

General Terms and Conditions of Purchase

§ 1 General

- (1) The Terms and Conditions set out below shall form part of all purchase agreements concluded with us.
- (2) Our General Terms and Conditions of Supply shall apply in accordance with the most recent version and to all subsequent transactions without any need of express reference thereto or agreement thereon at the conclusion of such transaction.
- (3) We hereby object to any counter confirmation, counter offer or other reference by the Supplier to its general terms and conditions, any dissenting terms and conditions of the Supplier shall only apply if we have confirmed the same in writing.
- (4) The Supplier may not assign any claims arising from transactions with us without our written approval.
- (5) It is understood and agreed that the Supplier has manufactured the products (the “Branded Products”) to be supplied to us according to certain specifications with regard to the manufacturing process and the product ingredients (the “Specifications”) that we have provided to it for such purpose. The Supplier shall therefore not sell or otherwise transfer Branded Products to any third party without our prior written authorisation.

§ 2 Adherence to Specifications

- (1) The Supplier agrees to adhere at all times to the Specifications and shall not change any parts of it without our prior written approval. We reserve our right to change the Specifications or to extend the Specification to storage and transport requirements at any time. We shall immediately notify to the Supplier of any such variation.

§ 3 Right of Access

- (1) The supplier grants us the right of access for the organization, customers and regulatory authorities to the affected areas of all facilities and at each level of the supply chain involved in the contract.
- (2) We may engage the services of an independent firm, selected in our sole discretion to perform any such inspection.

§ 4 Laboratory Testing

The Supplier agrees to conduct at its own cost an analysis or testing of samples of the Products or samples of any components thereof in accordance with any testing schedule that we may impose from time to time. For such purposes the Supplier agrees to send such samples to laboratory facilities selected in our sole discretion. The Supplier agrees to pay the reasonable costs of any such third party laboratory testing.

§ 5 Records Retention

For a period of at least 5 years from the date of each shipment of Products, the Supplier agrees to keep complete records of the manufacture, storage, shipment and sale of the Products and, upon our request to make these records available to us upon demand.

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Document Number:F_15_97_00

Revision Level:01

§ 6 Indemnification

The Supplier agrees to full indemnification for our benefit (or any of our affiliate companies) from any liability/claim as a result of the manufacture, delivery and storage of Products ("Product Liability"). It shall refund to us any payments that we shall have made to satisfy any such justified claims. The duty to indemnification and refund shall not apply if the underlying incident shall have provably been caused through gross negligence or wilful misconduct by us any of our employees, representatives, agents or any affiliate. The Supplier shall immediately notify us of any litigation that shall have been started or of any claims that shall have been raised against it and shall upon our demand make available to us all relevant documents.

§ 7 Insurance

(1) The Supplier shall maintain a comprehensive liability insurance with a reputable insurance company which shall include product liability coverage, in the minimum coverage of 85 Mill. € per occurrence for damage.

(2) The Supplier shall, on an annual basis, provide us with certificates of insurance evidencing such coverage. Each certificate shall indicate the coverage represented thereby.

§ 8 Representations and Warranties

The Supplier represents and warrants as follows:

(a)The Products shall comply in all respects with all applicable laws, rules and regulations of the country where the Product is manufactured, stored or through which it is shipped, and the countries where the Product shall be used.

(b)The Products shall be manufactured to a high quality and in accordance with best industry practice. The Products are safe, merchantable and fit for their intended purpose and shall comply fully with the Specifications in every respect.

(c)The Products are labelled as required by the Specifications and by law (including, but not limited to, the laws of the country of manufacture and intended country or countries of use).

§ 9 Final Provisions

(1) The place of performance shall be Iserlohn/Germany.

(2) For our benefit, the courts of Iserlohn shall have jurisdictions over all disputes arising from these Terms and Conditions.

(3) The laws of Germany shall apply. International purchase laws shall not apply. This shall, in particular, refer to the UN Convention (CISG) on the International Sale of Goods.

(4) The invalidity of any provision of these General Terms and Conditions shall not affect the validity of the other provisions. Invalid provisions shall be deemed as replaced by such valid provisions that shall be suitable to implement the economic purpose of the deleted provision to the greatest extent possible.