

Translation from the German language

**HAWA Hamburger Waren- und
Lebensmittelhandelsgesellschaft mbH**

GENERAL TERMS AND CONDITIONS

/1 left column/

§ 1 General provisions

1. These general provisions are valid for all present and future deliveries and services of HAWA Hamburger Waren- und Lebensmittelhandelsgesellschaft mbH in capacity of a seller in relation to other enterprises. Other arrangements by default or by action are not the subject of any agreement. They are to be confirmed by HAWA represented by its Managing Director or authorized representative separately and in writing.

2. Each order is regarded as accepted by the seller not before the seller has confirmed the order in writing. If an order is not confirmed the delivery note is valid as a confirmation.

3. The buyer may assign claims against the seller arising from business relations only on receipt of the written agreement from the seller.

§ 2 Offers and prices

1. The seller's offers in reference to quantity, price, packing units, as well as delivery and unloading period shall not be binding, unless the seller is not bounded by a certain time limit.

2. The agreed prices are net prices. In case of taxable business transactions the prices do not include the statutory VAT which shall be payable in amount actual at the date of delivery. If additional expenses, taxes, customs duties and/or other charges change after the conclusion of the contract (for example as a result of revisions in import rules and tariff regulations, as well as in food law requirements and veterinary regulations) the price shall be increased or reduced in accordance with these changes.

3. Carriage free deliveries and duty-free prices do not bind the seller to advance transportation charges and customs duties.

4. If butchery compensatory duties should be collected these are to be undertaken by the buyer.

§ 3 Delivery and transportation

1. The Incoterms agreed by the parties are always prevailing. If the parties have not agreed concerning Incoterms the place of delivery for both parties is Hamburg. Other than given would be then the place of unloading, loading and/or place of consignment for the delivery commitments of the seller, as well as port and storage location for business transactions "ex quay" and "ex stock". The goods shall be transported uninsured and at the risk of the buyer if no agreements dictate otherwise. In case of sales "ex quay" and "ex stock" the buyer undertakes risks immediately when the seller notifies that the goods have been made ready for the buyer.

2. In case of sales "ex quay" and "ex stock" the buyer accepts and takes the goods off within 24 hours on receipt of notification of readiness.

3. In the cases that the buyer (i) did not accept the goods or (ii) fails to perform an act of cooperation which is required to deliver the goods or (iii) fails to pay any parts of the purchase price due before or upon delivery, despite the explicit request of the seller, the seller shall be entitled in his sole discretion to store the goods on the buyer's account or to sell the goods to any third party by private contract after he notified his intention to perform a third-party sale to the buyer.

4. The calculation of goods is based on issue weight and quantity. In case of direct supply from the seller's distributors (drop shipping) the issue weight and quantity are those indicated by the distributor, as well as weight and quantity determined by refrigerating storage house or meat cutting company during the shipment of goods. Both parties are allowed to notify the other party about deviations.

5. The seller has the right of complete or partial delivery at any time. Partial deliveries shall be reasonable in their number and quantity and be of interest to the buyer. In cases of partial deliveries the statutory rights of the buyer shall remain unaffected. The seller has the right to deviate from the agreed quantity if this deviation is reasonable (deviation up to 10 per cent). Aside from firm deals the seller delivers goods (even if date and period of delivery are fixed) only on receipt of a written order from the buyer. On expiry of an appropriate additional respite determined to the seller the buyer is entitled to the right of withdrawal according to § 323 of German Civil code. The respite extends for a period of existence of unforeseen circumstances that prevent the seller from making a delivery, for example force majeure circumstances, traffic congestions, hindered navigation, strikes, lockout, or cease of issue of import and export licences.

6. If after conclusion of the contract any official directives bind the seller to any new commitments that affect the agreed arrangements the seller has the choice to withdraw from a contract or to meet the commitments in accordance with the changed conditions. On demand of the buyer the seller is to make the choice immediately. Claims for damages are regulated by § 5.

§ 4. Duty of non-conformity notification

1. The buyer inspects the goods immediately on delivery. The time of delivery is deemed to be the time the buyer receives the de facto power over the goods delivered (e.g. by transferring the goods to a consignment stock) irrespectively of the ownership. The buyer is to check the weight and quantity, as well as the apparent order and condition of goods. The buyer is also obliged to control the contents of containers, boxes and cartons at least on a spot check basis provided that the frozen goods should be unfrozen on a spot check basis. Notification of defects and weight claims shall be sent to the seller immediately within 24 hours in case of fresh meat deliveries, otherwise within 4 days (96 hours) after delivery of goods in writing and by means of telex, fax, telegram, or email. In case of latent defects the period of reclamation begins at the moment of defect detection. The defects are to be proved by veterinary certificates. The buyer is obliged to have the rejected goods ready for inspection by the seller and/or the seller's distributors. Otherwise any further claims for product exchange or defect correction are excluded. Any claims are excluded if the buyer resells, redispaches, or begins the processing of goods without ensuring the inspectability to the seller.

§ 5. Supplementary performance, liability

1. If the goods delivered by the seller are the consumer products the defects of goods are regulated by statutory provisions. The liability for threat of life, bodily injury and health damage

/2 right column/

resulting from wilful or negligent breach of obligation by the seller, seller's representatives or their assistants are regulated by statutory provisions.

2. Otherwise the seller is liable (under the condition of observance of Clause 2) in case of delay in delivery or failure to fulfil obligations only if these result from gross negligence or wilful misconduct. In case of negligent breach of cardinal obligation the seller's liability is limited to the losses foreseeable and typical for this type of contract. These limitations are not effected in case of breach of obligations by the director or managerial employees of the seller. The seller is liable only for defective goods but not for lost profits or other financial losses provided that no gross negligence or intention occurs.

3. The seller is not liable for importability, exportability and possibility of subsidy assistance of the sold goods unless this was explicitly arranged in writing. The same is effective for the sales by sample.

4. Sale and delivery of goods shall depend on correct and punctual supply to us.

§ 6. Terms of payment

1. Our purchase price claims are net cash amounts and payable free of any deduction upon receipt of the invoice unless other payment terms have been agreed in writing. Promissory notes and checks are accepted only upon specific arrangement and only on account of payment; they could be credited only after deduction of emerging expenses, interests, commissions, charges and taxes and only conditionally. The payment is effected only when promissory notes and checks have been completely covered and recourse to the seller is excluded.

2. In regard to the seller's monetary claims the buyer is neither entitled to offset, nor to exercise a right of retention unless the counter claims are undisputed or legally determined.

3. In case of jeopardized payment caused by insufficient financial capacity of the buyer, including but not limited to reasoned doubts as to creditability of the buyer, delay of payment despite an additional respite determined or in cases of dishonour, the seller has the right to retain the delivery of goods until full settlement of all due, undisputed and connective (as defined in § 273 German Civil Code) claims resulting from business relationships or to act according to § 321 of German Civil Code. The creditability of the buyer is doubtful if the bank or the credit agency informs that the payments of the buyer are irregular or the retention has been demanded.

§ 7. Retention of title

1. Goods and documents remain the property of the seller until the buyer discharges all the claims arising from business relationships.

2. In case of processing of delivered goods the seller is considered to be the manufacturer of the new production according to § 950 of German Civil code. If the buyer processes the goods or combines the goods with the goods of other sellers or with buyer's own goods the seller in any case demands a proportional co-title in the new product. The proportion follows from the proportion of value of goods delivered by the seller to the value of the other goods.

3. The buyer assigns all the claims arising from the resale of goods to the seller including all possible claims arising from promissory notes and checks, as well as all rights resulting from the retention of title and liability insurance and security rights resulting from retention of title or other securing agreements between the buyer and buyer's clients. The buyer has the right to dispose of the goods delivered under retention of title and especially to resale them only within

the limits of appropriate business routine. The buyer may resell the goods delivered under retention of title only upon conditions of retention of title and assignment of the claims to the seller. The seller accepts all the aforesaid assignments.

4. The buyer has no right to use the goods as a subject of distraint, to transfer the title for the purpose of securing a debt or to burden it with the rights of the third party. If the goods should be distained by the third party or enforced by the third party in some other way the buyer is obliged to inform the seller immediately. The buyer bears all the costs resulting from the intervention. The same is true for the intervention of the third party in case of resell of the goods and emergence of resulting claims assigned to the seller according to this clause. The buyer has the right to sell the assigned claims (non-recourse and recourse factoring) only upon agreement of the seller.

5. The buyer is authorized to collect the assigned receivables with retention of right to withdraw. The seller is entitled to use the right to withdrawal and to disclose the assignments to the debtors of the buyer only upon existence of conditions according to § 6 Part 3. On demand of the seller the buyer is to inform the seller about the debtors and irrespective of the seller's notification to inform the debtors about the assignment of claims. Provided that the conditions according to § 6 Part 3 exist the seller has the right to withdraw from the agreement and to claim the immediate restitution of goods delivered under retention title.

6. The seller's retention of title persists even if the separate claims have been included into the current account and the balance has been calculated and accepted.

7. The seller shall release the securities to the extent that their value shall be exceeded by 10 per cent of all claims to be secured.

§ 8. Legal venue

1. Provided that the buyer is a merchant, corporate body under public law or a public separate estate the legal venue for both parties is Hamburg. Anyhow the seller is authorized to sue the buyer at the place of buyers general jurisdiction.

2. The contract relations shall be governed by the laws of Germany. The application of the UN Convention on Contracts for the International Sale of Goods is excluded.

Explanatory Note

This General Terms and Conditions are translated from German language. In event of any conflict between English and German version the German version shall prevail.