

DK-Foods A/S

TERMS OF SALE

These terms of sale apply to all sales made by DK-Foods A/S unless otherwise agreed in writing.

1. Terms of delivery

The goods sold shall be supplied ex works DK-Foods A/S, DK 8620 Kjellerup, Incoterms 2000.

2. Terms of payment

The Terms of payment of the goods shall be week of invoice + 8 days.

Payment shall be made to DK-Foods A/S or to a bank designated by DK-Foods A/S. The cost of remitting the purchase price shall be of no concern to DK-Foods A/S.

If payment is not made by the due date, interest of 1% per month or part thereof shall be charged.

All quotations from DK-Foods A/S shall be subject to it being possible to obtain credit insurance for the buyer on normal terms. If this turns out not to be the case, DK-Foods A/S shall be free to withdraw its quotation.

3. Retention of title

The goods supplied shall remain the property of DK-Foods A/S pending payment in full of the purchase price.

4. Complaints

Any risk for the goods shall pass to the buyer when the goods are delivered. Any claim in respect of the quality or quantity of the goods shall be sent to DK-Foods A/S as quickly as possible. In so far as the consignment involves fresh goods, the deadline for complaints shall be 24 hours after arrival of the goods at their destination, however.

The quantity (net weight) specified on a signed shipping document shall be the correct weight in dealings between the buyer and DK-Foods A/S. Any difference between the quantity agreed and the quantity delivered shall be adjusted in relation to the total purchase price.

If defects are found, representatives from DK-Foods A/S shall be entitled to inspect the total quantity of goods delivered.

In the event that the parties are unable to agree on the causes or scope of the defects that have occurred, the question shall be referred to an independent, internationally recognised authority with a view to clarification of the question, including the gathering of evidence with regard to the case. DK-Foods A/S shall be entitled to replace defective goods.

If the buyer does not submit a complaint in good time or allow DK-Foods A/S to inspect the goods, the buyer shall lose the right to make claims at a later date. DK-Foods A/S shall not be liable for loss of earnings, loss of turnover or other indirect losses. If the buyer complains wrongfully, he shall be under an obligation to pay all DK-Foods A/S documented travel and hotel costs in connection with inspection of the consignment, as well as being obliged to pay the costs of the independent inspection.

The buyer shall be under an obligation to check the quality of the goods supplied before they are used by means of effective receiving inspection. In so far as the goods are used in the buyer's production, the buyer shall also be under an obligation to check production continuously to ensure that any defects in the goods supplied are discovered as quickly as possible.

DK-Foods A/S's product liability shall only cover the production price of the goods in which the product supplied by DK-Foods A/S is used. Any other loss shall not be covered.

5. Delay

The buyer shall be informed of any delay. In the event of a delay the only right to be acquired by the buyer shall be the right to cancel the agreement in so far as the delay is of material importance to him and he has forwarded a written warning to DK-Foods A/S after delivery should have taken place with a request for delivery within 8 days. In so far as delivery does not take place within the time limit of 8 days, the buyer may cancel the purchase.

6. Recyclable packaging

DK-Foods A/S reserves the right to invoice the buyer for recyclable packaging (including pallets, plastic bigboxes and plastic crates) in so far as the buyer does not return or exchange such packaging.

7. Exclusion of liability and force majeure

The following circumstances shall exempt DK-Foods A/S from liability in so far as the circumstances occur after the agreement is entered into, as well as releasing DK-Foods A/S from its obligation to fulfil the agreement:

Strike, lockout, disruption of business, late delivery by subcontractors and similar occurrences that delay delivery correspondingly. War, civil unrest, natural disaster and similar events beyond the parties' control, including shortage of raw materials, confiscation, currency restrictions and intervention by the authorities, shall entitle DK-Foods A/S to cancel any quotations and standing orders in full or in part. The party claiming force majeure shall be under an obligation to inform the other party by express letter/fax within 7 days of force majeure occurring. The party shall also send an official statement from the local chamber of commerce to document that force majeure has occurred. The documentation shall be sent no later than 4 weeks after the party has claimed force majeure.

8. Disputes

Any disputes between the parties in respect of this contract shall be decided in accordance with Danish law.

Efforts shall always be made to settle disputes out of court. In so far as a dispute cannot be settled amicably, it shall be decided by the Danish Institute of Arbitration in Copenhagen (Copenhagen Arbitration). DK-Foods may opt to bring the case before the Maritime and Commercial Court in Copenhagen, However.
