

General Conditions of Purchase of Ottakringer Group

As of June 2016

1.) Scope of Application

These Conditions of Purchase apply to all purchase agreements, contracts for work and services, and service agreements entered into by a company of Ottakringer Group, no matter what such contracts and agreements are called in individual cases, even if no special reference is made to these Conditions in the purchase order. If the term “supplier” is used below, it means the contractual partner instructed by us to provide supplies, work or services, in particular. By accepting a purchase order or assignment, the supplier consents to the application of the General Conditions of Purchase, as amended, also to future business transactions.

The content of an agreement is primarily governed by the provisions negotiated between the contractual partners in individual cases and specified in our purchase order or other documents. Apart from that, and unless deviating written agreements were made, these Conditions of Purchase are deemed to be the exclusive content of an agreement. The General Conditions of Purchase even apply if we, being aware of the supplier’s conflicting terms, accept delivery by the supplier without any reservations and/or make payments without any objections. Any deviating terms and conditions of the contractor are thus not accepted by us, even if we did not expressly object to them.

Companies of Ottakringer Group are companies in which Ottakringer Getränke AG directly or indirectly holds at least 50% of the shares. A list of these companies can be found at www.ottakringerkonzern.com. They include, without limitation, Ottakringer Getränke AG, Ottakringer Brauerei AG, Vöslauer Mineralwasser AG, Ottakringer Betriebe GmbH, Trinkservice GmbH, Vöslauer Thermalbad GmbH and Kolarik & Leeb GmbH.

2.) Offer

All offers, price quotes and samples as well as any related consulting and consulting documents of the supplier are free of charge, even if they have been prepared at our request, and do not give rise to any obligation on our part. Offers are binding on the supplier for a period of at least four weeks after their receipt by us.

All samples that the supplier provides to us before an order is placed are deemed to be reference samples in respect of the quality and completion of the order and become the basis of the agreement unless we specify other features with regard to completion or quality.

3.) Purchase order/assignment/release order (“purchase orders”)

Purchase orders are binding only if they were placed in writing, by fax or by email stating “purchase order” in the subject line. Every purchase order must be confirmed within four working days, or else we reserve the right to revoke the purchase order. Purchase orders placed with suppliers with whom we have repeatedly done business previously are deemed confirmed by the supplier unless the supplier informs us within four working days that the purchase order has not been accepted.

Amendments of or deviations in the order confirmation as compared to our purchase order are effective only if approved by us in writing, or else the details of our purchase order are deemed confirmed by the supplier. Passing on a purchase order to third parties is permitted only with our written consent. If consent is given, the supplier is liable for its sub-suppliers in the same way as for its own actions.

Irrespective of any quality features and technical details specified in the order or in the purchase order, the relevant accepted technical rules and the current state of scientific and technical knowledge must be complied with in respect of the quality and safety of the goods delivered/services rendered.

The contractual partner must establish, and provide evidence of, an appropriate quality management system (e.g. DIN EN ISO 9000 ff.). We have the right to verify the effectiveness of the quality management system on site (“QM system audit”).

In the case of serial deliveries, the serial delivery may be started only after our written approval of the sample. Irrespective thereof, the contractual partner must constantly check the quality of the items to be delivered.

If there are documentation obligations contractually agreed upon on or which are customary in trade in respect of the goods to be delivered/services to be rendered, the contractual partner must keep appropriate records and store the testing documents/documentation for 15 years after the last delivery was made and submit it to us if necessary. The above obligations must be passed on to any subcontractors.

For materials and items that can cause danger to the life and health of human beings, to the environment and to things because of their nature, properties or their condition and that must therefore

be given special treatment in respect of packaging, transport, storage, handling and waste disposal, the contractual partner must submit to us a safety data sheet, product data sheet and an accident procedures sheet meeting the statutory provisions applicable from time to time.

4.) Delivery

In the absence of other written agreements, the registered office of the ordering party is always the delivery address (= place of performance). The supplier must ensure appropriate packaging, and obligations under the packaging regulations relating to all packaging must be satisfied through the system of Altstoff Recycling Austria AG (ARA). Delivery costs and the cost of transport insurance must be borne by the supplier. Appropriate dispatch documents (accurate information on the contents, in particular) must be enclosed with all deliveries, failing which we are entitled not to accept deliveries.

Agreed delivery dates and delivery periods are binding on and must be complied with by the supplier. Arrival at the delivery address is relevant for the dates and periods to be complied with.

If deliveries are made before the agreed delivery date, we reserve the right to refuse acceptance or to charge any resulting additional costs (e.g. storage costs) to the supplier.

Excess deliveries are accepted up to a maximum of 3%. In the case of special editions, excess deliveries are not accepted.

As soon as the supplier notices that there will be a delay in delivery, the supplier must inform us thereof, stating the reasons and the expected duration of the delay. In the event of a delay, we are entitled, without prejudice to our other rights (e.g. damages, contractual penalty) to cancel the contract, setting a reasonable grace period, even if the delay concerns only part of the goods to be delivered. In that case, to avoid any disadvantage, we are entitled to purchase part or all of the goods elsewhere at the supplier's cost. Acceptance or payment of a delayed delivery without any reservations does not mean that we have waived our claims resulting from a delay.

Goods are accepted subject to their being free from defects with regard to quantity and quality. Regarding measurements, weights and the number of items of a delivery, the values determined by us upon receipt of the goods are decisive.

5.) Contractual penalty

In the event of a delay in delivery we are entitled to claim from the supplier a contractual penalty in the amount 1% of the total order value for each commenced week of the delay, but at a maximum of 10% of the total order value.

We reserve the right to claim compensation for any damage exceeding that amount (cf. item 8 of the General Conditions of Purchase).

6.) Prices/invoices/payment period

Agreed prices are inclusive of packaging and delivery at terminal (DAT) to the delivery address pursuant to Incoterms 2010 (see item 4 first sentence) and are fixed prices.

Invoices must be sent after delivery was made or services were rendered. Invoices must state the order number and all details of the order, the type of dispatch and the delivery note. Invoices must contain all details prescribed by law to ensure that we can deduct input value-added tax and to meet provisions under customs law. In the case of invoices on services, schedules of services rendered, and of materials and goods delivered must be enclosed. The payment period starts at the later of receipt of a correct invoice, or of receipt of the goods or completion of all services. Deliveries or services accepted are paid for within 30 days minus a 3% cash discount or within 60 days without deductions. Payments are made in time if the bank is instructed to transfer payment on the last day of the period.

If performance is defective, we can retain the entire payment until performance has been properly completed. Rebates, cash discounts, refunds or similar benefits for us remain unaffected. By making payment we do not automatically acknowledge that delivery was properly made/services were properly rendered, so that payment is not equivalent to a waiver of rights to which we are entitled. If we are in delay of payment, interest on arrears in the statutory amount, but at maximum 6% per year, is deemed agreed on, even if we are at fault.

7.) Warranty

The supplier warrants that deliveries are made/services are rendered in accordance with the purchase order and that all relevant statutory provisions and applicable ÖNORM standards are complied with, in accordance with statutory provisions unless otherwise specified below. In particular, the supplier is liable for the fact that deliveries/services have the properties that are usually expected and have been warranted in the contract and conform to the samples taken as a basis.

The warranty period starts as soon as we have accepted delivery/services without any objections. We shall give immediate notice of defects which become evident without examination. Notice of defects that only become noticeable during a reasonable examination is given immediately after the end of the examination. Notice of hidden defects is given as soon as they are noticed. However, there is no obligation to immediately examine deliveries/services after acceptance. We are, however, entitled to assert warranty claims because of emerging defects at any time within the warranty period. Notice of defects may be given in writing or orally. In a warranty case, we have the right to demand, at our choice, rectification or replacement of the defective delivery/service free of charge. If we cannot wait for rectification/replacement by the supplier because of the urgency of the matter and if the supplier is in delay in remedying the defect, or if rectification of the defect fails, we are entitled to have the defect rectified by someone else at the supplier's costs, to immediately rescind the contract or demand a corresponding discount.

If the supplier rectifies the defect, the warranty period for the entire delivery/service affected by the defect starts anew after we have accepted the rectification.

8.) Liability

The supplier is liable for any damage incurred by us as a result of delayed or defective deliveries/services due to the supplier's fault or the fault of aides employed by him to perform the order. Irrespective of the degree of fault, the supplier is also obliged to pay compensation for losses resulting from the fact that goods/services could not be used, frustrated costs, processing costs and costs that we have to bear in relation to our customers, in particular because of failed deliveries to our customers caused by delayed or defective deliveries/services by the supplier.

In the event of defects in title and in the event that claims under product liability are asserted against us, the supplier must indemnify and hold us harmless, irrespective of fault. In that event, the supplier also bears all resulting costs, including, without limitation, costs of bringing an action, as required, or of a recall operation, and agrees to provide us with all useful documents. In the event of product liability disputes, the supplier must name the manufacturer or importer within 14 days if they are third parties. The supplier also agrees to take out business and product liability insurance appropriate to the order volume and the obligations assumed (including recall costs and financial losses caused by a defective product) and provides us with evidence thereof upon request.

9.) Industrial property rights of third parties

The supplier is liable for the fact that no existing industrial property rights of third parties, including, without limitation, trademarks, models and designs, patents or copyrights, are infringed by the supplier's delivery or service and completely indemnifies and holds us harmless in that regard. All exploitation rights and rights of use regarding works of any kind (including films and photographs) that have been produced exclusively for us finally pass to us without any restrictions as to the subject matter, time and place upon full payment of the agreed fees.

10.) Manufacturing materials/confidentiality

Designs, models, drawings, replicas and other aids that we provide to the supplier to fulfil the supplier's obligations remain our tangible and intellectual property in respect of which we may exercise our rights freely. These aids may only be used to fulfil our orders and must not be made accessible or left to third parties without our consent. After the completion of our order they must be returned to us free of charge. This also applies if the supplier manufactures or purchases such materials to complete the order, even without separate fees. The supplier shall transfer title to such materials to us.

The supplier undertakes to keep confidential all our trade and business secrets that become known to the supplier during the completion of our order. The obligation to keep confidential trade and business secrets applies for an unlimited time, even after the end of the business relationship. For any violation of the above obligation, the supplier promises to pay a contractual penalty in the amount of three times the order value, but at least €20,000 (twenty thousand euros). Any further rights remain unaffected.

11.) Set-off

We are entitled to offset payment obligations towards the supplier against claims we or affiliated group companies have against the supplier.

12.) Place of jurisdiction/applicable law/contract language

This contract is governed by Austrian law, excluding non-mandatory conflict-of-laws rules and the UN Sales Convention. In the event of disputes, the parties agree to attempt an out-of-court settlement. If that attempt fails, any disputes must be brought before the court in Vienna which has subject-matter

jurisdiction. However, we also have the right to bring action in the general place of jurisdiction for the contractual partner. The contract language is German.

13.) Severability clause

If individual provisions of the contract should be ineffective, the effectiveness of the other provisions and the overall contract is not affected. In that event, a provision that best meets the legal and commercial purpose of the invalid provision is deemed agreed on.

14.) Purchasing guidelines

The supplier acknowledges the Code of Ethics, and the Safety and Hygiene Guidelines, as amended, published on www.ottakringtonkonzern.com and undertakes to comply with this Code and these Guidelines, and passes that obligation on to third parties who have been entrusted with performing a service as described in these General Conditions of Purchase in the supplier's name and on the supplier's behalf.