

General Purchasing Conditions

A. Introduction

A.1 These General Purchasing Conditions (“GPC”) become a subordinate part of every contract (also in the form of a purchase order and order confirmation) between the seller designated in the order confirmation or the contract (“Seller”) and the company named in the order confirmation or the contract as the buyer on the part of Bell Food Group (“Buyer”), even if the Buyer does not expressly refer to these GPC in the context of its purchase order.

A.2 The Seller’s general terms and conditions shall not apply, not even if the Seller refers to or attaches its general terms and conditions in connection with a purchase order or a delivery and the Buyer does not expressly object.

A.3 If a framework contract and/or a quality assurance agreement (“QAA”) also exists between the Buyer and the Seller, the provisions of the respective framework contract and/or the QAA shall also take precedence over these GPC.

A.4 If a company of the Bell Food Group purchases goods from the Seller under an existing framework contract or if such a company is specified as the recipient in a purchase order, the company purchasing or accepting the goods may assert the rights specified in the framework contract, the QAA (if applicable) and/or these GPC on its own behalf and account.

B. Term of a contract

B.1 If a contract has been concluded for an indefinite term, it may be terminated by either party without stating a reason by giving a three (3) months’ notice ending at the end of a calendar quarter.

B.2 Either party may also terminate a contract by a written notice without any notice period if the other party breaches any provision of the contract, the QAA (if applicable) and/or these GPC and fails to remedy the breach as well as the damage and losses thus incurred within fourteen (14) calendar days of receipt of a corresponding written notification.

C. Purchase orders

C.1 Purchase orders and agreements must be made in writing; a message sent by e-mail is deemed to suffice to comply with the requirement for written form. The same applies to any supplements, amendments and ancillary agreements.

C.2 A purchase order shall be confirmed by the Seller no later than within three (3) business days after the order is received by the Seller, but in any case not later than before delivery.

C.3 A confirmation deviating from the Buyer’s relevant purchase order in essential points is considered a new offer and requires acceptance by the Buyer. If this condition is not met and the Seller nevertheless proceeds with the delivery or other performance, the Buyer may return the same to the Seller at the latter’s expense and risk.

D. Delivery

D.1 Unless otherwise agreed in the given contract, **Incoterms 2020: DAP, place of delivery as specified by the Buyer in the purchase order**, shall apply to all deliveries.

D.2 Each delivery is due on the delivery date specified by the Buyer in the purchase order; the delivery date is considered to be a contractual fixed date. In case of a delay with delivery, the Seller is deemed to be in default as of the expiry of this date. Delivery is deemed to occur at the time determined in accordance with the applicable Incoterms.

D.3 The Seller is obliged to strictly adhere to the delivery quantities as specified in the respective order. Delivery of higher or lower quantities is not permitted.

D.4 Deliveries must be free of third-party rights, in particular property rights, pre-emption rights, pledges, trademarks and patents.

D.5 Initial deliveries must be clearly labelled as such by the Seller. Sample deliveries must be specially labelled by the Seller.

D.6 Unless expressly agreed otherwise in writing, sample deliveries are not binding on the Buyer and are free of charge.

D.7 Each delivery unit has to be clearly marked with a pallet label or tag. With reference to this information, the Seller guarantees the possibility to trace its consignment as part of quality assurance. The following information has to be given on the pallet label / tag:

- a) Buyer’s item number
- b) Buyer’s item description
- c) Seller’s item number
- d) lot number
- e) production date
- f) expiry date (for ingredients)
- g) GS1 EAN code 128 (ingredients AI 02, 10 and 15, non-food AI 02, 10 and 11)
- h) allergen labelling
- i) dangerous substance labelling

The Buyer may request that the Seller specify further details on the pallet label in individual cases.

D.8 In the case of foodstuffs, the Buyer and the Seller will conclude specification agreements, defining on a product-specific basis the minimum shelf-life and the remaining time guaranteed by the Seller (time starting upon delivery in accordance with applicable Incoterms and the best-before date).

D.9 In the event of breach of this clause D, the Buyer will always be entitled to reject the delivery of goods and return the same at the Seller’s expense and risk. In such a case, the Buyer is entitled – without prejudice to any other statutory or contractual

rights – to make a substitute purchase even without providing a grace period to the Seller, and to claim any related damages from the Seller. All the costs and damage incurred and suffered by the Buyer as a result of breach of this clause D, including any penalties imposed on the Buyer as a result of delayed supplies to its customers, will be borne by the Seller. **In addition, the Seller will also be obliged to pay a handling fee of 5% of the value of the goods concerned, but no less than EUR 500, for each such individual case.**

E. Documents

E.1 The Seller is obliged to hand over, free of charge and at the latest upon delivery of the goods, all the documents required by the Buyer for proper export, import, customs clearance, taxation, processing and resale, including, without limitation, customs and transport documents, certificates and corresponding attestations, test reports, factory certificates, drawings, plans, operating instructions and repair manuals, all that in reproducible form.

E.2 If the Buyer so requests, the Seller shall immediately provide the Buyer with all information and documents which the Buyer needs to take out or change transport insurance.

F. Packaging

F.1 The goods shall be properly packed by the Seller in compliance with the relevant regulations (especially those applicable to foodstuffs) and in a safe manner with regard to the specific means of transport. If the removal of packaging requires any special care, the Seller must inform the Buyer of this fact.

F.2 The Seller shall ensure compliance with all the laws, regulations and official requirements relating to handling of packaging materials and their disposal.

G. Transport equipment

G.1 For processing purposes, the Seller agrees to use a pallet exchange process (1:1) or to maintain a transport equipment account.

G.2 The Seller shall deliver the goods using only standardised transport equipment that is legally permitted in the country of dispatch, in each transit country and in the country of destination.

G.3 The transport equipment must be clean and free of any defects during the loading process; stricter requirements applicable in the food industry must be observed during the manufacture, cleaning, storage and loading of the transport equipment.

G.4 The Buyer will discard or repair any transport equipment delivered in a damaged condition, at the Seller’s expense. Any such equipment is excluded from the pallet exchange procedure according to clause G.1.

G.5 At the time of termination of the contractual relationship, the Parties shall settle the transport equipment account within thirty (30) days following the termination date of the contract, i.e. the obliged person shall pay the corresponding balance to the entitled person.

H. Specifications and declarations of conformity

H.1 The specifications, certificates and declarations of conformity transmitted by the Seller to the Buyer prior to the initial delivery represent, in their entirety, characteristics of the goods to be guaranteed by the Seller. The Buyer is not obliged to check the processability and marketability of the goods. If the Buyer orders a specific product based on a sample delivery, its characteristics, including its sensory/flavour characteristics, shall be deemed guaranteed for future orders.

H.2 The Seller agrees to provide the Buyer with valid specifications and associated declarations of conformity for each item to be delivered no later than fifteen (15) business days preceding the purchase order. The Buyer may request that the Seller provide specifications and declarations of conformity using forms provided by the Buyer.

H.3 Specification of all the products delivered to the Buyer must be provided and their compliance with the applicable food processing regulations (see clause R.1) must be documented.

H.4 Any labelling available and/or attached, concerning the properties/condition, durability, designations, descriptions, accompanying documents and/or advertising statements as well as instructions for use and assembly, shall be correct in terms of their content, legally flawless, complete, comprehensible and written in German.

H.5 The Seller shall ensure that specifications, declarations of conformity and certificates issued for a fixed term are automatically renewed before their expiry and made available to the Buyer without request.

H.6 The Seller agrees to make changes to specified items regarding declarations and quality only based on mutual agreement with the Buyer and further agrees to provide the Buyer with new specifications as well as with associated declarations of conformity and certificates sufficiently in advance before the initial delivery.

I. Quality

I.1 The Seller confirms that the goods delivered by the Seller comply with the applicable food-processing and other regulations (laws, ordinances, etc.) applicable in Switzerland and/or in the country where the place of delivery is located according to the purchase order, and are suitable and harmless for use in the food industry. The Seller warrants, in particular, that all items delivered to the Buyer comply with the legal requirements on labelling, use of additives and application of genetic engineering, and that the foodstuffs delivered by the Seller are not GMO products subject to a mandatory declaration.

I.2 The Seller acknowledges that the Buyer will only accept food raw materials and foodstuffs if their manufacture is secured by a certified quality assurance system – including an HACCP concept and a contingency plan – and if their manufacture complies with good manufacturing practice (GMP).



I.3 The Seller shall ensure that foodstuffs are delivered in accordance with IFS Version 6 (Food Defense) standard.

I.4 The Seller and its suppliers must possess certification accepted by the Buyer (e.g. IFS, BRC, DIN EN ISO 22000, FSSC and/or USDA-Approval). The Seller is obliged to provide the Buyer, even without a request, with the respective necessary and valid evidence and contact persons.

I.5 The Seller shall ensure that the traceability of the goods delivered by the Seller with regard to the origin of the products delivered is guaranteed in accordance with Regulation (EC) No 178/2002 and, in the case of deliveries to an address in Switzerland, also in accordance with the Ordinance on Foodstuffs and Utility Articles (817.02). Traceability must also be guaranteed for the Seller's suppliers in accordance with these specifications.

I.6 In conformity with the legal requirements and in accordance with a plan to be agreed with the Buyer, the Seller shall create reserve samples for the batches of goods to be delivered by the Seller, and shall make them available to the Buyer on request.

I.7 The Seller guarantees, on the Seller's own behalf and on behalf of its suppliers, compliance with the Bell Food Group regulations, Coop regulations and instructions received by the Seller in connection with deliveries ("**Applicable Documents**"), including allergen labelling and specifications regarding microbiological values. The Buyer may update, replace or cancel these documents at any time.

I.8 If the Buyer suspects the existence of quality deviations, the Buyer may commission its own or an external laboratory to analyse the goods at the Seller's expense.

J. Liability and warranty

J.1 Goods will be deemed defective if, at the time of delivery and/or during the warranty period, they wholly or partly

- a) show, according to the Buyer, one or more relevant deviations from the agreed target specifications; and/or
- b) do not comply with the quality required by the law or regulations and/or may not be manufactured, imported, sold or processed in Switzerland and/or the EEA for any other reason; and/or
- c) violate any obligation, representation, undertaking or warranty of the Seller under a contract, a framework contract, the QAA, if applicable, a specification agreement, if applicable, these GPC or the Applicable Documents; and/or
- d) pose a health risk to consumers and/or are physiologically harmful when used as intended and in a foreseeable manner.

J.2 The warranty period ends

- a) for foodstuffs, at the best-before date; and
- b) for all other goods, upon the expiry of three (3) years from delivery.

J.3 If any goods are defective and/or in case of any other breach of contractual or statutory obligations, the Seller shall compensate the Buyer for all direct and indirect damage, costs, fines and other losses incurred by the Buyer in this connection (including costs and penalties in case of product recalls). The Buyer is entitled to assert warranty claims against the Seller within two (2) years of expiry of the warranty period; the decisive time in this regard is the date of receipt of the relevant notification by the Seller. The burden of proof that the goods were not defective at the time of delivery and/or did not become defective during the warranty period shall be borne by the Seller.

K. Insurance

The Seller agrees to take out product liability insurance with an adequate insurance cover (depending on the value of the deliveries), but not less than EUR 5 million. A confirmation of insurance must be presented to the Buyer on the Buyer's request.

L. Audits

L.1 The Buyer reserves the right to carry out an audit at the Seller and/or the Seller's suppliers at any time or have such an audit carried out by third parties. The dates of regular audits shall be specified based on mutual consent. In the event of any suspected deviations in quality that might be hazardous to health, the Buyer has the right to carry out unannounced audits. The Seller acknowledges, accepts and ensures that the Buyer's customers may also conduct audits of the Seller and/or the Seller's suppliers to the same extent.

L.2 The Seller agrees to allow and facilitate the audits referred to in clause L.1, and provide the necessary support in this regard.

M. Billing and terms

M.1 The Seller assumes the procurement risk and the currency risk in respect of all the goods and services required for the manufacture and delivery of the goods to be sold by the Seller to the Buyer. The Seller guarantees equal conditions (quality, availability, prices) for all items. Logistics expenses shall be indicated separately and in a transparent manner in offers and quotations.

M.2 Invoices shall also be sent by the Seller in electronic form to the e-mail address specified to the Seller. Invoices shall fall due, in each case, thirty (30) days of receipt of an invoice that is verifiable and that complies with the requirements for a tax document under Swiss law and indicates VAT separately, but not earlier than thirty (30) days following (i) proper delivery of the goods; and (ii) receipt of all the necessary documents by the Buyer. **If the Buyer pays an invoice within 14 days after the beginning of the maturity period, the Buyer may reduce the payments by a 3% discount.**

M.3 If an annual rebate has been agreed, the basis for determining the rebate is the net turnover during a calendar year. The rebate shall be paid within eight (8) weeks of the end of the calendar year.

N. Compliance

N.1 When processing personal data, the Seller agrees to comply with the legal regulations applicable to such a procedure. The Seller has become acquainted with

the Buyer's declaration on personal data protection and agrees to inform its employees and suppliers about the declaration on personal data protection.

N.2 The Seller agrees to conduct its business activities in accordance with the legal requirements, while taking into account compliance issues such as employee protection, sustainability, environmental protection and animal welfare, and as a minimum, comply with the Code of Conduct of the Bell Food Group.

N.3 The Seller guarantees that the manufacture of products and raw materials along the supply chain takes place in accordance with recognised social standards and, in particular, that it complies with the rules and regulations of the BSCI, as amended from time to time.

O. Non-disclosure

O.1 The Seller agrees to maintain confidentiality of any and all information and documents related to a member of Bell Food Group, its corporate bodies, employees, customers, suppliers and/or business partners, and to use such information and documents exclusively for the performance of the obligations owed hereunder.

O.2 The confidentiality obligation does not apply to:

- a) information and documents which are publicly known at the time of the execution hereof or which become publicly known after the execution hereof without any breach of the confidentiality obligation; and
- b) information and documents which the Seller is obliged to provide to a court or an administrative authority based on a coercive legal order or a court judgment or an administrative decision enforceable against the Seller; in such a case, however, the Seller agrees to limit the disclosure of information and documents as much as permissible and to anonymise and black out the information.

P. Intellectual property

P.1 If any information, documents or items containing intellectual property, in particular know-how, formulas, graphics, slogans, claims and/or industrial property rights, are handed over, the Buyer or its associated company reserves all the rights thereto.

P.2 The Seller guarantees that the goods and/or services delivered by the Seller are free from any third-party rights and that their purchase, processing, manufacture, packaging, advertising and resale to the Buyer as well as the purchase, processing, manufacture, packaging, advertising, resale by the Buyer do not infringe any third-party rights.

Q. Foreign commercial law

Q.1 The Seller is obliged to identify, on request, the country of origin of the goods and to present any certificates of origin required for export. The Seller is responsible for the correctness of its statements. If the Buyer does not obtain a required export licence, the Buyer may withdraw from the relevant purchase order.

Q.2 In this case, the Seller shall reimburse the Buyer for the costs and damage incurred and suffered by the Buyer as a result of the above, provided that the Seller is accountable for the fact that the export licence was not issued.

R. Final provisions

R.1 The present document is governed by the laws of Switzerland to the exclusion of the UN Convention on Contracts for the International Sale of Goods.

R.2 The place of jurisdiction is Basel, Switzerland.

By signing this document, the Seller declares its agreement with the provisions of these GPC. At the same time, the Seller irrevocably declares that it waives the applicability of its own general terms and conditions, and further declares that these are not applicable, even if the Seller refers to them in its order confirmations.

In....., on

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The Seller

¹ Available at www.bellfoodgroup.com/partner

² Available at: <https://www.bellfoodgroup.com/en/bell-food-group/corporate-governance/>

³ Available at: <https://www.amfori.org/sites/default/files/amfori-2020-03-05-amfori-BSCI-Code-of-Conduct-DE.pdf>