

Purchase Terms of Dr. Otto Suwelack GmbH & Co. KG

1. Scope of Validity

The following terms apply for all contracts in which we appear as buyers. They also apply for all future business relationships, i.e., also in cases if they are not expressly agreed again. Terms of the seller contrary to or deviating from our Purchase Terms are not accepted by us unless we have expressly agreed to their validity. This shall apply also in cases where we did not expressly object to them. Our Purchase Terms apply only for companies within the meaning of §§ 310 Para. 1 Sentence 1, 14 BGB (German Civil Code).

2. Assignment, Transfer, Set-off and Retention

The transfer of the complete or partial execution of the placed order to third parties and the assignment of the claims from this order shall require our written consent. This consent requirement shall not apply for the assignment of outstanding debts from this contract if the contract represents a commercial transaction for both parties. If the assignment of claims from this contract is effective without our consent, we are entitled to pay to the seller as previous creditor with the effect of discharging our obligation. We as the purchaser are entitled to the legal set-off and retention rights to the full extent. We are entitled to assign all claims from the purchase contract even without the seller's consent.

3. Prices

Unless otherwise agreed in writing, the agreed prices are absolutely binding and shall be supplied delivery paid to our Billerbeck operation and/or delivery paid to the shipping point requested by us. In other charges besides the delivery prices, in particular for packaging, will not be paid by us. Proper invoicing is an essential contractual obligation. Unless agreed otherwise in writing, we pay the purchase price within 14 days with 2% discount or within 30 days net calculated from the delivery and receipt of invoice. If the merchandise has not been received at the time of the receipt of the invoice or has been received incompletely or in a condition not complying with the contract, the agreed time allowed for payment shall commence only with the complete arrival of the merchandise and/or the provision of the contractual condition at the place of destination.

4. Delivery Date

The delivery date given by us is absolutely binding. We have to be informed immediately about any deviations from the delivery date, also in order to minimize consequential costs. The specified loading days have to be observed.

5. Place of Performance and Shipping Advice

Place of performance for all deliveries to us is our operation in Billerbeck. Independently of this, our contractual partner shall be obliged to send a shipping note by separate mail upon dispatch of each shipment. The shipping notes shall make reference to the date and number of our order.

6. Agreed Quality

For the product to be supplied, in particular the following properties are agreed: unless agreed otherwise in writing, the product shall comply with the applicable EU and German legislation in their respective valid version. In addition, the product shall meet the following requirements, if applicable: the manufacturing principles of the German Food Code within the meaning of § 15 of the medicine, food and commodities; - the comments of the working group of food chemistry experts of the German federal states and the Federal Office of Consumer Protection and Food Safety in case of legal situations not expressly regulated; - the generally accepted rules of technology (technical norms, regulations, processes, conditions, etc.), the work safety, accident prevention rules, environmental protection law and the regulations of the Equipment and Product Safety Act in the manufacturing process, quality and usability. The seller is obliged to inform us expressly about any possible declaration requirement. The seller is obliged to inform us expressly about the existence of any specific requirements concerning storage and transportation insofar as these requirements could exceed the general obligation to exercise diligence. For deliveries of hazardous materials, these have to be marked in accordance with the Regulations on Hazardous Materials. The relevant safety data sheets have to be included to the delivery. Decisive are the rules, regulations, conditions, etc. applying in Germany at the time of the delivery unless otherwise agreed in writing.

7. Warranty

Except for obvious defects in quality, the duty to inspect the merchandise commences only with the processing or use by us, however, half a year after delivery at the latest, and is restricted to random tests. For successive or partial deliveries, inspection of only individual delivery parts is sufficient. In each case, inspection for typical quality and pronounced design defects is sufficient. The consultation of external experts is not required. In case of a resale in unaltered condition, the duty of inspection shall be void. Evident defects are to be advised within five workdays after delivery, others – in particular defects acknowledged due to the inspection – within ten workdays after their detection by us. The notice has to be directed to the seller or to the agent work acting for him. In the notice, the defect has to be described roughly; further details on the nature of the defect or the scope of the merchandise affected are not required. We are entitled to the legal warranty claims in unabbreviated form. The supplier shall be liable to us to the legal extent. If danger is imminent or for the sake of expedition, we shall be entitled remove the defects ourselves at the supplier's expense. For our claims based on defects due

to merchandise supplied not in accordance with the contract, additional and replacement deliveries, the statutory period of limitation according to § 438 BGB (German Civil Code) shall apply.

8. Compliance with Safety Regulations

The seller shall be obliged to comply with the relevant rules for the prevention of accidents, other industrial safety regulations and in general the generally accepted safe practice and industrial medical rules in the execution and processing of the order. This obligation is part of the contract. If the supplier fails to observe this obligation, the contract is deemed to be not complied with properly. We shall be entitled to claim compensation for damages resulting from non-compliance with these regulations to the extent that the supplier is responsible for them within the meaning of § 276 BGB (German Civil Code).

9. Social and ecological responsibility

The vendor undertakes to act in an ethically, socially and ecologically responsible way.

Compliance with the BSCI (Business Social Compliance Initiative) code of conduct shall be binding. The vendor shall be further obliged to shape his business processes sustainably, make economic use of his resources as well as to minimize the environmental impact. He shall be obligated to contribute to the conservation of the natural biodiversity of animals and plants in his field of action.

10. Written Form

Supplements and amendments of the contract shall require the written form to be valid. The waiver of this written form requirement shall also require the written form.

11. Place of Jurisdiction and Applicable law

Provided that the seller is a merchant, the exclusive place of jurisdiction for all claims – also for actions on dishonoured checks and bills – is Münster (Westphalia). The contractual relationship shall be subject exclusively to the law of the Federal Republic of Germany, with the exception of the UN Sales Convention (CISG), even if the seller has his registered office abroad.