

## 1. Field of application

1.1 All our orders are exclusively subject to these General Terms and Conditions of Purchase.

1.2 Deviating, conflicting or additional general terms and conditions belonging to the Seller shall not form part of the contract, including where we are aware of them and do not reject to them expressly. This shall also apply where other conditions are enclosed with or referred to in the Seller's offer or order confirmation.

## 2. Conclusion of contract

2.1 Offers are to be submitted in writing and free of charge.

2.2 Orders shall only be binding where they are provided in writing by our management. This also applies to additions or changes. We may abstain from acceptance and payment with respect to deliveries that do not occur on the basis of a proper written order. If our orders contain ambiguities, these must be clarified by the Seller through written queries.

## 3. Delivery period, delivery and delivery default

3.1 Agreed delivery periods and delivery dates shall be binding and shall be complied without fail.

3.2 As soon as the Seller becomes aware that it will not be able to meet the agreed delivery periods or delivery dates, it shall immediately provide notice of this in writing with reasons and the estimated duration of the delay. This notification shall not, however, release the Seller from its obligation under clause 3.1 above. Insofar as we expressly declare our agreement with the extension of an agreed delivery period and date, the newly agreed delivery periods and dates shall replace the originally agreed ones to which all the provisions of this clause 3 shall apply.

3.3 If deliveries are made prior to the date specified by us, we reserve the right to return the good or to charge the Seller for our costs accrued for temporary storage and to adjust the amount of invoices accordingly.

3.4 The Seller is to take back packaging material at the place of receipt free of charge.

3.5 The Seller and its assistants are to observe Lactoland Trockenmilchwerk GmbH's safety and conduct rules that will be appropriately communicated to them entering the Purchaser's factory premises. Where these safety and conduct rules are not complied with, truck drivers, deliverers and other responsible parties shall be liable.

3.6 Where the Seller falls into default, we are entitled to demand 0.3% of the contractual sum as damages compensation for each working day of the default, but in total not more than 5%. Additional claims to damages compensation based on delayed performance or delayed payment of an agreed contractual penalty shall not be affected by this provision. We may, instead of performance, and in accordance with the statutory regulations, withdraw from the contract and demand damages compensation or reimbursement of our accrued expenses.

## 4. Performance, transfer of risk, liability, acceptance default

4.1 We may reject the execution of the performance owed by third parties.

4.2 Lactoland Trockenmilchwerk GmbH's liability shall be limited to intention and gross negligence insofar no material breach has occurred and insofar as no injury to life, body or health has occurred.

4.3 The Seller shall bear the transport risk in each case. The risk of accidental loss shall only be transferred to us once we have expressly confirmed the transfer of the delivered good in writing.

4.4 For acceptance default to occur, the Seller must have first formally requested us to accept the delivered item within a defined acceptance period. If we are prevented from accepting the delivery due to force majeure or other circumstances that we cannot avert despite due care (e.g. industrial action, disruptions to operation), we may reject acceptance or require that the delivery be made at a later time without the Seller obtaining any claims from this.

## 5. Prices and payment conditions

5.1. The price given in the order is binding. Save as otherwise agreed in writing, the delivery price „from reception plant“ shall include packaging.

5.2 Save as otherwise expressly agreed with the Seller in writing, payment shall be made either 14 days after the receipt of the invoice and good with a 3% discount, or, within 60 days after the receipt of the invoice and good at the net price without a discount.

5.3 For data processing reasons, invoices can only be processed and paid by us when they contain the exact order number provided in our order. The Seller is responsible for all consequences arising from non-compliance with this obligation.

## 6. Condition of the delivery item, quality and acceptance

6.1 Insofar as no product specifications are agreed, the condition of all items delivered and partially delivered shall be of the same quality and composition as the tested and accepted sample provided to us beforehand. We reserve the right to conduct regular controls of the good in order to guarantee regular monitoring for the benefit of the consumer.

6.2 The Seller guarantees and assumes responsibility for the delivered goods' compliance with the German statutes regarding content, packaging and declarations.

6.3 With respect to the delivery of machines, the Seller in particular guarantees that the delivered items comply with the statute on work equipment, meet the technical standards (e.g. the accident prevention requirements) and all further applicable regulations. Furthermore, the Seller assumes responsibility for compliance with the statutory regulations with respect to delivery and assembly.

The Seller must have the items to be delivered approved by a recognised testing centre (Technical Inspection Agency or similar institute) and enclose the test certificate with the order confirmation. All parts that are necessary for the faultless functioning of the equipment but which are not included in the offer or the scope of the delivery shall be delivered and installed for us at no additional cost.

## 7. Inspection and notification obligation

Art. 377 paragraph 1 to 4 HGB [German Commercial Code] (irrevocable inspection and notification obligation) are applicable with the stipulation that we are required to inspect the delivered item within a period of two weeks from delivery by the Seller for visible defects insofar as this is possible in the usual course of business and to inform the Seller about recognisable defects within one week following their discovery. If a defect appears at a later date, we are required to notify the Seller within one week following its discovery.

## 8. Set-offs and assignment

8.1 The Seller may only set-off undisputed, legally established claims or claims that are disputed but ready for a decision.

8.2 The assignment of claims against Lactoland Trockenmilchwerk GmbH shall only be valid with its written approval.

## 9. Guarantee, rights with respect to defects

9.1 The statutory guarantee claims shall be available to us in an unlimited manner. The Purchaser shall be able to choose between remediation of defects and new production at its discretion in each case. The Seller is required to bear all expenses required for the purposes of remedying defects or replacement delivery.

9.2 If the Seller does not meet the obligations undertaken pursuant to the order confirmation or does not meet them fully, we are entitled to withdraw from the contract in accordance with the statutory regulations. We reserve the right to claim damages compensation in addition to withdrawing from the contract.

9.3 In deviation from Art. 438 paragraph 1 no. 3 BGB [German Civil Code], the period of limitation for defect claims shall amount to three years from the transfer of risk. Insofar as an acceptance is envisaged, the period of limitation shall commence with acceptance.

## 10. The Seller's liability

The Seller shall be liable for its statutory representatives', assistants' and vicarious agents' fault in accordance with the statutory regulations, including in particular in the case of ordinary negligence.

## 11. Retention of title and assignment of the purchase price claim

11.1 An extension or expansion of the retention of title of any type whatsoever is hereby expressly rejected.

11.2 An assignment of the Seller's claim against us for the purchase price shall only be valid with our express approval.

## 12. Infringement of third parties' intellectual property rights

12.1 The Seller shall assume responsibility that the goods delivered by it do not infringe any domestic or foreign intellectual property rights of whatever type. The Seller shall be liable for all damages that arise for any such infringement.

12.2 If we are sued by third parties in consequence, the Supplier is required to indemnify us against such claims on our first written request insofar as it is responsible for the infringement of the intellectual property rights.

## 13. Product liability

13.1. Insofar as the Seller is responsible for product damages, it is required to indemnify us against third party damages claims to the extent that the cause lies in its area of control and organisation and it itself is liable in relation to third parties.

13.2 The Seller is also required to reimburse any expenses under Art. 683, 670 of the BGB [German Civil Code] in this regard resulting from or arising in connection with a third party claim, including product recalls instigated by us.

## 14. Other agreements

14.1. The insurance of the shipment shall only be recognised by us where it is specified by us expressly upon the assignment of the order.

14.2 Packaging is to be noted as returnable packaging on invoices where the agreements require it to be returned. If the Seller charges for the returnable packaging nevertheless, this packaging shall be treated as returnable packaging and shipped back free of shipment costs.

14.3 The Seller is required to include our order number on all shipment documents and delivery certificates.

14.4 All drawings and documents that are provided to the contractor for the production of the good or which are prepared by it according to our specifications belong to us and may not be used for other purposes or made accessible to third parties.

## 15. Data protection

15.1 The Seller provides approval to us collecting, processing and using data derived from the contract or the execution of the contract.

15.2 We shall ensure that the Seller's data is treated confidentially in accordance with the applicable data protection regulations.

## 16. Place of performance, place of jurisdiction and applicable law

16.1. The place of performance for all deliveries and other performances by the Seller shall be the destination point specified by the Purchaser.

16.2. If the Seller is a merchant within the meaning of the HGB [German Commercial Code], a legal person under public law or a separate fund constituted as a public-law entity, the exclusive place of jurisdiction for all disputes arising out of the contractual relationship with the Seller shall be our registered office. The same applies if the Seller has no general place of jurisdiction in Germany. We are, however, also entitled to institute proceedings at the place of performance of the delivery obligation.

16.3. The law of the Federal Republic of Germany shall apply to all legal relations between us and the Seller. The provision of the UN Convention on Contracts for the International Sale of Goods shall not apply.

## 17. Severability clause

If individual provisions of the contract with the contractor, including these conditions of purchase, are legally invalid in whole or in part, the validity of the remaining provisions shall remain unaffected. The provisions that are invalid in whole or in part shall be replaced by provisions that emulate the commercial purpose of the invalid provisions as closely as possible.

## 18. Fighting terrorism

Lactoland Trockenmilchwerk GmbH shall execute the directive against Osama bin Laden, Al-Qaida and the Taliban ((EU) Directive no. 881/2002 with amendments) and against other persons and organisations suspected of terrorist activities (Directive no. 2580/2001 with amendments) with respect to the checking of name lists.