

**General Terms and Conditions
(purchasing, delivery and payment terms)
Fa. Klinger GmbH**

The General Terms and Conditions of business as detailed below form the basis of all of our present and future contractual relationships with companies (farmers, cattle dealers, breeding associations, slaughterhouses, meat processing businesses etc.) related to the purchase and sale of mast piglets and slaughter pigs, sows and breeding pigs as well as breeding cattle, bulls, cows and calves. Terms and conditions that differ from, contradict or supplement our General Terms and Conditions shall not form part of the contract – even if they are known to us. Any reference to such terms and conditions of the contracting party or a third party is hereby expressly objected to unless we have expressly acknowledged the applicability of these terms and conditions in writing.

Section 1 We shall only be bound to an order made verbally, by telephone, in writing or by electronic means if the recipient / supplier accepts our order in writing or executes it within a period of three days – unless a deviating agreement has been expressly made in writing. The supplier is not entitled to change or limit the number and/or quality of the ordered animals or the delivery period without our prior written consent. The supplier shall be bound to the delivery term or date specified by us in the order. The seller shall only be entitled to performing partial deliveries or services if the user has granted express consent prior to delivery. In the event of delayed delivery, we are entitled to legal claims.

Complaints (e.g. statement of an incorrect tax rate) shall be communicated to Fa. Klinger GmbH immediately in writing. Changed tax rates are also to be communicated without delay. If the seller is not entitled to openly include sales tax on the purchase confirmation, he shall be obligated to reimburse Fa. Klinger GmbH an amount equal to the sales tax listed on the purchase confirmation. Sales tax liability of the seller (Section 14 Para. 3 UstG (VAT Act)) shall remain unaffected. If the sales tax listed in the purchase confirmation exceeds the legally correct rate, the difference shall be paid back.

Section 2 The animals sold by the supplier and delivered to us shall be in good health and shall comply with customary quality standards. In addition to the above conditions, the provisions of Sections 481–493 BGB in conjunction with the regulation concerning main defects and periods of guarantee for cattle trade dated 27 March 1899 (RGBI, p. 219) shall apply according to the following specifications: For the purchase of cattle the following are considered main defects:

- a) tuberculous diseases, where such diseases result in a general impairment of the nutritional status of the animal, with a period of guarantee of 28 days
- b) lung plague, with a period of guarantee of 56 days
- c) Other hidden defects resulting in reduced prices or default of payment.

Fa. Klinger GmbH shall not be obligated to immediately inspect the goods after receiving a delivery. As regards claims for defects and possible claims for damages, Fa. Klinger GmbH shall have an unlimited right of offset and retention with respect to the seller. This also applies if the delivered goods differ from the order in terms of content or quantity. We shall be entitled to reject acceptance of animals that already show defects at the time of delivery; the supplier shall be obligated to take back the rejected animals. Even if the animals are accepted, we shall be given a reasonable period of time for issuing a verbal or written complaint concerning defects detected at the time of delivery. We shall also have the right to issue a complaint to the supplier concerning defects that are detected or arise at a later point within a reasonable period of time. In any case, a complaint issued within four weeks of delivery shall be deemed timely. The supplier shall bear the sole and full burden of proof with respect to the absence of defects in the animals at the

time of delivery, particularly regarding defects for which we issued a complaint in due time.

Section 3 In the case of live purchases (bulk purchases), the seller shall be liable for hidden defects of the carcass that result in reduced prices or default of payment.

Section 4 In the case of breeding bulls and sows, the supplier shall also guarantee that the animals have the genetics advertised by the supplier and are fully fit for breeding. The seller shall be liable for the veracity of the data provided. The above guaranteed assurances of condition thus form an integral part of the contract. The animals delivered to us become our property upon transfer. A retention of title on part of the supplier shall only apply if this has been expressly agreed with us in writing. Even in the case of such an agreed retention of title, we shall still have the right to resell the animals in the regular course of business, mast them, slaughter them or use them for breeding. There shall be no assignment of our profits from sale or slaughter. The offspring of the animals shall become our sole, free property.

Section 5 Unless otherwise stipulated in our order or in a separate written agreement with the supplier, the supplier shall grant a payment term of one month for payment of the purchase price.

Section 6 The seller can only offset counterclaims recognized by declaratory judgment or uncontested by Fa. Klinger GmbH. Fa. Klinger GmbH shall only be liable in the event of gross misconduct (willful intent and gross negligence).

Section 7 In the event any of the above provisions should become invalid, the remaining provisions shall remain unaffected. The invalid provision shall be replaced with one that best reflects its original purpose. The seller shall deliver the animals in a sober condition and free of freight charge or other fees unless agreed otherwise.

Section 8 The Klinger company shall not be liable for premium payments to third parties due to exceedance of a notification period.

Section 9 The Klinger company shall not be liable for any (all) premiums.

Delivery and payment terms

Section 1 The terms and conditions outlined below shall apply to all orders directed at Klinger GmbH, and the purchaser (contracting party) shall accept them as binding.

Section 2 We shall be entitled to accept the contractual offer of the customer within two weeks of receipt either in writing or by delivering the animals to the customer. Conclusion of the contract shall be subject to the proper and timely delivery of supplies and raw materials by our suppliers. In the event of non-delivery or insufficient delivery by our suppliers, we shall be released from our contractual obligations in part or in full. Shortage of raw materials (animals) or force majeure shall release Fa. Klinger GmbH from their obligation to deliver. We shall immediately inform the customer in the event of non-delivery or insufficient delivery, and the customer shall be reimbursed for any payments already rendered to the extent to which we are released from our obligation to deliver.

Section 3 The prices quoted are fixed prices and do not include statutory VAT.

Section 4 All orders shall be binding for the purchaser following written confirmation. Damages (costs) resulting from failure to accept contractually agreed goods shall be borne by the purchaser.

Section 5 The purchaser shall grant the seller (if present) and an independent monitoring organization (commissioned by the seller) full access to the stables during unloading of the animals. In the event the purchaser refuses to grant the independent monitoring organization access, he shall immediately replace the export refund to Fa. Klinger GmbH by issuing a bank transfer.

Section 6 The purchaser shall guarantee that import duty is paid for the goods obtained from Fa. Klinger GmbH for the agreed country of destination and that the goods are released for free circulation. If the goods are shipped to another country with damages resulting to Fa. Klinger GmbH, the purchaser shall be liable for such damages.

Section 7 The weights upon departure as determined by the purchaser using customary means shall be decisive for invoicing. Weight loss occurring during transport shall be borne by the purchaser. Fa. Klinger GmbH shall have the right to replace ordered or agreed qualities – where not achieved – with others. The goods shall be delivered to the purchaser's premises and transport shall take place using means of transport of the user or other means of transport chosen by the user. The user takes no responsibility for the transport, which is performed at the risk of the purchaser.

Section 8 If the purchaser collects the goods, all guarantees and rights of complaint shall end at the handover location.

Section 9 Any complaints regarding the quality, quantity or other issues shall be indicated to the user by the purchaser immediately after acceptance of the goods at the handover location. The rejected goods shall be kept ready for the user and shall be returned to him carriage free upon request. If the complaint was justified, the user shall, upon his own discretion, perform a replacement shipment or grant a credit note, however not exceeding the invoice amount for the goods. Any further warranty claims shall be excluded. Any warranty claims or rights of complaints shall be excluded as soon as processing or further transport of the goods commences. Only faults that would have given grounds for barring the release of the meat according to meat inspection regulations shall be accepted as defects.

Section 10 Assignments, compensations or sale of claims against Fa. Klinger GmbH shall require the written, duly signed permission of Fa. Klinger GmbH.

Section 12 Place of jurisdiction: Landesgericht Krems an der Donau
Josef Wichnerstraße 2
A-3500 Krems an der Donau

Section 13 We shall further be entitled to assign our own claims resulting from a breach of contractual duties of the supplier, in particular warranty claims, to our customer and request them to first assert these claims towards the supplier. The customer shall be required to accept our assignment and assert and enforce the assigned claims towards the supplier until a declaratory judgment has been reached concerning these claims and initial levy of execution has taken place. Until this time, the customer shall not be entitled to assert their own claims towards us to the extent of the assigned claims. We shall only be liable if the customer was not able to successfully assert the claims towards the supplier, in particular warranty claims, resulting from a breach of contract. For the duration of asserting these claims towards the supplier, expiry of the limitation period with respect to us shall be suspended.

Section 14 If, according to prevailing legal opinion and, in particular, legal practice, animals are considered used goods rather than newly produced goods, we hereby exclude any warranty unless we have explicitly guaranteed any particular warranty in writing or if we have committed a breach of obligations by intentional conduct.

Section 15 Should individual provisions of the these General Terms and Conditions be or become invalid or unenforceable, the effectiveness of the other provisions shall remain unaffected. The provision that is partially or completely null and void shall be replaced by one that most closely reflects the financial purpose of the provision that is null and void. Supplementing or deviating agreements must be made in writing in order to become part of this agreement.

The law of the Republic of Austria shall apply exclusively. Recourse to international sales law, in particular the UN sales law, shall be excluded.

If the customer is a registered trader, legal entity under public law or public law special assets, the place of fulfillment and jurisdiction shall be our registered place of business. Otherwise, the statutory regulation shall apply.