

## Corporate Purchasing Conditions Uelzena Group

### I. Scope of application

1. These Corporate Purchasing Conditions apply exclusively to all legal transactions – also future ones – between the Supplier and following associated companies of the Uelzena-Group (hereinafter consistently Uelzena):  
Uelzena eG  
H. Schoppe & SchultzGmbH & Co. KG  
Hoche Butter GmbH  
Altmark-Käserei Uelzena GmbH  
WS Warmseiner Spezialitäten GmbH  
unless different conditions have not been expressly recognized or agreed upon in writing.
2. These Purchasing Conditions also apply when Uelzena, aware of the Supplier's opposing or deviating conditions from these Purchasing Conditions, accepts the Supplier's delivery without reservations.
3. Additionally, the Incoterms 2010 apply, as long as they do not contradict the Purchasing Conditions or other agreements concluded between Uelzena and Supplier.
4. 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, orders, offers

1. An Uelzena order is deemed to be binding with written delivery or confirmation at the earliest. Verbal orders, changes or additions to orders, in particular, are binding only when Uelzena 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 Supplier must point out obvious errors to Uelzena (e.g. typos and calculation errors) and incomplete sections in the order, including in the ordering documentation; otherwise, the contract is considered as not concluded.
2. The Supplier must acknowledge Uelzena'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.
3. Delayed acceptance is deemed to be a new offer that needs Uelzena's acceptance.
4. In a short-term Uelzena order (less than 3 working days), the order is deemed to be accepted by the Supplier's delivery to the indicated destination.
5. Uelzena can request changes of service even after concluding the contract as long as this is reasonable for the Supplier. In this contractual change, the effects (especially with regard to higher or lower costs) and the delivery must be reasonably considered. Subsequent changes and additions also need to be in writing. The written forms is also preserved when transmitting via electronic data transfer.
6. The offers of Suppliers must be submitted free of charge and in writing.

### III. Scope and content of the service obligation

1. The scope of the Supplier'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 Supplier's offers.
2. The Supplier ensures that the goods that he has delivered with their packaging comply with current German and EU legal provisions and the respective current practices, especially EU food legislation/German Food and Consumer Goods Act (LMBG).
3. Uelzena accepts only the ordered quantities or number of pieces. Sub-deliveries or excessive deliveries are allowed only they have been agreed with Uelzena beforehand. If partial quantities have been agreed upon, the supplier must inform Uelzena about the remaining quantity to be delivered with each partial delivery.

### IV. Change of service

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

### V. Delivery deadlines

1. 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 Uelzena's approval.
2. Decisive for meeting the delivery deadline is receipt of the goods by Uelzena or a recipient determined by Uelzena. If DAP or DDP delivery has not been agreed upon and Uelzena is willing to undertake the transportation of the goods, the Supplier must make the goods available on time for loading and shipment after coordinating the time with the carrier.

3. If the Supplier anticipates difficulties in meeting the delivery deadline or similar circumstances that could hinder on-time delivery or delivery with the agreed upon quality, the Supplier must notify Uelzena immediately, giving him the reasons and expected duration of the delay.
4. If the Supplier defaults, Uelzena 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. Uelzena retains the right to prove that a higher damage occurred. The Supplier retains the right to prove that no damage at all or only a significantly smaller one occurred.
5. In case of a delayed delivery, Uelzena is entitled to the legal claims going beyond those of Section 4. In particular, Uelzena 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.

### VI. Documents, prices, payments

1. 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.
2. Unless a special agreement has been concluded, payment terms are 45 calendar days. The payment period starts as soon as the invoice and delivery have been accepted by Uelzena or services have been rendered.
3. 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.
4. Invoices must include the date of issue and shipment, content of the delivery (item number and number of items) and Uelzena's order ID (date and number) sent by separate mail or via e-mail in PDF format.
5. The price indicated on the order is binding, and statutory V.A.T. is not included.
6. If the invoice does not indicate date of issue and delivery, content of the delivery (item number and number of items) and Uelzena's order ID (date and number), Uelzena defaults only 30 calendar days after the due date and receipt of the return service. The Supplier is responsible for all resulting consequences due to non-compliance with these obligations.
7. In case of delivery not according to the contract, especially deficient delivery, Uelzena is entitled to hold back payment until proper fulfillment without loss of discounts, cash discounts or similar payment reductions. Uelzena is also entitled to a set-off right within statutory limits.
8. Uelzena owes no interest on arrears. Legal provisions apply to payment default.
9. Uelzena is entitled to set-off and holding-back rights, as well as to object to the non-fulfilled contract within the statutory scope. Uelzena is especially entitled to retain payments due to the Supplier as long as it is entitled to claims from incomplete or deficient services.
10. The Supplier has a set-off or holding-back right against Uelzena only owing to legally determined or undisputed counterclaims.

### VII. Warranty claims, warranty, recourse

1. The Supplier assumes liability that the contractual object complies with the latest engineering standards, relevant legal provisions, as well as the regulations and guidelines of government agencies, trade associations and industrial associations. If the contractual object does not meet these requirements, the Supplier must communicate this to Uelzena in each individual case before the delivery starts and provide the reasons. In this case, Uelzena is entitled to reject the delivery even after receiving it within 10 days and to assert legal claims for defects.
2. If as a result of the deficient delivery of the contractual object, Uelzena incurs costs, particularly transportation, road, labor or material costs, or costs for incoming goods inspection beyond the usual scope, the Supplier must bear these costs. The Supplier 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. Uelzena's compensation liability in unjustified defect remediation requests remains untouched; however, Uelzena is liable insofar only when it has acknowledged, or in a grossly negligent way, has not acknowledged, that there was no defect.
3. If the Supplier defaults in his supplementary fulfillment obligation – either by remedying the deficiency (reworking) or delivering a perfect object (replacement delivery) at Uelzena's option – within a reasonable deadline set by Uelzena, then Uelzena can remedy the deficiency itself and demand reimbursement for the necessary expenses or the corresponding advance payment. If the Supplier failed in his subsequent fulfillment or it is unreasonable for Uelzena (e.g. because of special urgency, threat to operational safety or threatening occurrence of disproportionate damages), no deadline setting is needed; Uelzena shall notify the Supplier at once of such circumstances, if possible beforehand.
4. Apart from that and according to legal provisions, if there is a defect in quality or title, Uelzena is entitled to a purchasing price reduction or contractual withdrawal. Additionally and according to legal provisions, Uelzena is entitled to compensation of damages and reimbursement of expenses. Furthermore, there is an entitlement to recall costs even with preventive damage aversion.
5. If the Supplier has reservations about Uelzena's requested specification or type of execution, the Supplier must communicate this immediately in

writing to Uelzena. Deviations from the specification are deemed to be a defect.

6. Acceptance of the goods at Uelzena's premises takes place subject to inspection to ensure lack of defects and completeness.
7. Regarding the commercial examination and notification obligation, legal provisions apply (Sections 377 and 381 of the German Commercial Code (HGB)) with the following restriction. Uelzena's examination obligation is restricted to defects that were evident during the incoming goods inspection under external assessment, including on the delivery notes, and in our quality control during sampling procedures (e.g. transportation damage, wrong and short deliver). As far as no acceptance has been agreed upon, there is no examination obligation. Otherwise, it is important to what extent an examination of the individual case considering the circumstances according to the regular course of business is feasible. The notification obligation for defects found later remains untouched. In all cases, a notification (defect notification) is deemed to be prompt and made on time if received by the Supplier within 5 working days.
8. Notwithstanding Section 442 Paragraph 1 Page 2 of the German Civil Code (BGB), Uelzena is also unrestrictedly entitled to warranty claims when it did not know about the defect when the contract was concluded due to gross negligence.
9. When the Supplier receives the written defect notification, the statute of limitations for the warranty claims is restrained until the Supplier rejects Uelzena's claims or declares the remediation of the defect or otherwise refuses the continuation of negotiations about Uelzena's claims. In case of replacement delivery and defect remediation, the warranty deadline for replaced and reworked parts begins again unless Uelzena, after the Supplier'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. Invoice payment means no waiving of warranty claims.

#### **VIII. Supplier recourse**

1. Uelzena is entitled without restriction to legally prescribed recourse claims within a supply chain (supplier recourse acc. to Sections 478 and 479 BGB) in addition to the warranty claims for defects. In particular, Uelzena is entitled to request the precise kind of subsequent fulfillment (reworking or replacement delivery) from the Supplier, since it owes this to its buyer in the individual case. Our legal option (Section 439 Paragraph 1 BGB) is not restricted by this.
2. Before Uelzena recognizes or fulfills a claim for defects (including reimbursement for expenses according to Sections 478 Paragraph 2 and 439 Paragraph 2 BGB), Uelzena shall notify the Supplier, provide a brief statement of the facts, and request his written position on the matter. If his position is not given by a reasonable deadline and no amicable solution is not brought about, then the claim for defect actually granted by Uelzena is deemed to be owed to Uelzena's buyer; in this case, the counterevidence is incumbent upon the Supplier.
3. Our claims from supplier recourse also apply if we sold the goods to a consumer or were further processed by one of our buyers.

#### **IX. Product liability**

1. The Supplier 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 Uelzena from the resulting liability. If Uelzena must conduct a recall with respect to third parties owing to a defective product delivered by the Supplier, the latter shall bear all recall-related costs. If a claim is raised against Uelzena due to product liability, the Supplier is obligated to release Uelzena from such claims if the damage was caused by a defect in the contractual object that the Supplier delivered. However, this does not apply in cases of fault-based liability if the Supplier is not at fault. In these cases, the Supplier must release Uelzena from all costs in the corresponding amount, including recall expenses, and for legal costs involving prosecution. Otherwise, legal provisions apply.
2. The Supplier must take out and maintain expanded product liability insurance with integrated recall cost liability insurance for a reasonable amount per claim while the business relationship lasts. The Supplier is obligated to show Uelzena the corresponding proof of coverage upon request. If Uelzena is entitled to further compensation for damages, it remain untouched.

#### **X. Delivery specifications/delivery conditions/passing of risk**

1. The Supplier 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 Supplier is obligated to inquire with Uelzena. 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 Uelzena's order ID (date and number). If the delivery note is missing or incomplete, Uelzena is not responsible for the resulting processing and payment delays. A corresponding shipping notice with the same content must be sent to Uelzena separately from the delivery note.
4. The risk of accidental destruction and accidental deterioration of the goods is passed on to Uelzena 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. Goods are accepted from Mon-Thu from 7:00 am to 2:00 pm and on Fridays from 7:00 am to 12 noon. Exceptions are possible only with the approval of the warehouse manager.
6. The Supplier is obligated to use specialized food carriers or hygienic freight carriers if according to Incoterms carrier use is the responsibility of the Supplier,
7. The Supplier must point out to the carriers the delivery conditions, especially the hygiene and safety regulations of the respective Uelzena plant.
8. The Supplier ensures that the delivery will take place on food-safe Euro Pool pallets (new or 1<sup>st</sup> choice) or on a DIN industrial or T1 industrial pallet. The products must be piled on the pallets in a "batch-free" way. Each pallet must be clearly identified with the batch number.
9. Individual contractual provisions must be preferably used.

#### **XI. 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 Uelzena – 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.

#### **XII. Tools, print templates**

1. Tools, forms, print templates or the like manufactured by order of Uelzena, become absolutely its property upon completion and regardless to the payment of a possible price. It is possible to produce for Uelzena only with this property. Uelzena's property must be identified, insured free of charge and separately stored, serviced and repaired.
2. Such documentation must be used exclusively for the contractual service and must be returned or handed over to Uelzena 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. Disclosure obligation, foreign trade**

1. Food legislation applies to products. The Supplier is obligated to provide all available information about the products he delivers and that serve to manufacture food so Uelzena can comply with the necessary statutory documentation and disclosure obligation towards the authorities and consumers.
2. The Supplier is obligated, upon request, to name the country of origin and manufacturer of the goods, and to hand over the documentation of origin required for export. He is liable for the accuracy of his information.
3. Uelzena is entitled to create retention samples from the delivered products.

#### **XIV. Obligation to maintain secrecy**

1. The Supplier 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. This applies especially to all information pertaining to Uelzena's products with regard to formulas, drawings, drafts and the like.
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 Uelzena after contractual termination upon request.

#### **XV. Final provisions**

1. The law of the Federal Republic of Germany and the UN Sales Convention apply to the contractual relationships.
2. The headquarters of Uelzena eG is the place of jurisdiction; Uelzena reserves the right to file legal action in any other allowable place of jurisdiction.
3. The Supplier acknowledges that his social acts respect the Ethical Trading Initiative (ETI) Base Code (see [www.uelzena.de](http://www.uelzena.de)). Commissioned subcontractors are included in this.