

Uniform Terms of purchase for the Companies of the DMK Deutsches Milchkontor GmbH (hereinafter called DMK-Group)

1. General information/scope/Companies of the DMK-Group

1.1. These Uniform Terms of purchase apply for all transactions of the supplier with one of the companies of the DMK-Group in accordance with Article 1.2., unless otherwise agreed in writing.

1.2. Companies of the DMK-Group are:

DMK Deutsches Milchkontor GmbH, 28199 Bremen,
Zentralkäserei Mecklenburg-Vorpommern GmbH, 17159 Dargun,
Müritz Milch GmbH, 17192 Waren,
Milchhof Magdeburg GmbH, 39128 Magdeburg,
DMK Eis GmbH, 48351 Everswinkel,
Euro Cheese Vertriebs-GmbH, 17087 Altentreptow,
Euro Cheese Vertriebs-GmbH, 49124 Georgsmarienhütte,
NORLAC GmbH, 27404 Zeven,
wheyco GmbH, 17087 Altentreptow,
wheyco GmbH, 22765 Hamburg,
Rosen Eiskrem GmbH, 52525 Waldfeucht-Haaren,
Rosen Eiskrem Süd GmbH, 90419 Nürnberg,
Humana GmbH, 32051 Herford,
indoc milk GmbH, 28199 Bremen,
Milchwirtschaftliche Industrie Gesellschaft Herford GmbH & Co. KG, 32051 Herford,
WBZ Westdeutsche Butter-Zentrale GmbH, 28199 Bremen

1.3. Our Terms of Purchase shall apply exclusively; contradictory terms and conditions of the supplier or terms and conditions which deviate from our Terms of Purchase shall not be recognised unless we had explicitly approved their validity in writing. Our Terms of Purchase shall also apply if accept the delivery without reservation in the knowledge of contradictory terms and conditions of the supplier or terms and conditions which deviate from our Terms of Purchase.

1.4. All agreements, which are reached between us and the supplier for the purpose of executing a contract, are to be recorded in the contract in writing.

1.5. Our Terms of Purchase shall apply exclusively towards entrepreneurs, legal entities under public law and special assets under public law within the meaning of § 310 Par. 1 BGB [German Civil Code].

1.6. Our actual "house regulations concerning safety, environmental and hygiene regulations for employees of third party companies", which are an integral part of our order, shall apply to employees of third party companies employed on our properties.

2. Order/order documents/non-disclosure obligation

2.1. The supplier undertakes to accept our order immediately.

2.2. We reserve the property rights and copyrights to diagrams, drawings, calculations, specifications, data, data carriers, performance specifications, requirement specifications and other documents, which were made available – hereinafter referred to as "Information".

2.3. The supplier is not entitled to a right of retention to the information relating to Subclause 2.2. above under any legal aspect.

2.4. The supplier undertakes to maintain secrecy concerning the written or oral information received in connection with the placement of the order, the creation of the tool and / or with the production of parts within the meaning of Subclause 2.2. We shall release the supplier from its non-disclosure obligation if it proves that the information, which requires secrecy, was already known to it before the disclosure by us or if this information becomes general knowledge during the term of the contract, without a breach of contract by the supplier being the cause for this. The release from the non-disclosure obligation shall only become effective with our written declaration.

3. Scope of the service/forwarding of the order/reference obligation

3.1. The scope of the respective deliveries / services can be derived from our order, in particular the specifications referred to. Our general plant standard, the plant standard electronics as well as the plant standard mechanics in the respective valid version shall become a part of the contract. At the request of the supplier we shall make the respective actual versions available to it.

3.2. Insofar as the service of the supplier concerns the delivery of commodities within the meaning of § 2 Par. 6 LFGB (Food, Commodities and Animal Feed Code) the supplier guarantees that the commodities produced and / or delivered by it comply with the respective relevant provisions of the German and European food law, in particular the provisions of §§ 30 et seq. LFGB and can be used by us to an unlimited extent for the production of foods. The supplier moreover assures the supplier that the commodities delivered by it comply with the respective status of technology and the recommendations of the BfR (Federal Institute for Risk Assessment and Communication). The supplier assures that the commodities delivered by it have been produced and / or treated under impeccable conditions as well as with the necessary care and attention and by applying the necessary hygiene and quality controls.

3.3. The supplier undertakes to explicitly clearly mark possible deviations from our order in writing in its order confirmation – emphasised using printing technology.

3.4. If the deviations in the respective order confirmation of the supplier are substantial then the conclusion of the contract requires the explicit written confirmation of our responsible purchasing department. The principles concerning the commercial letter of confirmation shall not apply.

3.5. The forwarding of the order to third parties as well as the involvement of subcontractors requires our prior written consent. Insofar as the supplier uses the services of third parties in order to satisfy its service obligations the supplier has to commit these parties in the same manner as the supplier is bound itself according to the order and these terms and conditions. The supplier shall always conclude contracts with third parties in its own name and for its own account.

3.6. The supplier has to examine our enquiry and / or order, in particular for its plausibility, capability of realisation, completeness, etc., and inform us of possible insufficiencies immediately.

4. Tools

4.1. Tools are to be produced by the supplier according to our drawings and stipulations. Changes or deviations are only binding if we have accepted the created tool in writing. The supplier undertakes to explicitly point out possible changes or deviations in the afore-mentioned sense in writing both in the drawings as well as in a separate declaration outside of the drawings and technical datasheets.

4.2. We are entitled to rights of use as well as industrial property rights to the tools.

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- 4.3. The supplier undertakes to exclusively use our tools for creating the deliveries, which are the object of our orders.
- 4.4. If the supplier culpably breaches the obligations according to Subclause 4.3 above it undertakes to pay a conventional penalty in the amount of Euro 10,000 to us for each case of an infringement. The supplier reserves the right to prove less damages. The right is reserved to assert further claims, in particular claims for damages. We are entitled to assert the conventional penalty in addition to the fulfilment. The forfeited conventional penalty shall be offset against possible claims for damages with a reducing effect.
- 4.5. During the term of the delivery and service relationship the supplier guarantees the functional condition of the tools. The supplier undertakes to maintain the tool at its own costs and to insure it at the value as new against the customary property risks (fire, water damages, theft and burglary). The supplier hereby now already assigns possible claims for compensation against the insurance to us in advance; we hereby accept this assignment. Irrespective thereof the supplier undertakes to exclusively use possible indemnifications of the insurance for the repair or for the new acquisition of the tool.
- 4.6. During the term of the delivery and service relationship the supplier shall bear the risk of an accidental loss or an accidental deterioration of the tool.
- 5. Food/packaging material/food additives**
- 5.1. The conditions relating to this Subclause 5. shall apply especially to food, food additives as well as packaging material. Insofar as not otherwise regulated in Subclause 5. the other regulations of the Terms of Purchase shall apply.
- 5.2. The Supplier guarantees that the delivered goods are true to the sample and comply with the contractual agreements, in particular the quality and quantity details as well as our in particularly added specifications as stated in the order.
- 5.3. The supplier undertakes to complete our specification datasheets and, insofar as necessary and/or stipulated, certificates of conformity in full and to return these to us completed and signed before the first delivery.
- 5.4. The supplier shall bear the responsibility for the marketability of the goods both in the country of production as well as on the sales markets about which he was informed respectively announced to it. Insofar as the suppliers goods are mixed, combined and/or processed by us with other goods the supplier guarantees the usability and marketability both with regard to the production process as well as with regard to the end product as far we have informed him about the usage in writing. The supplier undertakes to inform us without request of possible misgivings with regard to a corresponding use of the goods, in particular of possible special features with regard to the use of the goods which are to be taken into consideration by us during the production.
- 5.5. Each change to quantities and / or compositions of the goods in the lists of ingredients (changes to recipes) as well as changes to packaging in deviation of the specifications agreed by us with the supplier must be notified to us in writing at least eight (8) weeks before the planned implementation. Corresponding changes shall always require, insofar as not necessary owing to mandatory statutory regulations, our explicit written consent. The supplier shall also remain responsible for the marketability of the goods in line with the stipulations of the afore-mentioned Subclauses with a change in recipe and / or change to packaging. The assertion of further claims remains unaffected.
- 5.6. The supplier guarantees proper and consistent controls over the course of the production with regard to the contractual goods. It undertakes to ensure that these comply with the respective valid legal position as well as the actual status of technology by taking the special requirements of the product-specific food industry into consideration. In addition to the compliance with the relevant regulations under food law it is to be guaranteed by the supplier, irrespective of further obligations, that production- and storage-specific requirements are complied with according to the intended use of the contractual goods.
- 5.7. Before the start of its production the supplier shall guarantee that it exclusively uses ingredients, that stem from third party suppliers, which guarantee without reservation the marketability of their raw materials and that there are no misgivings regarding the health safety of such materials and confirm this fact, if applicable, by corresponding certificates of accredited laboratories. The same shall also apply to the goods deliveries of the supplier. Third party suppliers are to be named to us upon request. Upon request the certificates for these third party suppliers are to be submitted to us. The supplier guarantees that it monitors the afore-mentioned third party suppliers and regularly carries out an incoming goods control, which at least corresponds with requirements which are customary for the industry.
- 5.8. We are entitled to exclude the commissioning of third party suppliers insofar as doubts about the quality standards of the third party suppliers are substantiated.
- 5.9. The supplier guarantees the consistent and smooth traceability with regard to the goods delivered by it according to the respective applicable, statutory provisions (in particular regulations EC No. 178/2002 and LFGB or future regulations). The object of the traceability are beyond the goods for each good the used ingredients, raw materials, additives and auxiliary materials, etc., the time of the production / generation, the packaging materials and the progress of the production process. The supplier undertakes to provide the necessary information to us immediately if required (official complaint, complaint of customer, etc.) upon request with regard to certain goods in demand. The assertion of further claims towards the supplier remains unaffected hereby. The supplier guarantees an unlimited marketability of the contractual goods delivered by it.
- 5.10. The supplier guarantees that the goods delivered by it according to the relevant provisions (in particular regulations (EC) No. 1829/2003 and (EC) 1830/2003 and future regulations) are no genetically modified foods and / or do not contain any foods, additives or flavourings produced from genetically modified organisms. Excluded from this are accidental or technically not avoidable contaminations with genetically modified material up to a threshold value of 0.9 % with regard to the individual ingredient. The supplier guarantees insofar that the goods are not liable to labelling with regard to existing and future genetic labelling stipulations.
- 5.11. In case of goods, the labelling of which features or has to feature date details relating to shelf life (minimum sell-by date, consumption date, etc.), the residual term, i.e. the time, which is available to us for the processing and / or marketing of the goods, beginning from the day following the receipt of the goods must be at least 80 % of the total term (span between production and stated date). Goods deliveries, which do not satisfy this requirement, shall be deemed as faulty.
- 5.12. The supplier undertakes to make the written documents and declarations such as e.g. certificates of origin, health certificates, clearance certificates, etc., which are necessary or useful for a possible export of the goods into the inner- and/or non-European overseas countries, available to us immediately and free of charge. The supplier guarantees the authenticity and contextual accuracy of such certificates.

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- 5.13. Insofar as the object of the supplier's delivery is packaging material, which we use the supplier guarantees the unlimited marketability and usability of the packaging material. It guarantees in particular that this packaging material has no disadvantageous implications on the packaged product.
- 5.14. Insofar as the goods are determined for the German market according to the order or the order does not exclude a resale of the goods in Germany, disposable sales packaging of the goods may bear the "grüne Punkt" [Green Dot] of DSD (Duales System Deutschland Gesellschaft für Abfallvermeidung und Sekundärrohstoffgewinnung GmbH). The supplier shall be liable, insofar as convenience goods are delivered by it in a packaged form, for the proper participation in the Dual System and indemnifies us from claims of third parties, also of the public sector, which are asserted owing to a breach of the packaging regulations and / or owing to a breach of a contract of the supplier with DSD or others and / or owing to a breach of a legal standard issued based on the European packaging law. The afore-mentioned stipulations shall apply accordingly to goods, which according to the order are exclusively determined for one or several foreign markets, insofar as not agreed otherwise in writing, in particular insofar as the respective country of destination has taken over the Green Dot as a financing mark for the collection, sorting and exploitation of the packaging or other private-sector systems exist like the Dual System.
- 5.15. If a warning is given publicly, in particular in the media owing to actual or alleged health risks, against buying or using the goods or products of a comparable kind or with comparable ingredients, we are entitled to cancel orders which are not delivered and to return already delivered goods against the reimbursement of the purchase price, in particular insofar as it is expected that there will no longer be a demand for the goods as a result of the warning. The right to cancellation is to be exercised by us in writing within one month after the first publication of the warning. Subclause 12.3. below shall apply accordingly with regard to possible expenses in connection with the product warning, incurred by us. Further claims to which we are entitled shall remain unaffected hereby.
- 5.16. The supplier guarantees that the transport will be carried out in clean containers, which are suitable for food transports, by avoiding contaminants or other negative influences. The delivery of liquid foods (e.g. glucose syrup, oils,...) shall be carried out in insulated silo vehicles (only for food transports). The tank openings will be sealed with lead before the transport.
- 6. Prices/terms of payment**
- 6.1. We shall pay, insofar as not otherwise agreed in writing, the invoice amount within 14 days, beginning from the delivery / service and receipt of the invoice, with 3 % cash discount or within 30 days after receipt of the invoice net.
- 6.2. The supplier is only entitled to price increases if this has been explicitly agreed in the contract. We shall not recognise sliding-price clauses unless they are regulated by mutual agreement in a separate contract between the parties.
- 6.3. In case of premature deliveries we shall value the invoice at the delivery date as stated in the order. Irrespective thereof, we can decide at our free discretion to make a payment on account.
- 6.4. As long as the invoices of the supplier do not comply with the afore-mentioned provisions, they shall not be deemed properly issued and therefore do not trigger off a payment.
- 6.5. We are entitled to rights of retention, offsetting and exploitation rights to the scope as permitted by law.
- 6.6. Surcharges will not be paid for smallest quantities or shortfalls in quantities.
- 7. Delivery and service time/obligation to provide assistance**
- 7.1. It is essential to adhere to the delivery time and / or service time stated in the order.
- 7.2. The supplier undertakes to inform us immediately in writing – in advance by fax or e-mail – insofar as circumstances occur or become known to it, from which it can be derived that the conditional delivery and / or service time cannot be adhered to.
- 7.3. In the event of the default we shall be entitled to the statutory claims. We are in particular entitled to request damages instead of the service and cancellation after the fruitless expiry of a reasonable final deadline.
- 7.4. Under the pre-requisites according to Subclause 7.3. above we are entitled to request a conventional penalty in the amount of 1 % of the delivery value for each started week of the default, however no more than 5 % in total. The supplier reserves the right to proof less damages. We are entitled to assert the conventional penalty in addition to the fulfilment. We reserve the right to assert possible further claims and rights by offsetting the conventional penalty such as in particular cancellation, damages instead of fulfilment and / or claims for reimbursement of expenses.
- 7.5. The supplier shall make the samples, which are necessary for the contractual goods that are to be produced, available insofar as this lies within the framework of its possibilities, e.g. also for the design of the packaging and declarations (sleeves, lid design, etc.).
- 7.6. The supplier undertakes to support us with the export of the goods, in particular with the customs clearance, as well as with the clarification of corresponding advance questions. The supplier shall make possible documents, which are required by the supplier for the export, available free of charge.
- 7.7. We are entitled to carry out plant inspections at the production locations of the supplier on workdays after prior announcement. We will hereby show consideration for the operational concerns of the supplier.
- 7.8. The supplier undertakes, at our request and by coordination with us, to regularly have quality-determining parameters as well as reference values which are relevant for the satisfaction of customer requirements (e.g. assessment criteria of non-governmental organisations = NGOs) examined by an accredited laboratory. The test results shall be submitted to us immediately and in full by the supplier.
- 7.9. The supplier undertakes to mark all possibly existing allergens in the German language on the documents accompanying the products as well as in addition clearly visible on each pallet or container.
- 8. Passing of risk/freight/documents**
- 8.1. The delivery has, insofar as not otherwise agreed in writing, to be carried out "free duty paid (DDP) at the place of destination stipulated in the order, Incoterms 2010".
- 8.2. The supplier undertakes to exactly state our order number, sell-by date or production date or batch number as well as material number on all shipping documents or delivery notes and invoices; if it fails to do this then delays in the processing are unavoidable, we do not have to assume responsibility for such delays. In addition to the data listed above the information (sell-by date or production date or batch number) is to be additionally stipulated in writing on the delivery notes with which the supplier identifies its goods for the traceability.

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8.3. The supplier undertakes to cover the risk of an accidental loss or an accidental deterioration to the ordered raw and auxiliary materials and operating supplies within the framework of customary transport insurance. It shall assign all claims for compensation to us in advance, to which it is entitled against the marine insurance company; we hereby accept this assignment.

8.4. Insofar as not otherwise derived from the order the supplier shall bear the costs for the packaging as well as those of the freight up to the place of destination, with machines and plants up to the first place of installation.

8.5. The packaging must be suitable, i.e. to protect the goods against damages, influences of weather, etc. The supplier has to inform itself about the relevant requirements in this respect.

8.6. The supplier has, insofar as not otherwise agreed, to deliver the goods on undamaged Euro pallets, which are capable of high-stack warehouses. We undertake to exchange undamaged Euro pallets upon delivery. No substitute will be provided for damaged Euro pallets. The supplier moreover has to choose the packaging so that a transport by fork lift truck is possible, a stacking can be carried out and the goods can be forwarded to the production in unchanged packaging.

8.7. Insofar as not otherwise agreed the supplier undertakes to take the transport packaging back upon delivery. If this is not taken back we are entitled to invoice the supplier the costs incurred for a proper disposal of the transport packaging.

9. Inspection/information/network access

9.1. The supplier shall enable us to inspect the progress of a work which is to be provided and / or the order processing. We are entitled to inform ourselves at all times about the progress by inspection of all relevant documents (reporting system, descriptions, listings, manuals, etc.). The documents, which are required for this, are to be submitted and explained to us upon request. We are entitled to conduct supplier audits after the prior coordination in the supplier's plant. (if applicable obligation to obtain certification standards for the supplier / IFS / ISO/ BRC or BRC/IoP).

9.2. As soon as there is a justified suspicion that an environmental pollution is caused by the goods or the production processes of the supplier, which exceeds the generally recognised rules of technology, we are entitled to examine the production process and the composition of the delivered raw and auxiliary materials and operating supplies as well as the tools of the supplier. The supplier is insofar obliged to provide us information and has to hand over samples of the used substances at first request.

9.3. If the supplier is granted access to networks and / or data processing systems of us or our customers through us this access may exclusively be used for the purpose of fulfilling the respective single order. The supplier undertakes, in particular in these cases, to comply with the provisions concerning non-disclosure according to Subclause 2.3 above and to impose these upon its employees as well as other third parties involved in the execution. Insofar as not absolutely essential for the fulfilment of the order by the supplier it is not entitled without our prior written consent, to copy, to change, to reproduce or forward to third parties data of us which are accessible to it. We will only be liable to the extent as stipulated by law for the functional capability of access assurance or for interferences to operation of the afore-mentioned networks and data processing systems as well as for damages possibly resulting from their use.

10. Examination of defects/liability for defects

10.1. The supplier guarantees that the objects delivered by it and the services provided by it comply with the

intended use, the actual status of technology as well as the relevant legal provisions, the regulations and guidelines of authorities, trade associations and specialist federations, in particular the safety, energy, industrial protection, environmental protection, accident prevention, the relevant standard, DIN, VDE and other regulations as well as our respectively applicable general plant standards, our plant standards for electronics as well as our plant standards mechanics, in particular our specifications. Recommendations of these authorities, which become a regulation within one year, are to be taken into consideration. If deviations from these regulations are necessary in an individual case then the supplier must obtain our written consent in this respect before carrying out the deviation. The warranty obligations of the supplier shall not be affected by a consent on our part.

10.2. If a regulation within the meaning of Subclause 10.1. is changed after conclusion of the contract, however before completion of the delivery, the supplier is required within the framework of that which is deemed reasonable, to take the requirements of the new standards into consideration.

10.3. By the acceptance or confirmation of models, drawings, payments or similar items we shall not waive claims for defects.

10.4. If the supplier has misgivings about the type of the execution requested by us or if it becomes aware of misgivings of third parties then the supplier has to inform us of these misgivings in writing immediately and to give us the opportunity to issue instructions concerning the further procedure.

10.5. If we are obliged to inspect the received delivery by law we shall report obvious defects to the delivery to the supplier immediately as soon as they are determined according to the conditions of a proper business flow. Hidden defects are to be reported immediately after they are discovered. The report shall still be deemed as immediately if we send it by no later than within 5 workdays – with deliveries from overseas within 15 workdays – after receipt of the delivery by us.

10.6. The contractual and non-contractual liability of the supplier is oriented to the statutory regulations. We are entitled to the statutory liability claims for defects in full.

10.7. The above Subclause 10.6. shall apply accordingly insofar as we are entitled to claims against the supplier according to §§ 478, 479 BGB. Within this framework the supplier assigns possible claims for recourse to us as a precautionary measure, to which the supplier is entitled against its sub-suppliers from §§ 478, 479 BGB, in order to secure the claims for recourse existing for our benefit in advance. We accept the assignment.

10.8. If the supplier does not satisfy its obligations from the liability for defects within a reasonable deadline set by us, we can take the necessary measures ourselves at its costs and risk or have these taken by third parties. We shall also be entitled to this right if it is not possible for us to set the supplier a final deadline owing to special urgency; in this case we shall be inform the supplier hereof before remedying the defect.

10.9. The warranty period with objects, which are used in line with their customary manner of use for a building, is 66 months and incidentally 36 months, beginning from the passing of risk, insofar as no longer warranty period is derived from the contract or the law and the statutory provisions of §§ 478, 479 BGB do not apply.

10.10. The values determined by our incoming inspection shall be decisive for numbers of units, weights, quantities, etc. with a delivery and form the basis for the settlement.

10.11. The supplier has to carry out a quality assurance which is suitable according to the type and scope, which

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complies with the actual status of technology and to prove this to us as required. Upon request it has to conclude a corresponding quality assurance agreement with us.

11. Product liability/indemnification/liability insurance protection

- 11.1. Insofar as the supplier is responsible for a product fault it undertakes to insofar indemnify us from claims for damages of third parties at first request to the extent that the cause lies in its scope of control and organisation and it is liable itself in the relationship towards third parties.
- 11.2. Within the framework of its liability for these damaging events the supplier undertakes to reimburse us for possible expenses according to §§ 683,670 BGB as well as according to §§ 830, 840, 426 BGB, which arise from or in connection with a recall action carried out by us. We shall reach an agreement with the supplier about the contents and scope of the recall measure, which is to be carried out, – insofar as possible and deemed reasonable – inform it and give it the opportunity to make a statement. This shall have no effect on other statutory claims.
- 11.3. The supplier undertakes to maintain product liability insurance with regard to all risks with a sum insured of at least Euro 5.0 million per physical injury / property damage – as a lump sum – and to uphold this in full for the term of the delivery relationship / the order. If we are entitled to further claims for damages these shall remain unaffected. At our request the insurance cover is to be proven. The supplier shall inform us immediately in writing about the withdrawal / the restriction to the insurance cover.

12. Property rights

- 12.1. The supplier guarantees that in connection with its delivery and service no rights of third parties, in particular copyrights, are infringed and a work provided by it is free of rights of third parties.
- 12.2. If a claim is asserted against us by a third party owing to an infringement of property rights the supplier undertakes to indemnify us from these claims at first written request. The indemnification obligation of the supplier shall also refer to all expenses, necessarily incurred to us from or in connection with the assertion of a claim by a third party. We are not entitled to reach agreements in particular a settlement with the third party without the written consent of the supplier.
- 12.3. The statute-of-limitations for the claims according to Subclauses 12.1. and 12.2. above is **36 months**, beginning from the passing of risk insofar as no longer statute-of-limitations is derived from the law.

13. Provisions/reservation of title

- 13.1. Insofar as we provide parts and / or materials to the supplier it undertakes to examine the parts and / or materials provided by us for their suitability, to treat these properly and to place these in interim storage.
- 13.2. With the take-over of the parts and / or the materials in our plant on the part of the supplier the responsibility for damages and loss shall pass to the supplier, irrespective of whether the parts and / or the materials are provided by us free of charge or delivered against payment of a charge.
- 13.3. Insofar as not explicitly otherwise agreed parts and / or materials provided by us shall be charged to the supplier at plant sales prices.
- 13.4. The parts and / or materials provided by us may only be used by the supplier in line with the agreed purpose.
- 13.5. Insofar as we provide parts or materials to the supplier, we reserve the property hereto. Processing or

conversion by the supplier are always carried out on our behalf. If our reserved goods are processed with other objects which do not belong to us, we shall acquire the co-ownership to the new object in the ratio of the value of our object (purchase price plus VAT) to the other processed objects at the time of the processing.

- 13.6. If the object provided by us is inseparably mixed with other objects, which do not belong to us, we shall acquire the co-ownership to the new object in the ratio of the value of the reserved object (purchase price plus VAT) to the other mixed objects at the time of the mixing. If the mixing is carried out in the manner that the object of the supplier is to be seen as the main object, then it is deemed as agreed that the supplier shall assign us the pro rata co-ownership; the supplier shall keep the sole ownership or co-ownership in safe-keeping on our behalf.
- 13.7. Insofar as the collateral rights to which we are entitled according to Subclauses 13.5. and / or 13.6. above exceed the purchase price of all of our not yet paid reserved goods by more than 10 %, we are obliged at the request of the supplier to release the collateral rights at our choice.
- 13.8. Possible tools provided by us shall remain our property. If the tools are produced by the supplier itself or at third parties according to our stipulations we shall receive the ownership to the tools by no later than with their completion and delivery / provision to the supplier, subject to a simple reservation of title, insofar as agreed. The supplier shall keep our sole ownership to the tools in safekeeping on our behalf.
- 13.9. We do not recognise a reservation of title for the benefit of the supplier, insofar as not otherwise agreed in writing.

14. Cancellation of the contract with the insolvency of the supplier

If an application is filed for insolvency proceedings over the assets of the supplier we are entitled to cancel the contract for the part which has not been fulfilled.

15. DMK Code of Conduct

- 15.1. All Companies of the DMK-Group have submitted themselves to the DMK-Code of Conduct (based on the Business Social Compliance Initiative).
- 15.2. The supplier undertakes to comply with and implement the DMK Code of Conduct in the respective applicable version. The currently valid DMK Code of Conduct can be viewed and called under [<http://www.dmk.de/de/dmk/organisation/verhaltenskodex.html>].
- 15.3. The supplier undertakes to continuously remain informed about the conditions of the DMK-Code of Conduct in the respective newest version without request. The information is available to the supplier free of charge. The non-compliance with which represents an essential breach of contract of the supplier.
- 15.4. The compliance with and implementation of the stipulations of the DMK Code of Conduct, in particular the social, energy and environmental standards, have to be documented by the supplier and to prove these by verifiable documents at our request at all times.
- 15.5. In the event of the infringement by the supplier of the stipulations of the DMK Code of Conduct we are entitled to terminate the contractual relationship for an important reason without observing a period of notice after the unsuccessful expiry of a deadline determined for the remedy or after the unsuccessful warning. Our entitlement to request damages is not excluded by the termination.

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15.6. If a claim is asserted against us by a third party owing to the breach of the stipulations of the DMK Code of Conduct and if this is due to a conduct, which can be attributed to the supplier, the supplier undertakes to indemnify us from these claims at first written request. The obligation for indemnification shall also refer to all expenses, necessarily incurred to us from or in connection with the assertion of a claim by third parties.

16. Environmental protection/industrial protection/energy

The supplier undertakes to provide its services by constantly complying with the actual industrial and environmental protection law, the energy law, the applicable standards/guidelines as well as in line with the respective status of technology. This in particular obliges to choose environmentally-friendly used substances, which are capable of recycling, to use low-emission and pollutant technologies, to erect constructions which are easy to dis-assemble and dismantle as well as to find energy- and resource-saving solutions. The requirements of the EC machinery directive 2006/42/EC shall apply to the delivery of new or used machines, single components, partial and/or complete plants. The plants which are to be erected and devices including the electrical operating equipment must comply with the requirements of the EU Directive 94/9/EC (Atex), the operational safety regulations as well as the applicable guidelines and standards (VDE/VDI regulations, regulations of trade associations). In case of activities on the business premises of one of the Companies of the DMK-Group all requirements of the industrial and health protection as well as the environmental protection must be securely complied with, otherwise it is possible to be expelled from the location.

17. Final provisions

17.1. Insofar as the supplier is a merchant, legal entity under public law or special assets under public law, the registered seat of our company is the place of jurisdiction. We are however entitled to also file an action against the supplier at the court of its domicile.

17.2. The place of performance is, insofar as not otherwise agreed, the respective plant which is to be supplied. The place of performance for payments is the respective payment address listed in the order, insofar as not otherwise regulated.

17.3. The law of the Federal Republic of Germany shall apply under the exclusion of the provisions of the international private law and the UN Convention on the International Sale of Goods (CISG).

17.4. Should one provision of these General Terms of Purchase be invalid, non-enforceable or null and void in full or in part this shall have no effect on the validity of the other provisions.

Status: 20. November 2013