



## General Conditions of Purchase and Contracting Andros Group

### 1. In general

These General Conditions of Purchase and Contracting apply to the following companies of the Andros Group in Germany: Andros Deutschland GmbH, Andros Ingredients GmbH, ODW Frischprodukte GmbH, ODW Lebensmittel GmbH (hereafter consistently „Andros Group“). The term „Andros Group“ refers in the following to the respective aforementioned company of the Andros Group, with which a contractual relationship exists or is being initiated.

### 2. Application of the conditions

- 2.1 The deliveries and services of the supplier/contractor are made exclusively on the basis of our purchasing and contracting conditions. These are deemed accepted at the latest with the order confirmation or the performance of the service. They also apply to all future business relationships, even if they are not expressly agreed again. Counter-confirmations of the supplier/contractor with reference to its terms and conditions are hereby expressly contradicted. Such conditions may only become binding on us if we have expressly acknowledged them in writing. The tacit acceptance of deliveries and services by us does not mean that we accept the general terms and conditions of the supplier/contractor.
- 2.2 If special conditions are agreed for certain orders, the present General Conditions shall apply as subordinate or supplement to these special conditions.
- 2.3 All offers of the supplier/contractor are free of charge for us. Without prior express and written agreement or confirmation on our part, we do not assume any costs for visits, preparation of plans, drawings, preparation of offers and other services prior to the conclusion of the contract.

### 3. Contract conclusion

- 3.1 Contracts are only binding for the Andros Group if they have been concluded in writing or have been confirmed in writing by the Andros Group.
- 3.2 The product specifications and formulations are part of the contract. All information, documents and objects, in particular product specifications and formulations, which we entrust to the supplier/contractor for the performance of its performance, remain the property of the Andros Group and may not be used for other purposes or made accessible to third parties or reproduced without our consent. The supplier/contractor is obliged to insure these at his expense against theft, fire, water and any other danger and to return them immediately after performance of the service.
- 3.3 The supplier/contractor is obliged to comply with the requirements regarding product specification, article description of the packaging, shipping etc. Deliveries and services are always carried out in accordance with the statutory rules and regulations, especially the Foodstuffs and Commodities Act („Lebensmittel- und Bedarfsgegenständegesetz“ [LMBGG]) and its ordinances, for example
  - a) Regulation on substances with pharmacological action („Verordnung über Stoffe mit pharmakologischer Wirkung“ [PharmStV]),
  - b) Additive Approval Regulation („Zusatzstoff-Zulassungsverordnung“ [ZZuLV]),
  - c) Food Irradiation Regulation („Lebensmittelbestrahlungsverordnung“ [LMBestV]),
  - d) Regulation on maximum residue limits („Rückstands-Höchstmengenverordnung“ [RHmV]),
  - e) Food Labeling Regulation („Lebensmittel-Kennzeichnungsverordnung“ [LMKV]),
  - f) Publications of the Federal Public Health Office („Bundesgesundheitsamt“ [BGA]) and limit values of heavy metals in food,
  - g) Recommendations of the Plastics Commission („Kunststoff-Kommission“) at BGA concerning requirements on pack materials,
  - h) Similar and significant future regulations and laws.When delivering machines, the supplier/contractor must deliver them in accordance with the VDMA regulations („Verband Deutscher Maschinen- und Anlagenbau e.V.“ - German Engineering Federation). The machines must be manufactured according to the CE mark. If the statutory provisions for the delivery item change, the supplier/contractor is obliged to bring these changes to the attention of the Andros Group. If damage results from the breach of the duty to clarify the damage at the Andros Group, these must be replaced by the supplier/contractor.
- 3.4 For each delivery to the Andros Group, the supplier/contractor ensures compliance with the following further current requirements of the Andros Group for himself, his subcontractors and any contracted subcontractors:
  - a) Food Defense (IFS),
  - b) Foreign parts on delivery of bulk material,
  - c) Food compliance of primary packaging, transport containers and vehicles and surfaces in contact with the contract product,
  - d) Supplier Code of Conduct (social, ethical and environmental standards).
- 3.5 During the term of the contract, updates of the supplier's/contractor's certificates will be sent to the Andros Group without being requested to do so.
- 3.6 At the request of the Andros Group, the supplier/contractor will provide batch certificates (e.g. organic) and/or analysis results, of which the content and scope will ensure an assessment of the item for the agreed quality characteristics.
- 3.7 If the supplier/contractor has information or knowledge which could affect the agreed assurances, certifications or the marketability of the contract product, he will inform the Andros Group immediately in writing.
- 3.8 Compliance with the REACH regulation (EC No. 1907/2006 of 18.12.2006) is mandatory for the supplier/contractor. The supplier/contractor must inform the Andros Group if a substance is included in the article to be delivered, which is listed in the so-called "Candidate List" table.

### 4. Confidentiality

- 4.1 The supplier/contractor shall keep secret to third parties all business relations, new developments, product quantities, production dates etc., which become known to him from inquiries, orders, delivery schedules and meetings. He also has to oblige his vicarious agents to do so.
- 4.2 For the transfer of services to vicarious agents or subcontractors our written approval or authorization is necessary. Without our written consent, the supplier/contractor is not entitled to use the business relations with us for advertising purposes. If the supplier/contractor violates any of these provisions, he shall be liable in each case of culpable infringement to pay to the Andros Group a contractual penalty to be determined by the Andros Group in its reasonable discretion and to be reviewed by the court in case of dispute.
- 4.3 The supplier/contractor is obliged to treat recipes provided by the Andros Group confidentially and not to pass them on to third parties. He further undertakes to use exclusively for the Andros Group the formulas provided. In the event that the supplier/contractor violates this provision and is responsible for this breach, he is obliged for each case of the infringement to be determined by the Andros Group in the discretion of the Andros Group their suitability to pay a contractual penalty.
- 4.4 Packaging design material, designs, films and printing materials are the property of the Andros Group and may not be rendered unusable or destroyed without the written consent of the Andros Group.
- 4.5 The supplier/contractor undertakes, even beyond the term of the contract, to treat all data and information that became known or become known to him in connection with the conclusion of the contract and the processing thereof, as strictly confidential and not to a third party to make accessible, in particular with regard to prices, conditions and sales. The supplier/contractor

undertakes to make this information available only to employees who, due to their field of work, require knowledge of this data and information.

### 5. Property rights

The supplier/contractor shall keep all patent disputes arising from the delivery away from us and guarantees that third party property rights are not violated. He undertakes to indemnify the Andros Group and its customers from all claims arising from the use of such property rights; this also applies to the costs of legal disputes. Upon request, the supplier/contractor will inform the Andros Group of the use of third party and own published and unpublished industrial property rights and industrial property rights in the delivered goods.

### 6. Product liability

The supplier/contractor is obligated to conclude a product liability insurance in sufficient amount for the products manufactured or distributed by him and to provide proof of cover at the request of the Andros Group. In the case of food-related objections, which are levied by an official party against the Andros Group or customers of the Andros Group who place the contractual item or a product made from it on the market, and which are the result of a fault on the part of the supplier, the supplier shall reimburse the Andros Group for the resulting damage. This includes in particular costs from returns processing, relabeling, product destruction, legal action, etc.

### 7. Prices and terms of payment

- 7.1 The prices quoted in our order are fixed prices exclusive of VAT and including insurance (all risks, such as fire and other dangers, operating and product liability, transport insurance). Without express, written agreements, no surcharges for packaging, shipping, storage, freight, insurance, customs duties or similar can be requested.
- 7.2 The prices are valid at the place of receipt. If the supplier/contractor has reduced his prices before or even after receipt of the order, these prices shall be decisive, unless the goods have arrived at the place of receipt mentioned by us. If payment terms have not been agreed separately, payment of a discount of 3% will be granted to us within 14 days of receipt of the invoice. Our payments are deemed to have been made on time if they have been dispatched by us within the agreed period. We are in any case entitled to set off counterclaims.
- 7.3 Price increases are to be notified to the Andros Group in good time, at least 3 months (excluding fresh produce) prior to their entry into force. If the notification by the supplier/contractor has been omitted, this price increase is not valid for the Andros Group.
- 7.4 Any retention of title or extended reservation of title specified by the supplier/contractor is hereby expressly rejected.
- 7.5 Reusable packaging material, e.g. Euro pallets for exchange, is exchanged and not reimbursed. Non-exchangeable returnable packaging will be disposed of by the Andros Group without compensation for the supplier/contractor. Incidental disposal costs are passed on to the supplier/contractor.

### 8. Delivery

- 8.1 The delivery dates specified in our order are binding fixed dates. For the observance of the appointment, the receipt of the goods at the named receiving station is authoritative; for installations and machines, the date on which they are ready for operation and completely accepted.
- 8.2 The supplier/contractor must immediately inform the Andros Group in writing of the circumstances and the probable duration of the delay in writing about all circumstances that make it impossible to adhere to the delivery date.
- 8.3 If the supplier/contractor defaults on the fulfillment of its obligation, the Andros Group is entitled to claim compensation for delay. The amount of the delay damage amounts to 1% of the order value per accumulated calendar week. The default damage is limited to a maximum of 5% of the order value. The supplier/contractor is free to prove a lower damage in the individual case.
- 8.4 If the delivery date is exceeded, the Andros Group shall be entitled, after setting a reasonable period of grace, to refuse performance regardless of the fault of the supplier/contractor and to demand compensation for damages or to withdraw from the contract. Partial deliveries may be retained or returned at our discretion.
- 8.5 If advance payments have been made by us, the amount paid in the case of non-delivery shall be subject to interest at a rate of 5% above the base interest rate from the agreed delivery date (pursuant to § 247/§ 288 BGB [German Civil Code]).

### 9. Acceptance and transfer of risk

- 9.1 The quantitative and qualitative takeover takes place at the unloading point designated by the Andros Group. For transfer of risk and delivery, DDP (Incoterms 2010) shall be deemed to be agreed at the unloading point designated by the Andros Group, unless otherwise agreed in writing by the Andros Group. The supplier shall take over the insurance of the goods and the transport until delivery, unless an express written agreement with us specifies a different procedure.
- 9.2 The acceptance of the work of the supplier/contractor shall only be carried out after a defect-free transfer to the Andros Group. Should defects become apparent during start of operation, acceptance will only take place after these defects have been eliminated.
- 9.3 Upon acceptance, on which an acceptance protocol is to be drawn up and signed by both parties, the risk is transferred to the Andros Group.

### 10. Retention of title

- 10.1 In the event that the Andros Group supplies the supplier/contractor with products that are necessary for the manufacture of the object of purchase, the Andros Group retains ownership of the objects it has delivered. This also applies to replacement deliveries. Insurance and compensation claims that the supplier / contractor acquires against third parties due to loss or damage to the reserved goods are assigned to the Andros Group in advance.
- 10.2 A purchase of property by the supplier/contractor on the reserved goods in accordance with § 950 BGB (German Civil Code) in the case of processing the reserved goods to a new product is excluded. Any processing will be carried out by the supplier/contractor for the Andros Group. The processed goods serve only to the extent of the value of the reserved goods for the pro rata securing of the claim by the Andros Group.
- 10.3 In the case of processing by the supplier/contractor with other goods not subject to this reservation, the Andros Group is entitled to co-ownership of the new object in proportion of the value of the reserved goods to the other processed goods at the time of processing. Otherwise, the same applies to the new goods resulting from the processing as with the reserved goods. It is considered a conditional commodity in the sense of these conditions. If the goods are inseparably mixed with other items not belonging to the Andros Group, the Andros Group shall transfer the co-ownership of the new item in proportion of the value of the goods with the other mixed items at the time of mixing. If the mixing takes place in such a way that the supplier's/contractor's item is to be regarded as the main item, it shall be deemed agreed that the supplier/contractor shall transfer pro rata co-ownership to the Andros Group. The supplier/contractor keeps the sole ownership or co-ownership for the Andros Group.



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### 11. Warranty

- 11.1 The supplier/contractor warrants that the object of purchase, its presentation and packaging conforms to the contractual requirements and the relevant laws, official regulations, accepted rules of technology and commercial practices valid on the day of delivery. This includes compliance with safety, accident prevention and VDE regulations ("Verband der Elektrotechnik, Elektronik und Informationstechnik" – German Registered Association of the Electrical, Electronic and Information Technology). Insofar as the delivered goods are to be provided with EAN bar code, perfect readability is ensured for commercially available scanners.
- 11.2 If the supplier/contractor performs inadequately or incompletely, the Andros Group may demand rectification, subsequent delivery, conversion of the contract or reduction of the purchase price. The right to compensation for damages - including consequential damages - remains unaffected if the legal requirements are met.
- 11.3 If the Andros Group requires subsequent improvement or replacement, the supplier/contractor must act without delay. If he fails to do so or fails or fails with the first attempt, the Andros Group may, without further notice, obtain repair or replacement at the expense of the supplier/contractor himself or through third parties. The right to reduction, conversion or damages remains unaffected. In no case the supplier/contractor is entitled to deliver without corresponding request by the Andros Group in the case of a delivery backlog. In urgent cases, the Andros Group may, after consultation with the supplier/contractor, repair or have the goods delivered at its own expense, either directly or through third parties.
- 11.4 In the case of rework, replacement or subsequent delivery, the supplier/contractor bears all personnel, material and incidental costs incurred by such measures.
- 11.5 Our warranty claims due to defects in machines and systems become time-barred within 24 months after proper start of operation; for defects in other objects, deliveries of goods or services in 18 months after handover or performance. These warranty periods shall be extended by 6 months if the recipient supplied by the Andros Group has notified in good time to the Andros Group or an end consumer to the retailer and the defect is not obvious. If a shelf life warranty is agreed, the warranty period will be at least 6 months longer than the shelf life.

### 12. Guarantees/securities

Guarantees and securities are governed by individual contracts, insofar as these cannot already be demanded by the customer under the applicable law.

### 13. Billing and payment

- 13.1 The invoice must satisfy the requirements of §§ 14, 14 a UStG (German Value Added Tax Act).
- 13.2 Prepayments or installment payments must be shown separately in the invoice.
- 13.3 The contractor of construction works must indicate in the invoice the tax number given to him by the tax office.
- 13.4 In the case of flat rates, the contractor must have the services performed attested by the client.
- 13.5 For all payments by the client, the following conditions apply:
  - a) Provision of individual contractual guarantees/securities, if relevant,
  - b) Proper and complete delivery/service or acceptance,
  - c) Receipt of quantity and quality certificates (delivery notes, joint measurements, timesheets, acceptance reports, etc.),
  - d) Receipt of a proper invoice in accordance with these requirements.

### 14. Additional provisions for crop-dependent raw materials

- 14.1 The Andros Group may request from the supplier/contractor representative samples of the batches/lots to be delivered, several times if necessary at the discretion of the Andros Group. The supplier/contractor assumes the costs of the sample shipment.
- 14.2 If sealed deliveries have been agreed, e.g. in the case of organic products according to EC regulation No. 834/2007, the supplier/contractor provides the seals and delivers only properly sealed cargos whose seal number is indicated on the respective freight documents.
- 14.3 After registration, the Andros Group or a third party commissioned by it may audit the supplier/contractor and its subcontractors and at any time draw samples from the contract areas and inspect the acreage and storage areas. The supplier/contractor will provide all requested relevant documents for viewing/examination.
- 14.4 The supplier/contractor will notify the Andros Group in writing immediately after becoming aware of faults, insofar as these could affect the contractual product with regard to the agreed quantity, quality or delivery date.

### 15. Place of performance and place of jurisdiction

- 15.1 The place of performance for the services of the supplier/contractor is the place of receipt named in our order. The supplier/contractor is liable for all direct and indirect damages caused by the condition of the delivery item or its delivery. This also applies if the delivery is made by third parties.
- 15.2 The place of jurisdiction for all disputes arising from the contractual relationships concluded between the Andros Group and the supplier/contractor is the district court or district court valid for Breuberg if the supplier/contractor is a registered trader, a legal entity under public law or a special fund under public law or has no general place of jurisdiction in the Federal Republic. This also applies to check and bill of exchange claims.
- 15.3 The Andros Group is entitled to sue at the place of business of the supplier/contractor.

### 16. Applicable law

- 16.1 Insofar as commercial contracts are used in our orders, the "International Rules for the Interpretation of Commercial Contract Forms" of 2010 (Incoterms) apply.
- 16.2 If our present terms of purchase do not contain any special regulations, the statutory provisions of the Federal Republic of Germany shall apply. This also applies to legal relationships with foreign suppliers/contractors.
- 16.3 The application of the UN Convention on Contracts for the International Sale of Goods (CISG) and the Uniform Laws on the Purchase and Sale of Goods are expressly excluded.

### 17. Concluding provisions

- 17.1 If individual regulations of these Conditions of purchase or other contractual agreements are or become ineffective, the remaining conditions and agreements remain effective. Both contracting parties undertake to reach an agreement as close as possible in economic terms for such a case.
- 17.2 If the Andros Group becomes aware that the supplier/contractor ceases his payments, or bankruptcy proceedings or judicial or extrajudicial settlement proceedings are applied for or instituted over the assets of the supplier/contractor, the Andros Group is entitled to deduct from the unfulfilled part of the contract to resign.
- 17.3 The supplier/contractor is not entitled to assign own claims against the Andros Group to third parties without the consent of the Andros Group, also within the framework of factoring agreements. For the processing of culpably assigned or seized claims we charge the supplier/contractor with 1% of the assigned or seized amount.
- 17.4 The Andros Group itself or through authorized agents is entitled at any time to inspect the supplier's/contractor's production facilities and to carry out sampling (see also "14. Additional provisions for crop-dependent raw material").

- 17.5 The collection, processing (including storage) and use of the data required by the supplier/contractor for carrying out the commercial business process is completed by the Andros Group on the basis of the applicable data protection regulations. Similarly, the supplier/contractor is obliged to comply with the statutory provisions on data protection.

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