



GENERAL TERMS AND CONDITIONS

For the execution of contract work

1. Scope of application and changes to these General Terms and Conditions

Regardless whether the works are carried out in return for payment or free of charge and unless otherwise agreed, our following General Terms and Conditions apply for the execution of contract works for a Principal (hereinafter referred to as "Principal") at the systems of Uelzena eG (hereinafter also referred to as "Uelzena" and "we/us"). Supplementary or deviating conditions of the Principal apply only if they have been explicitly accepted by Uelzena in writing. This also applies for changes to this written form clause.

The Principal shall be informed in writing of changes to these General Terms and Conditions. They shall be considered approved unless the Principal objects to them in writing. We shall specifically point out this consequence upon notification. The Principal has to send the objection to Uelzena within 6 weeks upon notification of the changes.

2. Obligations of the Principal

The Principal is obligated to deliver the raw materials required for the execution of the contract works at his expense and his invoice, unless the provision of individual raw materials by Uelzena has been agreed upon.

The Principal is furthermore obligated to provide information about the characteristics of the utilised raw materials to the best of his ability, particularly the performance of the raw materials at the scheduled process. Processing regulations are only legally binding for Uelzena if they have been issued by the Principal in writing in due time prior to the commencement of the contract works.

The Principal is obligated to deliver the raw material at the agreed date according to agreements with Uelzena together with the raw material specifications agreed upon with Uelzena. If the Principal does not comply with this obligation, Uelzena is exempt from the processing obligation within the prescribed time. In this case, the risk of the raw material value is returned to the Principal.

If Uelzena incurs down-time costs for production systems due to deliveries not on schedule, Uelzena is entitled to charge the Principal for the loss of revenue.

In addition, the Principal is legally responsible for the finished product.

3. Obligation of Uelzena

Uelzena is obligated to perform the process in accordance with the specifications and stipulations of the Principal. However, Uelzena is entitled to deviate from these specifications if this seems feasible for the execution of the contract work. This does not apply if the customer has issued the processing regulations in writing and explicitly prohibited any deviation from them.

Uelzena is responsible for the processing.

If Uelzena provides further raw materials, they are obligated to comply with the raw material specifications agreed upon with the Principal.

Uelzena is entitled to cancel the processing order if the Principal's raw material does not comply with the specified standard of the Principal and if the correct processing cannot be guaranteed. The Principal is responsible for reimbursing any costs and expenditures incurred by Uelzena due to the cancellation of the processing order.

4. Default

Uelzena principally produces according to the deadlines coordinated with the Principal. If Uelzena is not able to comply with the agreed deadline for production-related reasons owed to Uelzena, the Principal is only entitled to compensation if Uelzena has acted with gross negligence or intent.

5. Prices and payments

Unless explicitly agreed otherwise, the prices apply ex works plus packaging, freight, insurance and VAT; in case of exports also plus customs as well as fees and other public levies.



Unless agreed otherwise, all invoices are due and payable immediately without any deduction to an account specified by us.

A payment shall only be deemed to have been made once we are ultimately able to dispose of the amount. Bills of exchange and cheques are only accepted on account of performance. By accepting bills of exchange or cheques, we are under no obligation in terms of protestation and on-time submission. All expenses or other costs related to the collection of bills of exchange or cheques are the responsibility of the Principal.

If it becomes apparent that our payment are in jeopardy due to the Principal's lack of ability to pay, we are entitled to render all not yet due claims from the entire business relationship with the Principal due and payable immediately if we have already provided our deliveries and services. This also applies if we have already accepted bills of exchange or cheques. A risk exists if a bank or credit agency suggests the Principal's lack of creditworthiness. This also applies if the Principal is in default of payment with at least two invoices. In this case, we are furthermore entitled to set an appropriate deadline for the Principal during which he, at his discretion, has to provide payment or securities concurrent with the provision of the still pending deliveries and services. We are entitled to withdraw from the agreement upon the unsuccessful expiration of the deadline. Setting a period of grace is not necessary in case of suspension of payment or over-indebtedness by the Principal. In the event of default of payment, we are entitled to demand interest of 9 percentage points above the basic interest rate subject to the assertion of greater default damage.

Offsetting by the Principal is only permitted against an uncontested or legally determined claim. This does not apply to counterclaims made by the Principal from the same contractual relationship. If the offsetting is not permissible, the Principal is also not entitled to retention, for the remainder, only with respect to claims from the same agreement.

The assignation of claims against us requires our written consent.

In the event of a payment on SEPA basis or corporate direct debit we notify the Principal in case of a one-off SEPA debit and at each SEPA permanent direct debit with changing amounts one working day prior to the direct debit at the latest. In case of a first SEPA permanent direct debit with invariable amounts we shall notify the Principal of the first direct debit and the subsequent direct debit at least one working day prior to the first and subsequent direct debit.

6. Warranty

Discernible defects and quantity deviations have to be reprimanded in writing without undue delay; otherwise, the defects are deemed approved. Concealed defects have to be reported in writing immediately upon their discovery. The Principal is obligated to provide us with the opportunity to verify the defect without undue delay. The Principal is furthermore obligated to store and treat the rejected product in an appropriate manner. Returns can only be made with our consent. Upon our request, the rejected products have to be returned to us carriage paid. We shall reimburse the costs of the most economic route of transfer in the event of a justified notice of defect; this does not apply if the costs increase because the products are situated at a location other than that of the specified usage.

The relevant statutory conditions applicable in the Federal Republic of Germany are solely decisive in the event of quality complaints. The products are inspected in accordance with the procedures specified in Section 64 (1) German Food and Feed Code (LFGB) or the Method Manual VDLUFA: We have to be provided with the opportunity to check the complaint prior to the processing or resale of the rejected products.

7. Liability limitation

Any compensation claims on the part of the Principal, irrespective of the legal reason, are excluded. This does not apply where liability is mandatory by law, particularly in the event of damage to life, limb and health, fraudulent intent, intent and gross negligence, the violation of essential contractual obligations as well as damages according to the ProdhaftG (Product Liability Act).



Compensation claims due to the negligent violation of essential contractual obligations are limited to the foreseeable damage typical of the agreement.

Insofar as the liability of Uelzena is excluded or limited based on the above paragraphs above, this shall also apply for the liability of the organs, employees, staff, representatives as well as vicarious agents and assistants of Uelzena.

If we have granted certain rights to the Principal in the context of a quality guarantee in the event of a defect, such rights are unaffected by the above-mentioned liability limitations.

A change of the onus of proof to the disadvantage of the Principal is not associated with the above regulations.

8. Confidentiality

If the Principal obtains knowledge of confidential information, particularly in terms of special production processes, know-how, formulas, work steps and specifications of Uelzena, he is obligated to keep all information in connection with the delivery confidential and take the necessary security measures to prevent unauthorised third parties from gaining knowledge of drawings or process steps. The Principal shall also obligate the members of his organisation to confidentiality beyond the duration of their employment.

- a) Confidential information particularly comprises all information in written - also copied - form as well as drafts, drawings, technical protocols, models, electronic data, regardless of the form in which the information is provided. Confidential information perceived visually or acoustically is also included.
- b) However, the obligation to confidentiality does not apply for information which the Principal already owned at the time of the provision by Uelzena without the obligation for confidentiality, which had been in the public domain or published prior to this Agreement coming into force and which the Principal has legally obtained from a third party without the obligation for confidentiality, or
- c) Which Uelzena eG has approved to be transferred to third parties by way of an additional written agreement. Upon the first request by Uelzena and/or upon termination of the cooperation, the Principal is obligated to surrender all information associated with this agreement or to properly destroy and/or safely delete the information and confirm the complete destruction/deletion to Uelzena in writing unless
- d) This is necessary based on mandatory and applicable legal framework conditions or legal, official or supervisory requirements and the receiving contracting party has informed Uelzena forthwith of the respective obligation in writing, or
- e) The confidential information is made available to consultants of the Principal in connection with the interpretation or execution of the contractual documents or a dispute resulting from this and the consultant has previously been obligated in writing to maintain confidentiality of the Principal or is already obligated to confidentiality as a result of their profession.

The Principal is obligated to return all the information subject to this agreement at Uelzena's first request and/or upon conclusion of the cooperation, or to properly destroy or safely delete this information and notify Uelzena in writing of the completed destruction or deletion.

If the Principal violates a statutory or contractual obligation of confidentiality against Uelzena, he is liable to pay a contractual penalty to Uelzena, to be reviewed by the competent Court in case of dispute, for each culpable violation to the amount of 10 % of the total value of the order, however, up to a maximum of EUR 25,000.00. Payments toward the contractual penalty promise are taken into account for compensation claims by Uelzena, regardless of the legal reason.

9. Place of jurisdiction

If the Principal is a merchant, a legal person under public law or a special fund under public law, the exclusive joint place of jurisdiction for all direct and indirect disputes arising from the



contractual relationship is Uelzen, Germany. However, we are also entitled to sue the Principal at his general place of jurisdiction.

10. Final conditions

If the Principal is a merchant, a legal entity under public law or a special fund under public law or if his residential address is outside of the Federal Republic of Germany, the sole place of jurisdiction for our deliveries and services is the respective production site of the contract works. Place of payment for the Principal is Uelzen.

Subsidiary agreements are required in writing. This also applies for the change to this written form clause.

If individual parts of these General Terms and Conditions are ineffective or invalid, the effectiveness of the remaining conditions is not affected. The ineffective or invalid conditions are to be replaced by conditions which legally comply with the intended economic purposes in the best possible manner.

Uelzena eG, D-29525 Uelzen