GENERAL BUSINESS TERMS AND CONDITIONS GENERAL PURCHASING TERMS (Version 2011)

1. General Provisions

- **1.1** Estyria Naturprodukte GmbH's ("Estyria's") purchase orders are placed exclusively based on our General Purchasing Terms (GPT). The supplier's contrary General Terms and Conditions (GTC) or deviations only become valid if they were expressly recognised in writing in an individual case and even then they only apply to the specific business case. Silence by Estyria to delivered documents such as e.g. supplier's confirmations, delivery notes, invoices etc. will under no circumstances be considered as acceptance of contrary GTC. Our GPT also apply to any follow-up business.
- **1.2** Besides the GPT, for Estyria, the SEDEX (www.sedexglobal.com) code of conduct as a minimum social standard as currently amended as well as Estyria's code of conduct for social issues are an integral part of our contractual relationship.
- **1.3** Only purchase orders placed in writing are valid and must be confirmed in writing by the supplier without undue delay. In any case, the delivery/execution of our purchase order/provision of the service to/for Estyria is considered to be complete acknowledgement of our GPT by the supplier.

2. Quality of the Goods

- **2.1** The supplier warrants that the goods delivered by it will not breach any legal norms regarding composition, quality, packaging, declaration, labelling and goods specification and will conform to what the Parties have agreed. The supplier is responsible for assessing the suitability of the standards, norms and guidelines applicable in accordance with the purchase order.
- **2.2** Besides the legal norms, Estyria's Standard Quality Terms also apply as an integral part of each purchase order and must be observed in any case.
- **2.3** The supplier warrants the delivery of high-quality goods. Each deviation from relevant specifications, samples, specimens, or warranties are considered as a defect. Changes in the material composition/recipe/style are strictly prohibited, unless Estyria has consented to this in writing beforehand. Unauthorised deviations authorise Estyria to refuse acceptance of the goods or request a price reduction.
- **2.4** The quality standards for the delivered goods constitute an essential part of the contract for Estyria. Breaches that result in a disadvantage for Estyria entitle Estyria to withdraw from the order without setting a grace period and claim damages.

3. Notice of Defects and Acceptance

- **3.1** The mere acceptance of deliveries or services, their temporary use or also payments made do not bring about either a fixed acceptance or a waiver of rights to which Estyria is entitled. The supplier's upstream suppliers are considered to be the supplier's vicarious agents.
- **3.2** Estyria shall notify obvious defects to the supplier as soon as possible. However, Estyria's obligation to give notice of defects as laid down in sec. 377 Austrian Corporate Code [UGB] does not exist. Estyria is entitled to give notice of both hidden and obvious defects even after the complete resale up until the end of the warranty period and/or best-before date applicable with regard to the end customer. The supplier waives the defence according to which the goods are considered to be approved unless the notice is given without undue delay after discovery.
- **3.3** Failure to achieve warranted/confirmed properties/services is also considered to be a defect. If defects occur within the warranty period, the supplier is obliged to replace or improve the defective service free of charge or reduce the price, at Estyria's choice.
- **3.4** The supplier is liable for all disadvantages and damage or loss that Estyria incurs from the defective delivery/service, in particular for consequential damage or loss and lost profit. The amount of claims for damages is not limited.
- **3.5** Estyria is entitled to rights of recourse as defined by sec. 933b Austrian Civil Code [ABGB] against the supplier, even if the end customer is not a consumer but a contractor. The supplier on the other hand waives the objection of the belated assertion of the right of recourse under sec. 933b (2) Austrian Civil Code [ABGB]. An exclusion of a recourse claim by us as laid down by sec. 12 Product Liability Act [PHG] is not accepted by Estyria.

4. Price (Purchase Price, Wages), Payment Terms and Term of Payment

- **4.1** Unless expressly agreed otherwise, prices that are indicated to Estyria are understood to be net prices. Agreed prices or that is to say prices based on the contract are considered to be fixed prices. Price escalation clauses and suchlike will not be accepted by Estyria, unless they are specifically negotiated in an individual case.
- **4.2** The term of payment shall begin after the receipt of the delivery or invoice, whichever is later. This applies both to net payments and cash discount payments. The payment does not signify any acknowledgment of the proper form of the delivery or any waiver of any claims of whatever nature. The supplier is prohibited from assigning claims against third parties by Estyria without its written consent.

5. Protected Marks

- **5.1** Estyria's or its affiliates' names, trademarks and logos are protected by copyrights, trademark rights and other property rights and may not be used by third parties in the ordinary course of business without the prior written consent of the rights holders.
- **5.2** The supplier assumes warranty and provides an indemnity that the delivered goods or goods to be delivered will not breach any third party rights; this does not apply however to exclusive patent, trademark and registered design patent rights.

6. Deliveries and Period of Grace

- **6.1** Deliveries must be made on the agreed date or that is to say within the period specified. The delivery dates indicated in the purchase order are fixed dates. As soon as the supplier has to expect that it will not be able to observe the agreed delivery date, it must inform Estyria without undue delay indicating the grounds and the expected duration of the delay.
- **6.2** Estyria is not obliged to set a period of grace. In the case of a delivery not on the agreed date or that is to say not within the period specified, Estyria is entitled to withdraw from the contract immediately; this applies notwithstanding any claims for damages.
- **6.3** Deliveries must be made exclusively at the place of delivery indicated by Estyria and at the supplier's risk. Unless agreed otherwise, all services are understood to be unloaded free unloading ramp or warehouse. Estyria reserves the right to reject partial deliveries it has not agreed to or cancel remaining quantities.

7. Early Delivery

In the event of early delivery, Estyria reserves the right to charge the supplier for resulting additional costs such as warehouse and insurance costs as well as make the payment in accordance with the agreed delivery date. Estyria will bear merely the liability of a custodian up until the agreed date.

8. Force Majeure

In cases of force majeure which make it impossible for the supplier to deliver in good time, the supplier must inform Estyria without undue delay; if it fails to do so, the supplier is liable to Estyria for the damage or loss arising from the delivery not made in good time.

9. Withdrawal from the Contract

- **9.1** In the event of a delay in delivery, the insolvency of the supplier or a rejection of insolvency due to a lack of assets, suspension of payments and in cases of force majeure, Estyria is entitled to withdraw from all or part of the contract. The supplier may not derive any claims of whatever nature against Estyria from such a withdrawal. The supplier is obliged to inform such circumstances to Estyria immediately.
- **9.2** If the supplier does not fulfil its obligations to Estyria, Estyria is entitled to annul the delivery in whole or in part or terminate all or part of the contract without being obliged to pay damages, for any reason whatever.

10. Traceability

The supplier warrants the traceability of the goods delivered by it. If Estyria requires documents required for this, the supplier undertakes to make these available to Estyria at its expense.

11. Severability Clause

In the case of the invalidity of individual contract provisions, the other provisions shall continue to be fully valid. Invalid provisions must be replaced by provisions that approximate as closely as possible to the economic meaning and the economic purpose pursued by the ineffective or that is to say invalid provision. The foregoing provisions apply accordingly in the case that the contract is shown to contain loopholes.

12. Applicable Law and Legal Venue

All disputes arising from or in connection with the current contract shall be governed by Austrian substantive law to the exclusion of its reference provisions on conflicts of law and to the exclusion of UN Sales Law. As legal venue for all legal disputes resulting with Estyria, the court with jurisdiction for Estyria's registered office is agreed.