of Austrian international private law and also excluding the UN Sales Convention - applies to any legal disputes that arise from this contract.

17.2. Any disputes arising from the contract, especially disputes regarding conclusion, termination, annulment, non validity and reversal, shall be dealt with exclusively under the jurisdiction of the Commercial Court of Vienna.

18. Severability clause:

In case a provision of this contract is or becomes void, ineffective and/or not enforceable, the validity and/or legal effect of the remaining provisions shall not be affected. Any provision that is void, ineffective and/or not enforceable shall be replaced by a valid and/or enforceable provision, which reflects the economic intent and economic result of the invalid provision as closely as possible.

19. Final provision

In case of any discrepancies, differences or contradictions of this English version of the general terms and conditions of purchase, the German version shall prevail.