

Corporate Purchasing Conditions for the Technical Purchase of Uelzena Group

I. Scope of application

- These Corporate Purchasing Conditions apply exclusively to all legal transactions – also future ones – between the Contractor and following associated companies of the Uelzena Group (hereinafter consistently Client):
Uelzena eG
H. Schoppe & Schultz GmbH & Co. KG
Hoche Butter GmbH
Altmark-Käserei Uelzena GmbH
unless different conditions have not been expressly recognized or agreed upon in writing.
- The Contractor's conditions in his general terms or conditions or order confirmation are hereby expressly contradicted. These Purchasing Conditions also apply when the Client, aware of the Contractor's opposing or deviating conditions from these Purchasing Conditions, accepts the Contractor's delivery without reservations.
- Additionally, the Incoterms 2010 apply, as long as they do not contradict the Purchasing Conditions or other agreements concluded between the Client and Contractor.
- References to the validity of legal provisions are for clarification purposes. Therefore, even without such a clarification, legal provisions apply if they are not directly modified or expressly excluded in these general Purchasing Conditions.

II. Conclusion of the contract

- An order of the Client is deemed to be binding at the earliest with written delivery or confirmation. Verbal orders, changes or additions of orders, in particular, are binding only when the Client has acknowledged them in writing. The written form is also preserved if transmitted via electronic data transfer. Before acceptance and for correction or acceptance completion purposes, the Contractor must point out obvious errors to the Client (e.g. typos and calculation errors) and incomplete sections in the order, including in the ordering documentation; otherwise, the contract is deemed to be not concluded.
- The Contractor must acknowledge the Client's order in writing within 3 working days or execute it especially by delivering the goods without reservations (acceptance). The written form is also preserved with transmission via electronic data transfer.
- Delayed acceptance is deemed to be a new offer that needs the Client's acceptance.
- Passing on the execution of the order to third parties (subcontractors) without the prior written permission from the Client is not allowed and entitles the Client to withdraw from the contract without compensation and/or demand compensation. The Contractor must keep the conclusion of the contract confidential.
- No compensation for drawing up offers, projects, etc. is granted. Cost estimates are binding and not payable unless something else was expressly agreed upon.

III. Scope and content of the service obligation

- The scope of the Contractor's service obligation results from the specifications and service descriptions communicated when the contract was concluded or, if not available, from the information given in the Contractor's offers.
- The Client accepts only the ordered quantities or number of pieces. Sub-deliveries or excessive deliveries are allowed only if they have been agreed with the Client beforehand. If partial quantities have been agreed upon, the supplier must inform the Client about the remaining quantity to be delivered with each partial delivery.

IV. Change of service

- If during contractual fulfillment it becomes apparent that deviations from the originally communicated specifications are necessary or advisable, the Client must be informed about this at once. The Client will then announce in writing whether and, if need be, which changes the Contractor must make on the original order.
- The Client can request changes of service even after concluding the contract as long as this is reasonable for the Contractor. In this contractual change, the effects (especially with regard to higher or lower costs) and the delivery must be reasonably considered.

V. Delivery deadline

- Agreed upon dates and deadlines are binding. After a delivery date has been determined on the calendar, it is a fixed deadline. Partial deliveries/services are allowed only with the Client's approval. Decisive for meeting the delivery deadline is receipt of the goods by the Client.
- If the Contractor anticipates difficulties in meeting the delivery deadline or similar circumstances that could hinder on-time delivery or delivery with the agreed upon quality, the Contractor must notify the Client immediately, giving him the reasons and expected duration of the delay.
- If the Contractor defaults, the Client can – in addition to further legal claims – demand flat-rate compensation of our default damage amounting to 1% of the net price per completed calendar week, but not more than 5% of the net price of the goods delivered late. The Client retains the right to prove that a higher damage occurred.
- The Contractor retains the right to prove that no damage at all or only a significantly smaller one occurred.
- In case of delayed delivery, the Client is entitled to the legal claims going beyond those of Section 4. In particular, the Client is entitled, after a fruitless expiration of a reasonable grace period, to demand compensation for

damages instead of the service or to withdraw from the contract. If documentation that the Contractor has in his possession is needed for this, he must hand it over immediately to the Client; if intellectual property rights from the Client or a third party prevent the construction of the machine, facility or its parts or the rendering of the services owed by the Contractor, the Contractor is obligated to obtain the respective exemption of these rights.

VI. Documents, prices, payments

- The agreed upon prices are fixed prices to which the current V.A.T. shall be added, free place of use including packaging and freight costs, assembly, commissioning, acceptance and customs duties.
- Unless a special agreement has been concluded, payment terms are 30 calendar days. The payment period starts as soon as the invoice and delivery have been accepted by the Client or services have been rendered.
- Payments are made subject to auditing. Payments are deemed to be neither acknowledgment of the service rendered according to the contract, especially the faultlessness of the rendered deliveries and services, nor acknowledgment of proper billing.
- Invoices must include the date of issue and shipment, content of the delivery (item number and number of items) and the Client's order ID (date and number) sent by separate mail or via e-mail in PDF format. The price indicated on the order is binding, and statutory V.A.T. is not included.
- If the invoice does not indicate date of issue and delivery, content of the delivery (item number and number of items) and the Client's order ID (date and number), the Client defaults only 30 calendar days after the due date and receipt of the return service. The Contractor is responsible for all resulting consequences due to non-compliance with these obligations.
- In case of delivery not according to the contract, especially deficient delivery, the Client is entitled to hold back payment until proper fulfillment without loss of discounts, cash discounts or similar payment reductions. The Client is also entitled to a set-off right within statutory limits.
- The Client owes no interest on arrears. Legal provisions apply to payment default.
- The Client is entitled to set-off and holding-back rights, as well as to object to the non-fulfilled contract within the statutory scope. The Client is especially entitled to retain payments due to the Contractor as long as he is entitled to claims from incomplete or deficient services.
- The Contractor has a set-off or holding-back right against the Client only owing to legally determined or undisputed counterclaims.
- If the order involves research & development and construction, the Contractor is obligated to hand over all results, especially construction and manufacturing drawings, documentation, user manuals, etc.

VII. Warranty claims, warranty, recourse

- If as a result of the deficient service of the contractual object, the Client incurs costs, particularly transportation, road, labor or material costs, or costs for incoming goods inspection beyond the usual scope, the Contractor must bear these costs. The Contractor must also bear the costs incurred for checking and supplementary fulfillment (including possible installation and removal costs) if it turns out that there was actually no defect. The Client's compensation liability in unjustified defect remediation requests remains untouched; however, the Client is liable insofar only when he has acknowledged, or in a grossly negligent way has not acknowledged, that there was no defect.
- If the Contractor defaults in his supplementary fulfillment obligation – either by remedying the defect (reworking) or delivering a perfect object (replacement delivery) at the Client's option – within a reasonable deadline set by the Client, then the Client can remedy the defect himself and demand reimbursement for the necessary expenses or the corresponding advance payment. If the Contractor failed in his subsequent fulfillment or it is unreasonable for the Client (e.g. because of special urgency, threat to operational safety or threatening occurrence of disproportionate damages), no deadline setting is needed; the Client shall notify the Contractor at once of such circumstances, if possible beforehand.
- Apart from that and according to legal provisions, if there is a defect in quality or title, the Client is entitled to a purchasing price reduction or contractual withdrawal. Additionally and according to legal provisions, the Client is entitled to compensation of damages and reimbursement of expenses.
- If the Contractor has reservations about the Client's requested specification or type of execution, the Contractor must communicate this immediately in writing to the Client. Deviations from the specification are deemed to be a defect.
- Acceptance of the goods at the Client's premises takes place subject to inspection for lack of defects and completeness.
- Invoice payment means no waiving of warranty claims.
- As far as there is an examination and notification obligation acc. to Section 377 of the German Commercial Code (HGB), it is limited to obvious and easily recognizable defects.
- Notwithstanding Section 442 Paragraph 1 Page 2 of the German Civil Code (BGB), we are also unrestrictedly entitled to warranty claims when the Client did not know about the defect when the contract was concluded owing to gross negligence.
- When the Contractor receives the written defect notification, the statute of limitation for the warranty claims is restrained until the Contractor rejects the Client's claims or declares the remediation of the defect or otherwise refuses the continuation of negotiations about the Client's claims. In case of replacement delivery and defect remediation, the warranty deadline for

replaced and reworked parts begins again unless the Client, after the Contractor's conduct, had to assume that he did not regard himself as obligated by the measure, but replaced the delivery or remedied the defects only on grounds of good will or similar reasons. The same applies if the defect is minor.

10. The Contractor must ensure with special care, that in case of third party assertions, that the client infringed upon utilizations rights of the third party with these rights granted to him, can be fend off . The Client documents his own procurement processes with utmost precision, ensures with his employees a safe transfer of title through contractual design, selects sub-suppliers with utmost care, immediately and actively follows up on every suspicion of a defect of title. He/She makes available to the Client in an unlimited way, upon his notification of having been attacked by a third party in his rights of utilization, this information and his professional knowledge to elucidate the facts and defend against the asserted claims.
11. Whenever possible, the Contractor concludes agreements with the sub-suppliers to allow and secure a comprehensive fulfillment of these duties.
12. In case of litigation with a third party, the Contractor makes evidence available in the correct form for the respective type of proceedings (e.g. as an affirmation in lieu of an oath or as original of certificates).
13. Instead of a claim for finalizing a reversed transaction, the Client can assert a fault-free claim against the Contractor for compensation, limited to the purchasing price.

VIII. Product liability

1. The Contractor is responsible for all asserted third-party claims owing to personal or property damage traceable to a defective product that he has delivered, and is obligated to release the Client from the resulting liability. If the Client must conduct a recall with respect to third parties owing to a defective product delivered by the Contractor, the latter shall bear all recall-related costs. If a claim is raised against the Client due to product liability, the Contractor is obligated to release the Client from such claims if the damage was caused by a defect in the contractual object that the Contractor delivered. However, this does not apply in cases of fault-based liability if the Contractor is not at fault. In these cases, the Contractor must release the Client from all costs in the corresponding amount, including recall expenses, and for legal costs involving prosecution. Otherwise, legal provisions apply.

IX. Delivery specifications/delivery conditions/passing of risk

1. The Contractor bears the procurement risk for his services unless something else has been agreed upon for the individual case (e.g. limitation on stock).
2. The delivery takes place at the place indicated on the order. If the destination is not indicated and nothing else has been agreed, the Contractor is obligated to inquire with the Client. The respective destination is also the place of fulfillment for the delivery and for possible subsequent fulfillment (obligation to be performed at the creditor's place of business).
3. The delivery must contain a delivery note with the date (date of issue and shipment), content of the delivery (item number and number of items), and the Client's order ID (date and number). If the delivery note is missing or incomplete, the Client is not responsible for the resulting processing and payment delays.
4. The risk of accidental destruction and accidental deterioration of the goods is passed on to the Client with the transfer at the agreed upon destination. If an acceptance has been agreed upon, it is decisive for the passing of risk. Otherwise, legal provisions also apply accordingly in an acceptance.
5. Individual contractual provisions must be preferably used.

X. Statute of limitation

1. The mutual claims of the contractual parties lapse according to the legal provisions unless otherwise specified below.
2. Deviating from Section 438 Paragraph 1 No. 3 BGB, the general limitation period for claims based on defects is 3 years from the passing of risk. If acceptance has been agreed upon, the statute of limitation begins with the acceptance. Accordingly, the 3-year limitation period also applies to claims from defects of title, whereby the statutory limitation period for in rem third-party claims for return (Section 438 Paragraph 1 No. 1 BGB) remains untouched; moreover, defects of title never lapse as long as the third party can still take legal action against the Client – especially for the lack of a statute of limitation.
3. The limitation periods of the sales law, including preceding extension apply – within the legal scope – to all contractual claims related to a defect. As far as we are also entitled to non-contractual compensation for damages, owing to a defect, the regular statute of limitation applies (Sections 195 & 199 BGB) when the application of the sales law's limitation periods does not lead in the individual case to a longer period of limitation.

XI. Quality

The Contractor guarantees that the contractual deliveries and services correspond definitively to the state-of-the-art prevalent when the service is rendered, that they are made from the materials agreed upon or mentioned in the documentation, free of defects and without manufacturing errors, that they comply fully with the agreed upon functions and are not full of errors that do away with or lessen the suitability for normal use or the one contractually prescribed. If no materials are agreed upon, the contractual deliveries and services must be made from the most suitable materials. The Contractor additionally guarantees that his services and delivered objects comply with all relevant applicable German legal and governmental regulations and all other recognized engineering standards as well as relevant technical specifications and DIN regulations and they do not infringe third-party rights. The relevant legal regulations include, in

particular, the requirements of the Device Safety Act, VDE regulations, emission protection regulations and the relevant regulations of the competent trade associations.

Before delivery, the Contractor must check that the above-mentioned requirements have been met through state-of-the-art quality control and prove this to the Client.

XII. Drawings and other documents

1. After the work has been executed, the Contractor must send to the Client without delay the drawings, calculations, operating instructions used for the actual execution, and other technical documentation pertaining to the delivery, in the requested number and version. The Contractor is obligated to transfer the ownership to them free of charge. Their intellectual property is not affected by this. The Client or third parties may use them free of charge for performing repairs and changes, and for producing spare parts.
2. The Client's permission for drawings, calculations and the technical documentation does not affect the Contractor's delivery warranties. This also applies to the suggestions and recommendations of the Client unless something else is not expressly agreed upon.
3. All execution documentation, devices, tools, models, etc. given to the Contractor remain in the Client's ownership and may only be used for the contractually agreed upon purpose and be made available to third parties only in this respect. The Client retains all rights on the drawings according to his statement.
4. Such documentation must be used exclusively for the contractual service and must be returned or handed over to the Client upon request after contractual termination. The documentation must be kept secret from third parties, also after contractual termination. The pledge to maintain secrecy expires only when the knowledge contained in the documentation that was handed over has become generally known to the public.

XIII. Utilization and exploitation right, industrial property rights

1. The Contractor grants the Client, without an additional fee, the utilization and exploitation rights of all deliveries and services rendered to the Client as far as this is legally permissible.
2. The Contractor guarantees and vouches for the fact that no third-party rights are infringed through the manufacturing, sales and usage of the deliveries and services.
3. This obligation to assume liabilities is dispensed with if the deliveries and services took place exclusively according to the Client's plans, documents or models and he did not know or had to know that the manufacturing of the delivery or execution of the deliveries represents a legal infringement in the aforementioned sense.
4. If the Contractor is responsible for intellectual property right infringement and the Client raises a claim against a third party, the Contractor releases the Client from these claims when first requested in writing. The Contractor's release obligation refers to all expenses that the Client incurs from or in connection with the claim asserted by a third party.

XIV. Obligation to maintain secrecy

1. The Contractor is obligated to maintain all business and company secrets made known to him during the business relationship secret and not make them available to third parties.
2. The obligation to maintain secrecy lapses only until the knowledge contained in the documentation handed over becomes generally known to the public. Such documentation must be used exclusively for the contractual service and returned to the Client after contractual termination upon request.

XV. Environmental protection, compliance, safety

In deliveries and the rendering of services, only the Contractor is responsible for complying with environmental protection regulations. Subsequent necessary protective devices and possible manufacturer's instructions must be provided free of charge. The Contractor's employees and/or his appointees must be provided with the necessary safety gear (warning vests, safety shoes, etc.). As far as the Contractor performs work on the Client's premises, the pertinent instructions and safety regulations must be followed and complied with.

XIII. Place of fulfillment, place of jurisdiction, applicable law

1. The place of jurisdiction is the Client's headquarters.
2. The law of the Federal Republic of Germany and the UN Sales Convention apply to the contractual relationships.