



## 1. Basic information

For all purchase contracts that we conclude for animal feed, only these Terms of Purchase are applicable. The Seller recognizes them as binding for the present and all future purchase contracts. We do not recognize the Seller's contradictory, deviating or complementary terms.

## 2. Relationship to form contracts

These Terms of Purchase take precedence over any form contract that may have been concluded.

## 3. Delivery / Acceptance / Rights in case of failure to perform

(1) The agreed delivery and acceptance periods apply. If the Seller does not perform its contractual obligations or does not perform them in time, then, after expiry without results of a reasonable subsequent deadline set by the Seller, which as a rule is five working days — if this is not unnecessary pursuant to legal provisions — the Buyer is entitled to withdraw from the contract and/or to claim compensation for damages instead of the performance.

(2) If the Buyer claims compensation for damages instead of performance, then it is entitled, but not obligated, to calculate its damages due to failure to perform by determining a price difference, and to demand the price difference together with the costs of the determination of the price from the Seller. Annex I B of the Standard Conditions of the German Grain Trade (EB) apply accordingly to the determination of price. A broker admitted to a German grain or product exchange must be assigned to determine the price. The key date for determining the price is the working day following the expiry of the subsequent deadline. If there is no need to set a subsequent deadline, such as perhaps in cases of a fixed-date transaction or in the case of an express refusal to perform, then the key date for determining the price is the working day following the occurrence of the event decisive for failure to perform, e.g., of the declaration of failure to perform.

(3) Instead of claiming compensation for damages in place of performance the Buyer can have a covering purchase made on behalf of the Seller by a broker admitted to a German grain or product exchange. The covering purchase must be carried out within three working days after expiry of the subsequent deadline or after certainty of failure to perform. The provisions in Annex I A of the Standard Conditions (EB) apply to this accordingly.

(4) The Seller is also entitled to the rights in cases of failure to perform pursuant to paragraphs (1) to (3) accordingly. If the Seller claims compensation to damages instead of performance, then it is entitled, but not obligated, to calculate his damages from failure to perform by determining the price difference pursuant to paragraph (2). Instead of compensation for damages in place of performance, the Seller can also arrange an emergency resale with a broker admitted to a German grain or product exchange. The provisions in Annex I A of the Standard Conditions (EB) apply to this, in turn.

(5) In the event of impediment to delivery due to events not attributable to the Seller such as export or import prohibitions or comparable official measures, blockades, epidemics or armed combat (force majeure), the Seller is entitled to extend the delivery period by the duration of the impediment. The Seller must notify the Buyer in writing of the reasons for the impediment to delivery promptly after discovery and, at the Buyer's request, furnish proof of such impediment without delay. If the contractual delivery period must be extended by more than 30 calendar days, then either contractual party is entitled to withdraw from the contract within the first three working days after expiry of the 30-day period without mutual recompense. If neither of the contractual parties makes this sort of declaration then the delivery period is extended by an additional 30 calendar days. After expiry of this period, the contract is considered as cancelled without mutual recompense.

(6) In the sense of no. (5), the following are not cases of force majeure: Measures ordered by authorities or restrictions on use of animal feed due to lack of or restricted marketability of the goods or due to production malfunctions, machine breakdown, natural disasters and other sorts of disruptions that occur within the Seller's area of organizational or business responsibility.

(7) If the Buyer is prevented, due to a case of force majeure in the sense of para. 5, from performing its contractual obligations, especially from carrying out the acceptance of the goods, then the Buyer is entitled to postpone the moment of delivery by the duration of the impediment. The provisions in paragraph 5 sentences 3-5 apply accordingly in this case.

(8) No. 3 paragraph 8 applies accordingly if the Buyer is temporarily prevented due to official orders for reasons not attributable to the Seller to operate its factory and to process the goods.

(9) If the Seller's business or that of its suppliers is affected by official orders on the basis of "Regulation to protect against swine fever and African swine fever" or other provisions for protection against animal diseases, then the Seller is obligated to notify the Buyer of this promptly after finding out in text form. Before delivery, the Seller must take all measures necessary to ensure that contamination of the goods and also that risk of other sorts of transfer of animal diseases to the Buyer's business (e.g., by transportation vehicles) is ruled out. The Seller commits to the Buyer to comply strictly with all obligations based on valid legal provisions, regulations or official orders to protect against animal diseases.

## 4. Composition / Quality / Sampling

(1) The delivered goods must be — subject to more detailed agreements — of marketable quality and sound and must meet all legal requirements especially those of animal feed law. Official determinations of non-marketability of the goods are binding for the contractual parties.

(2) Sampling is the duty of the Buyer. It is conducted at the place of delivery or acceptance pursuant to § 34 of provisions in the Standard Conditions of the German Grain Trade (EB) and also pursuant to the sampling provisions printed in Annex II. The Seller recognizes sampling pursuant to these provisions as appropriate.

(3) Additional samples must be taken to ensure traceability. Annex II of the Standard Conditions (EB) applies to sampling. These samples can be added to determine the presence of undesired/prohibited substances and contaminants and to lodge claims resulting from this in the sense of § 32 Standard Conditions (EB). If loading/delivery is carried out with freight cars or road vehicles, then the sampling must be conducted pursuant to nos. I to IV of Annex II of the Standard Conditions of the German Grain Trade. In that case, at least one

sample of roughly 500g must be conserved in watertight and substantially airtight sealable container (e.g., Debasafe bag) as retained sample, which ensures the identity of the sample and its unmodified composition.

## 5. Undesired substances / Contents / Objection

(1) The 1st analysis is commissioned by the Buyer within 5 working days after sampling from an accredited analysis institute. The Buyer lodges a complaint about the goods to the Seller by telex or fax promptly after receiving the certificate of the 1st analysis.

(2) Each party has the right to demand that a subsequent analysis be conducted by another accredited analysis institute within 5 working days after receiving the 1st analysis certificate. Each party moreover has the right to demand that a 3rd

analysis be conducted by a third accredited analysis institute within 5 working days after availability of the 2nd analysis certificate. The average of the analyses that come closest to each other is binding for the parties — subject to § 4 paragraph (1) sentence 2.

(3) If the goods are demonstrated to be defective according to the result of the analyses pursuant to paragraph (1) and (2) or according to the result of analyses demanded by authorities, then the Seller pays the costs of all analyses. If the goods are found to be free of defects, then the Buyer pays the costs of analyses.

## 6. Warranty for defects

If the delivered goods are defective, then the Buyer is entitled to the warranty rights governed by the following paragraphs. Paragraphs (1) to (4) govern the general consequences of content and other composition non-conformities, while paragraph (5) applies to the special case of detection of undesired/prohibited substances in the goods.

(1) If the goods delivered deviate from the agreed composition and quality, but the value reduction does not exceed 5% of the contractual price, then the Buyer is entitled to demand a value reduction remuneration from the Seller. The determination of the value reduction of the goods is made by a neutral commercial broker who is determined by mutual accord by the parties. If the parties cannot agree to a neutral commercial broker within two working days, then this broker can be determined at the Buyer's request by the German grain exchange or product exchange nearest to the storage site of the goods. The costs of determining the value reduction are paid by the Seller.

(2) If the value reduction determined exceeds 5% of the contract price, then the Buyer is entitled, instead of compensation for reduced value, to demand the return of the goods delivered and reimbursement of the purchase price paid, and to demand the costs and interest accrued by the goods.

(3) Beside the right to return the goods, a replacement delivery of goods in accordance with the contract can be demanded once only. The Seller, in turn, has the right, to perform a replacement delivery for the goods to be returned once only, unless due to specific circumstance of the individual case the acceptance of the replacement delivery would be unreasonable for the Buyer. If the Buyer or the Seller makes use of the right to replacement delivery, then the Buyer must provide the Seller with the goods subject to complaint that are to be returned. The Seller must make the replacement delivery, if not otherwise agreed, within 5 working days from the preparation, demonstrated by the Buyer, of the goods to be returned.

(4) If the replacement delivery is not carried out in timely manner pursuant to paragraph (3), then the Buyer is entitled to withdraw from the contract or to demand compensation for damages instead of performance pursuant to no. 3 paragraph (2). The last day of the 5-day period is considered the key date.

(5) For the Buyer's claims due to undesired/prohibited substances and contamination, the legal regulations apply. If the Seller is obligated to compensation for damages pursuant to the legal regulations, then it must especially compensate the Buyer for the type of damages that the latter suffers due to legally mandated recall or a recall ordered by authorities of the defective goods or of a product manufactured with these goods (animal feed).

(6) The Buyer's rights due to defects are time-limited to two years. The limitation period begins with the delivery of the goods.

## 7. Payment settlement

Payment of the purchase price is rendered in exchange for invoice and presentation of the corresponding delivery slip. The Buyer is entitled to offset or to retention in the scope that is legal.

## 8. Applicable law / Jurisdiction

The contract, when concluded, is subject to German Law and EU Law, but UN Sales Law does not apply. All disputes that arise from the concluded transaction and from other agreements made in connection with it, are decided, at the Buyer's choice, by an arbitration court established at a German commodity exchange or by the ordinary court at the Buyer's registered office. If the Buyer desires a decision from the arbitration court, then the formation of the arbitration court and the trial depend on the arbitration code. In the event that the Seller intends to make a claim against the Buyer, then the Buyer commits at the Seller's request to exert its right to choose between the ordinary court and the arbitration court before the trial within a reasonable period of time set by the latter, which must at least amount to three working days. If the Buyer does not make a statement within the period set for it, then the right to choose pursuant to sentence 2 is transferred to the Seller. The Seller must make a decision immediately and notify the Buyer of this decision in writing.