

## **GENERAL PURCHASE CONDITIONS**

### **I. Scope**

These General Purchase Conditions ("GPC") shall apply to all business relationships of the Lehmann Natur Gesellschaft zur Erzeugung und zum Vertrieb ökologischer Produkte mbH (Company for distribution and marketing of organic products) established in Meerbusch and registered in the commercial register of the District Court (AG) of Neuss under HRB 19089 (hereinafter also "lehmann natur") with farmers and suppliers ("Supplier"). The GPC shall only apply if the Supplier's enterprise (§14 of the Civil Code/BGB) is a legal entity or special fund under public law.

The GPC shall apply, in particular to the contracts for sale and/or delivery of organic fruit and vegetables ("the Goods"), irrespective of whether the Supplier of the Goods produces by his own or buys them from subcontractors (§§433, 651 BGB). Unless agreed upon otherwise, the GPC shall apply in the version valid at the time of the lehmann natur's order or in the version provided to the Supplier most recently in the text form, in particular for similar future contracts, without us having to refer thereto in each particular case.

These GPC shall apply exclusively. The Supplier's general terms and conditions varying from, in conflict with or supplementary hereto shall only be part of the contract if and insofar as explicitly consented to by us in writing. This requirement of consent applies in any case, for example even if we, being aware of the Supplier's general terms and conditions, accept his delivery without reservation.

Individual agreements concluded with the Supplier in specific cases (including collateral agreements, supplements and changes) shall always have priority over these GPC. In the absence of proof to the contrary, the contents of such agreements shall be governed by a written contract or our written confirmation.

Legally relevant declarations and notifications of the Supplier relating to the contract (e.g. setting a deadline, warning notice, rescission declaration) shall be provided in writing, i.e. in written or text form (e.g. letter, email, fax). Statutory provisions and other proofs, in particular in case of doubts regarding legitimation of the notifying party shall remain unaffected.

### **II. Conclusion of contract**

Our order shall be considered binding not earlier than with a written submission or confirmation. Before accepting any purchase order the Supplier must point out obvious mistakes (e.g. misspellings or calculation errors) and any incompleteness in the purchase order including the purchase order documents for the purposes of correction or completion; the contract shall otherwise be considered not concluded.

### **III. Delivery period and delayed delivery**

The delivery period specified by lehmann natur in the order shall be binding. If the Supplier is likely to be unable to adhere to the agreed delivery deadline – for whatever reason – he is obliged to notify us immediately thereof in writing.

If the Supplier fails to deliver his performance or do so within the agreed delivery period or is in default, our rights shall be determined according to the legal regulations, which in particular shall apply to withdrawal and compensation for damages. Provisions of section III clause 3 shall remain unaffected.

If the Supplier is in default, lehmann natur shall be entitled to – in addition to further statutory entitlements – flat rate compensation for our damage amounting to 1% of the net price per completed calendar week, however, not more than a total of 5% of the net price of the delayed delivered goods. Lehmann natur retains the right to prove that the higher damage has occurred. The Supplier shall retain the right to prove that no damage at all or significantly lower damage has occurred.

#### **IV. Performance, delivery, transfer of risk, acceptance delay**

Without our prior written consent, the supplier shall not be entitled to assign his own performance to a third party (e.g. subcontractor). The Supplier shall bear the procurement risk for his performance, unless otherwise expressly agreed in individual cases (e.g. restriction of stock).

In absence of any other provision regarding the place of destination, the delivery shall be made to our warehouse at Hauptstrasse 1, 41352 Korschenbroich-Glehn. The respective place of destination is also the place of performance for the delivery and any supplementary performance (debt to be discharged at creditor's domicile).

The delivery must be accompanied by a delivery note, which states date (issue and dispatch), contents of the delivery (item number and quantity) and our order identification (date and number). If the delivery not is missing or incomplete, we shall not be responsible for the delays in processing and payment caused thereby. A corresponding notice of dispatch with the same content must be sent to us separately from the delivery note.

The risk of accidental loss and accidental deterioration of the item shall pass to lehmann natur at the place of performance. If an acceptance procedure has been agreed on, it shall be decisive for the transfer of risk. The statutory provisions of the services contract law shall apply to the acceptance procedure in all other respects accordingly. Default of acceptance by lehmann natur shall be equivalent to delivery or acceptance.

If acceptance is delayed on our part, the statutory provisions shall apply. The Supplier must, however, expressly offer his performance to lehmann natur even if a specific or definable calendar date has been agreed for an action or assistance on our part (e.g. for supply of packaging materials). If lehmann natur defaults in acceptance, the Supplier may demand compensation of his additional expenses according to the statutory provisions (§304 BGB).

#### **V. Prices and payment conditions**

The price specified in the order is binding. The prices shall be understood including statutory sales tax, unless listed separately.

Unless otherwise agreed in a particular case, the price includes all services and additional services of

the Supplier and all additional costs (e.g. proper packing, transport costs including possible transport and liability insurance).

The agreed price shall be – unless otherwise agreed upon separately – due for payment within 35 calendar days of complete delivery and performance (including agreed acceptance if applicable) as well as receipt of a proper invoice. Every invoice must be marked with lot/order number assigned by lehmann natur and the number assigned by the corresponding organic certification agency. In case of bank transfer, the payment shall be considered made in time if the transfer order of lehmann natur is received by our bank before the expiry of the period for payment; lehmann natur shall not be responsible for the delays caused by the banks involved in the payment process.

Lehmann natur shall not owe any interests on arrears. If the payment is delayed, the statutory provisions shall apply.

Lehmann natur shall be entitled to the rights of offsetting and retention as well as the right to object to unfulfilled contracts to the extent permitted by law. Lehmann natur is entitled, in particular to withhold due payments as long as lehmann natur still has rights against the Supplier because of incomplete or defective performance.

The Supplier shall be entitled to the rights of offsetting and retention only due to the counterclaims that are uncontested or established as final by a court of law.

## **VI. Condition of the goods**

Unless lehmann natur and the Supplier have expressly agreed otherwise in an individual case in writing, the following shall apply to the condition of the goods to be delivered by the Supplier to lehmann natur:

### **1. Mandatory laws, regulations, guidelines:**

The Supplier guarantees that the goods supplied to lehmann natur comply with the laws, regulations and guidelines applicable in the Federal Republic of Germany in the current version and marketable according to German law. In this respect, in particular (but not exclusively) the following regulations shall mandatorily be adhered to:

Regulation (EEC) No. 834/2007 on organic production and labeling organic products

Regulation (EC) No. 889/2008 laying down provisions for implementation of the Regulation (EC) No. 834/2007 of the Council on organic production and labeling of organic products regarding organic production, labeling and control

Regulation (EC) No. 1935/2004 on materials and articles intended to come into contact with food

Regulation 10/2011 on plastic materials and articles intended to come into contact with food

Regulation 1169/2011 on the provision of food information to consumers (Food information for consumers regulation/FIC)

Regulation (EC) No. 1881/2006 setting maximum levels for certain contaminants in foodstuffs

Regulation 1829/2003 on genetically modified food and feed products

Regulation 1830/2003 on traceability and labeling genetically modified organisms and traceability of food and feed products produced therefrom

Regulation (EC) No. 178/2002 on general principles and requirements of food law and food safety e.g. as regards traceability of food and feed products

Directive 2003/89/EC regarding indication of the ingredients present in foodstuffs (allergen labeling regulation)

Regulation 1107/2009 on placing the plant protection products on the market

Regulation providing for the authorization of additives intended for use in technology (Additives Regulation/ZZuIV)

EC Regulation 396/2005 on maximum residue levels of pesticides in or on food and feed products of plant and animal origin

Regulation (EC) No. 1924/2006 on nutrition and health claims made on foods

Regulation 1234/2007 establishing a common organization of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation)

Implementing Regulation 543/2011 laying down the rules for application of the Regulation 1234/2007 in respect of the fruit and vegetables and processed fruit and vegetables sectors

Implementing Regulation 594/2013 amending Regulation 543/2011 as regards marketing standards in the fruit and vegetables sector

Implementing Regulation 1235/2008 as regards arrangements for import of organic products from third countries

Regulation 315/93 laying down Community procedures for control of maximum levels of contaminants in food

Regulation 852/2004 on food hygiene

Regulation 1333/2008 on food additives

The following regulations also apply for the German market in their currently valid versions:

- Food information regulation (LMIV)
- Pre-packaging regulation (FertigPackV)

- Lot labeling regulation (LKV)
- Additives regulation (ZZuV)
- Price indication regulation (PAngV)
- Food hygiene regulation (LMHV)
- Maximum residue level regulation (RHmV)

#### Marketing standards

The special marketing standards of the Regulation (EU) 543/2011 (Part B) must also be observed. These shall apply as basic specification. Unless agreed otherwise, the UNECE standards shall apply as binding specification. The quality criteria for the products not specified therein can be derived from the UNECE standards (downloadable at: <http://live.unece.org/trade/agr/standard/fresh/FFV-StandardsE.html>). If no UNECE standard exists for a product, the general marketing standard of the Regulation (EU) No. 543/2011 (Part A) must be adhered to.

#### **2. Goods specifications / test samples:**

The Supplier undertakes to exclusively deliver to lehmann natur the goods from agricultural enterprises, which possess a valid Global GAP certificate for the relevant item. The Supplier shall guarantee that the delivered products are labeled according to EC Regulations or UNECE standard. The Supplier shall guarantee that the corresponding certificate (organic certificate, Global GAP with GRASP, etc.) can be produced for the goods to be labeled in sales according to certain quality standards.

Moreover, the specific provisions of the food retail industry for organic products must be adhered to. (Overview of the most important limits, see annex).

The valid organic certificate and Global GAP certificate with GRASP in German or English must be provided before the first delivery. The farmer's or farmer group's address must be indicated in the Global GAP certificate. Certificates with blocked addresses will not be admitted.

The Supplier undertakes to send a representative goods sample including leaf and fruit to an accredited testing institute recognized by the QA before commencement of supplies. The result of these tests must be provided free of charge and unsolicited to lehmann natur GmbH. Lehmann natur GmbH can also commission sampling and testing, in which case the costs will be charged to the Supplier.

#### **3. Organic food:**

The Supplier shall guarantee adherence to the EC Ecoregulation (EC Regulation No. 834/2007 on organic cultivation and corresponding labeling of the agricultural items and food). The Supplier shall, in particular guarantee that the supplied products meet the following requirements:

- Organic goods delivered to lehmann natur GmbH only contain the ingredients listed and approved in Implementing Regulation (EC) No. 889/08 of 5 September 2008, Article 5 clause 1. Documentation on the necessity of application of the substances listed in Implementing Regulation (EC) No. 889/08 article 5, clause 1, is to be provided on request of lehmann natur GmbH.
- For production of the delivered items, exclusively the raw materials or finished goods are used that comply with the statutory provisions and have been checked by independent institutions through random sample tests as well as own quality controls and found marketable.
- The limit value for the inorganic bromide in organic goods of 5mg/kg is complied with; with higher bromide content, it must be ensured that the total bromide is of natural origin.
- In cases where a company produces both organic and conventional goods, the Supplier is obliged to separate products and production lines in either space or time in order to reliably avoid contamination.
- All conditions for attaching the applicable logos (in particular the EU and German eco labels) have been met. This also means that the use, in particular, of the aforementioned labels has been applied and registered with the respective competent agency.

Compliance with the recommendations of the German Society for Hygiene and Microbiology (DGHM: [www.dghm.org](http://www.dghm.org)) concern the microbiological limit values up to the end of the expiration date of the product.

On request, the Supplier will provide the following documents:

- Organic certificate of the entire supply chain
- Data of the field/farming plot
- Plant protection and fertilizers used
- The preculture on the field/farming plot (for annual crops)
- Organic certificate of the packing unit

lehmann natur GmbH meets its responsibility through a comprehensive residue monitoring. The laboratory tests are carried out in the QA certified laboratory. If two independent tests confirm for both A and B samples the presence of the ingredients that are not listed in Annex II of the respective applicable EU Ecoregulation and the Supplier fails to explain the reason comprehensively, the Supplier will be suspended as the supplier of lehmann natur GmbH with immediate effect. Thus, all purchase agreement shall become void. In this case, lehmann natur GmbH reserves the right to charge the Supplier with all resulting costs without prejudice to the right to claim damages/defects.

lehmann natur GmbH reserves the right to carry out at any time the unannounced inspections of the production sites and fields of the Supplier and of the card of the agricultural plot to be maintained. The Supplier expressly declares that access to the production sites and fields listed in the agricultural

plot card will be provided to a representative of lehmann natur GmbH at any time.

#### **4. Quaternary ammonium compounds**

Zero tolerance shall apply to the quaternary ammonium compounds (QACs), which can be contained in detergents for surface cleaning, in disinfectants/hand sanitizers etc., or in plant fortifiers; QAC use is prohibited. The Supplier guarantees that the entire supply chain is free from substances /products containing the QACs. The Supplier is obliged to check his goods for contaminants on a regular basis.

Other provisions concerning residues can be found in the annex hereto.

#### **5. Packaging:**

The Supplier guarantees that the packaging used to deliver the products is harmless when used with food, and a corresponding health certificate and specification of the packaging manufacturer do exist and can be viewed by lehmann natur GmbH at any time.

The Supplier shall guarantee that license fees for the packaging provided with a "green dot" or comparable label have been orderly paid to the system operator or licensor. In case of DSD fee payments, the Supplier shall transfer to lehmann natur GmbH a confirmation signed by the Supplier that the fees under the indicated customer number have been paid to the German Dual System (DSD) as an attachment.

The Supplier shall ensure that all applicable EU regulations on packaging and labeling are adhered to (Lot Labeling Regulation (LKV), Food Information Regulation (LMIV) and pre-packaging Regulation, where applicable), in particular also that each colli/box/package has a lot No. Moreover, the Supplier shall ensure that all packaging materials that come into direct contact with foodstuff are suitable for the direct contact with the foodstuff packed. In particular, the following regulations shall apply: (EC) No. 1935/2004, (EU) No. 10/2011, Consumer Goods Ordinance (BedGstV), Guideline 2002/72/EC in the respective consolidated version, and latest publications of the Federal Institute for Risk Assessment (BfR). The Supplier shall provide the evidence of adherence to the statutory provisions and most recent migration tests upon request.

The Supplier shall guarantee that the system of traceability of the packaging materials exists (Regulation 1935/2004) and that all delivered goods and their packaging means comply with the European Guideline 94/62 EC on packaging and packaging waste.

#### **6. Mineral oil components (MOSH/MOAH) in foodstuffs:**

The Supplier shall take appropriate actions to reduce mineral oil components (MOSH/MOAH) in foodstuffs. Here, the ALARA principle based solution approach ("as low as reasonably achievable") have to be followed. In the course thereof, the Supplier shall pursue the goal of keeping the content of mineral oil components (MOSH / MOAH) in foodstuffs in the long run below the specific detection limit for respective foodstuff. The actions taken include both production processes of the supplier / producer and pollution situation of the raw materials as well as possibilities of reduction through the use of suitable package (with barrier function, where applicable).

The following limit values for mineral oil in foodstuffs shall be observed:

- MOSH C20-C25 (C35) max. 2 mg/kg
- MOAH C16-C25 (C35) max. 0.5 mg/kg

#### **7. PVC/PVDC/chlorinated compounds and plasticizers**

The packages, print color and ink used are free from PVC/PVDC/chlorinated compounds and plasticizers. Excepted therefrom are technically unavoidable traces.

#### **8. Primary packaging from recycled material**

The primary packaging does not consist of recycled material. If recycled material is used, the product must be isolated from the cardboard packaging by a suitable inner bag or corresponding inner coating of the outer box.

**The following applies to EDEKA and Netto MD own brands: Use of sustainable certified packaging material (FSC):**

- Primary end consumer packaging and all packaging components of primary end consumer packaging, including labels, stickers, etc. made of wood, paper, paper board or cellulose (tissue), must preferentially be manufactured from certified recycling material (FSC Recycled, "Blauer Engel" or comparable). If the use of recycling material is not practicable for quality reasons, FSC-certified virgin fibre must be used. The packaging material must be certified according to the current guidelines of the FSC (FSC 100%, FSC Recycled, FSC Mix), "Blauer Engel" or equivalent standards.
- Secondary packaging (transport/surrounding packaging), including labels, stickers, etc. made of wood, paper, paper board or cellulose (tissue), must be manufactured from recycling material and certified according to the current guidelines of the FSC (FSC Recycled), "Blauer Engel" or equivalent standards. If the use of recycling material is not practicable for quality reasons, are individual checks required.
- When using recycling material (also mixtures), mineral oil or mineral oil components may not migrate to the foodstuffs. The most accurate and most sensitive measuring method must always be used to carry out an analysis.

#### **9. Genetically-modified organisms (GMO):**

The Supplier guarantees that, according to Regulation (EC) No. 1829/2003 and Regulation (EC) No. 1830/2003, no products are supplied, which contain or consist of genetically modified organisms (GMO). Excepted therefrom are incidental or technically unavoidable contaminations by genetically modified material up to a threshold value of 0.9%.

## **10. CMS cultivation methods for organic products**

The Supplier guarantees that the cultivation method "cytoplasmic male sterility" (CMS) is foregone in case of organic items.

## **11. New cultivation methods for organic products**

The Supplier guarantees that the products are obtained from organic farming without the use of the so-called "new cultivation methods". In particular, the so-called "Genome editing processes", such as

- ODM (Oligonucleotide directed mutagenesis)
- RTDS (Rapid trait development system)
- CRISPR/Cas
- ZFN (Zinc finger nuclease)
- TALEN (Transcription activator-like effector nuclease)
- Grafting (combination of classical graft and genetic technologies)
- Agroinfiltration

and other comparable molecular biological methods of removal, introduction and/or modification of DNA shall be understood as new cultivation methods.

## **12. Traceability:**

The Supplier shall ensure that, based on the label on the crate or product packaging

1. the packaging enterprise and
2. the producing enterprise

can be always traced back. The Supplier shall guarantee that both the delivered goods and the packaging are subject to the traceability system, which enables to trace a batch back to the sub-supplier/producer (EU Regulations 178/2002 and 1831/2003). This clause shall also apply for the Global GAP non-certified goods. The Supplier also guarantees being capable to provide all traceability information, in particular the producer's company of the goods delivered and associated Global GAP numbers in response to specific request within four hours of receipt thereof.

Should allocation of the producing company be impossible in case of an exceeded plant protection limit value or an identified impermissible fertilizer, all goods of the Supplier delivering to us will be suspended.

### **13. Storage and transport:**

The Supplier shall ensure that all warehouses and packing units are certified according to the standards of an internationally recognized quality management system, e.g. IFS or BRC. The Supplier shall provide the corresponding certificates on request. Moreover, the Supplier shall guarantee observance of the requirements of the Regulation (EC) No. 852/2004 for the goods transport.

The Supplier undertakes to store and transport all goods in the optimum for the respective product group temperature range up to delivery. The parties agree that the quality defects revealed after delivery (in particular, cold damage) can partly be determined with delay at first and thus only complained about with time lag. Such delayed complaints shall not lead to the loss of right of execution and/or warranty by lehmann natur GmbH. In special cases and on demand of lehmann natur GmbH, all goods shall undergo appropriate output control documented in writing. The result must be provided to lehmann natur GmbH, where needed. The Supplier assures that the vehicles for transporting the products subject to temperature control are equipped with the required temperature recorder. The temperature recorder logs shall be provided on request.

### **14. Food defense (Food protection):**

The Supplier confirms having established a system, which as far as possible enables to prevent "deliberate tampering" with and "sabotaging" the products. Defining responsibilities for product protection in the company, business-related hazard analysis and employee training are part of this system. If the company uses the services of the others within the framework of the delivery (e.g. subcontractor for: transport, preprocessing etc.), it has been ensured that these companies have the product protection process in place.

### **15. Food fraud (Authenticity of food)**

The parties support the "Code of Good Organic Practice" of the antifraud initiative with the objectives:

- All actors in the value-added chain – producing, processing and business companies – take on social responsibility for the area of their responsibility to achieve and maintain the integrity of entire industry.
- All actors are active in their industry and contribute to further development of the projects in the organic agriculture.
- All actors operate with sustainable relations and fair pricing across the entire value-added chain.
- All actors agree to a full transparency of the value-added chain and openly communicate this.
- All actors aim at open communication between themselves, supervisory authorities and bodies in all relevant fields.
- All actors support the harmonization of the system for organic foodstuffs and agriculture and management in handling violations.

- All actors must establish a quality management system, which considers special requirements of the organic production and ensures organic products authenticity.

## **VII. Deficient delivery**

For the rights of Lehmann Natur in case of defects of quality and title of the goods (including wrong and short delivery, improper assembly, and inadequate assembly or operating instructions) and other breaches of duty by the Supplier, the statutory provisions shall apply unless agreed otherwise in the following.

According to statutory provisions, the Supplier is liable, in particular to ensure that the goods, at the time of risk transfer to us, have the agreed quality i.e. at least the quality provided for in section VI of these Purchase Conditions. In any event, the product descriptions which – in particular by indication or reference in our order – are the subject of the respective contract or included in the contract in the same way as these GPC shall apply as agreements on the quality. It makes no difference, whether the product description derives from us, Supplier or pre-manufacturer.

Commercial duty to inspect and to give notice of defects shall be subject to the statutory provisions (§§ 377, 381 of the German Commercial Code (HGB)) with the following proviso: Our commercial duty to inspect is limited to the defects that often become evident in the course of the goods income control and can be visually identified including shipping documents, as well as in the course of the quality control in the sampling procedure (e.g. transport damage, wrong and short delivery). No duty to inspect exists insofar as, in case of processed goods, an acceptance is agreed upon. Beyond that, essential is the extent to which an inspection, taking into account the circumstances of an individual case, is feasible according to the proper course of business. Our duty to give notice of defects discovered later shall remain unaffected. Without prejudice to our duty to inspect, our objection (notice of defects) shall be deemed timely and immediate each time when delivered within 2 business days of the defect detection or, in case of apparent defects, of the delivery.

Without prejudice to our legal right the following applies: If the Supplier fails to comply with his obligation to render supplementary performance – by either rectifying the defect (rectification) or supplying a non-defective replacement (substitute delivery) as we see fit – within a reasonable period set by us, we shall be able to rectify the defect ourselves (e.g. by a covering purchase) and demand that the Supplier reimburse the necessary expenses or commensurate down payment. If supplementary performance by the Supplier has failed or is unreasonable for us (e.g. because of particular urgency or imminent occurrence of disproportionate damages), no time limit need be set; as far as possible, we shall immediately notify the Supplier of such circumstances.

Beyond that, in case of defects of quality and title of the goods, according to statutory provisions, we are entitled to reduce the purchase price or withdraw from the contract. Moreover, according to statutory provisions, we are entitled to claims for damages and reimbursement of expenses.

Beyond that, the Supplier is obliged to pay to lehmann natur for each case of delivery of defective goods a flat-rate compensation amounting to EUR 1,000.00 per individual case. Each complaint documented by lehmann natur shall be considered an individual case. The Supplier shall retain the right to prove that lehmann natur suffered no damage at all or that the damage has been significantly lower than the above flat-rate amount. The flat-rate compensation for damages shall be credited against any further damage asserted by lehmann natur.

#### **VIII. Regress against suppliers**

In addition to the defect claims, we shall have unrestricted entitlement to our legally determined rights of recourse within a supply chain (regress against suppliers according to §§ 445a, 445b, 478 BGB). We shall be entitled, in particular to demand exactly the type of supplementary performance from the Supplier (rectification or substitute delivery) that we owe to our buyer in an individual case. Our statutory right to choose (§ 439 clause 1 BGB) shall not be restricted hereby.

Before we recognize or fulfill a claim for defects asserted by our buyer (including reimbursement of expenses according to §§ 445a clause 1, 439 clauses 2 and 3 BGB), we will inform the Supplier and request a written statement after a brief description of the facts of the case. If no substantiated statement is provided within a reasonable period, while the parties have failed to reach a mutually acceptable solution, the claim for defects effectively allowed by us shall be regarded as owed to our buyer. In this case, the Supplier is responsible for providing counter evidence.

Our claims for Supplier recourse shall also apply in case when the defective goods have undergone further processing by us or another entrepreneur.

#### **IX. Producer's liability**

Where the Supplier is liable for product damage, he shall hold us harmless in respect of third-party claims insofar as the cause lies within his domain and organization area and the Supplier is liable in relation to third parties.

Under his obligation to indemnify, the Supplier must reimburse any expenses that arise from or in connection with any recourse taken by third parties including for recall campaigns carried out by us. We will inform the Supplier of the content and scope of the recall measures – to the extent possible and reasonable – and give an opportunity to make a statement on the case. Further legal claims shall remain unaffected.

The Supplier shall take out and maintain a product liability insurance for a flat-rate cover sum of at least EUR 2 million pro personal injury/material damage.

#### **X. Due diligence obligations and quality assurance:**

If the Supplier has clear evidences of the product-related or other defects and/or that the marketability of the goods is not guaranteed, this shall be immediately communicated to lehmann natur. The

Supplier may not ship contractual goods in this case. Release of the products is only possible subject to written authorization of lehmman natur. The Supplier also undertakes to immediately inform of all authority complaints related to the products for lehmman natur.

#### **XI. Retention of title**

We reserve property rights and copyrights in respect of illustrations, drawings, calculations, execution instructions, product descriptions and other documents. Such documents shall only be used for execution of the contract and returned to us after completion thereof. The documents must not be disclosed to third parties during the contract or after termination thereof. The obligation to maintain secrecy shall only expire if and insofar as the knowledge contained in the provided documents has become generally known.

The transfer of ownership of the goods to lehmman natur shall take place unconditionally and regardless of the payment of the price. However, if we accept, in an individual case, the Supplier's offer of ownership transfer conditional upon purchase price payment, the reservation of the Supplier's ownership rights shall expire at the latest with the purchase price payment for the goods delivered. We shall also be authorized to resale the goods in the normal course of business before the purchase price payment subject to advance assignment of the resulting claims (alternatively, validity of the simple reservation of title to ownership extended to resale). At any rate, all other forms of the reservation of title, in particular, extended and prolonged forms and the reservation extended to further processing shall be thus excluded.

#### **XII. Confidentiality**

The parties agree to maintain the strictest confidentiality as regards the content of the business relations between the Supplier and lehmman natur.

The Supplier undertakes, in particular to make confidential information unavailable to any third parties, in particular to press and/or other media. The Supplier shall only make confidential information available to the persons, who are involved in support and development of the contractual relationship between the Supplier and lehmman natur and had been expressly obligated to maintain secrecy towards third parties for an unlimited period before they received access to the information. This should be documented.

The Supplier further undertakes to use the content and confidential information exclusively for exercising the contractual relationship with lehmman natur and refrain from use thereof otherwise, either directly or indirectly without prior written consent of lehmman natur.

For the purpose of this agreement, the "Confidential information" shall include: any information, in particular also price and competitive information, data and documents by or about lehmman natur and/or delivery conditions, irrespective of whether these are written or oral information or data on

data carriers or other corporeal and/or incorporeal information and whether this information is labeled as "confidential".

Information is considered non-confidential if demonstrably

- has been already publicly known at the time of disclosure or became publicly known after disclosure through no fault of the Supplier;
- has already been known to the Supplier at the time of disclosure or was brought to the knowledge of the same after disclosure while being legally at the disposal of a third party, who is not bound to confidentiality towards lehmann natur;
- shall mandatorily be disclosed based on legal or administrative provisions. In such a case, the Supplier shall notify lehmann natur of the disclosure immediately, if permissible, before the disclosure.

lehmann natur shall be entitled to charge the Supplier with the contractual penalty of up to EUR 5,000.00 for each violation of the Supplier or one of his representatives of the non-disclosure obligation according to section XII of these GPC. The principles of continued offense are excluded. Payment of the contractual penalty shall not exclude assertion of the claim on the basis of omission or claims for additional damages, where adequate evidence is available. The contractual penalty will be set against claim for damages that may be asserted. The Supplier shall retain the right to prove that effectively no damage occurred or it was significantly lower than the contractual penalty.

### **XIII. Data protection**

lehmann natur may be processing personal data within the framework of business relations with the Supplier. Protection of this data is essential for lehmann natur. The Supplier can find out about personal data processing in the data protection declaration for business partners of lehmann natur downloadable at <https://www.lehmann-natur.com/de/lehmann-natur/#c104>.

### **XIV. Statutory limitation**

The reciprocal claims of the parties to the contract shall become statute-barred according to the legal regulations, unless agreed otherwise in the following.

Notwithstanding §438 clause 1(3) BGB, the general limitation period for claims for defects shall be 3 years of the transfer of risk. If acceptance has been agreed, the limitation period begins with the acceptance. The 3-year limitation period shall also apply accordingly to claims resulting from defects in title, whereby the statutory limitation period for claims in rem for the restitution of property remain unaffected (§438 clause 1(1) BGB); Beyond that, claims arising out of defects in title shall on no account become time-barred as long as the third party can still assert the right against us, particularly because it is not time-barred yet.

The limitation periods of the sales law including the aforementioned extension, apply for all contractual claims for defects to the extent permitted by law. Insofar as lehmann natur is also entitled to non-contractual claims for damages based on a defect, the standard statutory period of limitation (§§ 195, 199 BGB) shall apply, unless the periods of limitation under sales law result in a longer period in an individual case.

#### **XX. Applicable law and jurisdiction**

These GPC and contractual relationship between lehmann natur and Supplier shall be governed by the law of the Federal Republic of Germany, while application of the international uniform law, in particular the UN sales law, shall be excluded.

In the event that the Supplier is merchant within the meaning of the German Commercial Code, legal entity or special fund of public law, our registered office in Meerbusch shall be the exclusive place of jurisdiction for all disputes – including international – arising from the contractual relationship. The same shall apply if the Supplier is an entrepreneur within the meaning of §14 BGB. However, we are also entitled in all cases to bring actions in the place of fulfillment for the delivery commitment according to this GPC or preferential individual agreement, or at the place of general jurisdiction of the Supplier. Preferential legal provisions, in particular in exclusive jurisdiction, shall remain unaffected.