



General Terms and Conditions of Purchase

Food, operating resources and packaging materials

A. Introduction

A.1 These General Terms and Conditions of Purchase ("GTCP") shall form a subordinate part of any contract for the purchase of food, operating supplies and packaging material (also in the form of an order and order confirmation) between the seller named 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 GTCP in its order.

A.2 The Seller's general terms and conditions shall not apply, even if the Seller refers to its terms and conditions in connection with an order or delivery or encloses them and the Buyer does not expressly object to them.

A.3 Individual, mutually agreed arrangements in individual contracts or orders shall always take precedence over these GTCP. If a framework agreement and/or a quality assurance agreement ("QAA") also exists between the Buyer and the Seller, the provisions of the framework agreement and/or the QAA shall also take precedence over these GTCP.

A.4 If a Bell Food Group company purchases goods from the Seller or if it is specified as the delivery address in an order, the company purchasing or accepting the goods may assert the rights specified in the framework agreement, the QAA and/or these GTCP in its own name and for its own account.

A.5 For the purposes of these GTCP, the term "Contract Territory" shall be understood as the country in which the Buyer has its registered office.

A.6 Bell Food Group means the group of companies to which the Buyer belongs, being companies that are directly or indirectly controlled by Bell Food Group AG, with its registered office in Basel, Switzerland.

B. Contract duration

B.1 If a contract has been concluded for an indefinite period, it may be terminated by either party without cause by giving three (3) months' notice to the end of each quarter.

B.2 Either party may terminate a contract extraordinarily and without notice by written notice if the other party breaches a provision of the contract, the QAA and/or these GTCP and has not remedied the breach and the damage and disadvantages already incurred as a result within fourteen (14) calendar days of receipt of a corresponding written notice.

B.3 Upon termination, the Buyer shall reimburse the Seller for any remaining stocks of food and packaging materials only under the following conditions:

a) the termination of the co-operation (i) was a decision of the Buyer without having been caused to do so by a breach of obligations on the part of the Seller or (ii) is due to a culpable breach of duty by the Buyer and

b) the stockpiling was customary in the industry with regard to the business relationship between the Seller and the Buyer and the stockpiling period did not exceed three months needs, unless the Buyer had authorised a longer stockpiling period in writing with regard to a raw material or packaging material, and

c) the Seller has endeavoured with the diligence of a prudent businessman to reduce/abolish the stock in the period from notification of termination until termination.

Only remaining stock is refundable if it can be used exclusively by the Buyer (*single use*). The Buyer shall not owe a refund if the termination of the co-operation was (i) a decision of the Seller, (ii) the result of a price increase demanded by the Seller but not accepted by the Buyer, (iii) the result of quality defects for which the Seller is responsible and/or (iii) the result of a culpable breach of duty on the part of the Seller.

If the Buyer is obliged to reimburse any remaining stock, the compensatory payment is calculated on the basis of the net-net acquisition costs.

C. Orders

C.1 Orders and agreements must be made in writing or via mutually agreed order platforms; e-mails or a signature via electronic signature portals such as DocuSign satisfy the written form requirement. The same shall apply to supplements, amendments and collateral agreements.

C.2 The order must be confirmed by the Seller within three (3) working days of receipt of the order by the Seller, but at the latest before delivery.

C.3 Any confirmation by the Buyer that deviates from the order in material respects shall be deemed a new offer and shall require acceptance by the Buyer. If there is no such acceptance and the Seller nevertheless performs the delivery or other service, the Buyer shall be entitled to return it to the Seller at the Seller's expense and risk.

D. Delivery

D.1 Unless otherwise agreed in the contract, all deliveries shall be subject to **Incoterms 2020, DAP, place of delivery as specified on the Buyer's order**. Notwithstanding the above, the Supplier shall be responsible for any customs clearance upon import into the contract territory (expenses and fees) at its own risk and expense.

D.2 Delivery shall be due on the delivery date specified by the Buyer in the order; the delivery date shall be deemed to be the contractual fixed date. If the Seller is in default of delivery, it shall be in default from the expiry of this date. Delivery is understood to mean the moment as defined in the applicable Incoterms. In the event of default, the buyer may exercise the statutory rights at its own discretion.

D.3 The Seller is obliged to strictly adhere to the delivery quantity specified in the order. Excess or short deliveries are not permitted.

D.4 Deliveries must be free of third-party rights, in particular property rights, pre-emptive rights, liens, trademarks or patents.

D.5 First deliveries must be clearly labelled as such by the seller. Sample consignments must be specially labelled by the seller.

D.6 Unless expressly agreed otherwise in writing, sample shipments are non-binding and free of charge for the Buyer.

D.7 Each delivery unit must be clearly labelled with a pallet card or label. With the help of this information, the seller guarantees that he can trace his consignment as part of quality assurance. The following information is mandatory on the pallet card / label:

- a) Article number of the buyer
- b) Article description of the buyer
- c) Item number of the seller
- d) Lot code
- e) Production date
- f) Expiry date
- g) GS1 EAN code 128 (ingredients AI 02, 10 and 15, non-food AI 02, 10 and 11)
- h) Allergen labelling
- i) Hazardous substance labelling

In individual cases, the buyer may request the seller to include further details on the pallet card.

D.8 In the case of foodstuffs, the Buyer and the Seller shall conclude specification agreements in which the best-before date and the remaining shelf life to be guaranteed by the Seller (period from delivery in accordance with the applicable Incoterms), the best-before date and/or the use-by date are defined on a product-specific basis.

D.9 In the event of a breach of this Section D, the Buyer shall always be entitled to reject deliveries of goods and return them at the Seller's expense and risk. In such a case, the Buyer shall be entitled - without prejudice to further statutory or contractual rights - to make covering purchases even without setting a grace period and to invoice the Seller for the damage incurred and to be incurred by the Buyer. All costs and damages incurred and suffered by the Buyer as a result of a breach of this point D., including any penalties incurred by the Buyer as a result of failure to deliver to its customers on time, shall be borne by the Seller. **In addition, the Seller shall also be obliged to pay compensation for each individual case in the amount of 5% of the value of the goods concerned, but at least CHF 500 or its equivalent in another currency.**

D.10 Unless otherwise authorised by the Buyer in individual cases, the Supplier shall refrain from air transport.

E. Documents

E.1 The Seller is obliged to hand over all documents in reproducible form which the Buyer requires for proper export, import, customs clearance, taxation, utilisation, processing and resale, in particular but not exclusively customs and transport documents, certificates and attestations, free of charge at the latest upon delivery of the goods.

E.2 At the Buyer's request, the Seller shall immediately provide the Buyer with all information and documents required by the Buyer for the conclusion or modification of transport insurance policies.

F. Packaging

F.1 The goods shall be properly and securely packaged by the seller in accordance with the relevant regulations (in particular in the area of foodstuffs) with regard to the specific transport. If their removal requires special care, he shall draw the Buyer's attention to this.

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

G. Loading aids

G.1 The Seller undertakes to process the goods using the pallet exchange procedure (1:1) or to maintain a loading equipment account.

G.2 The Seller shall only deliver the goods using standardised loading aids that are permitted by law in the country of dispatch, each transit country and the recipient country.

G.3 The loading aids must be in a clean and defect-free condition when loaded, whereby the increased requirements in the food industry must be observed during the manufacture, cleaning, storage and loading of the loading aids.

G.4 Damaged loading aids delivered shall be disposed of or repaired by the Buyer at the Seller's expense. These are excluded from the pallet exchange procedure in accordance with G.1.

G.5 At the time of termination of the contractual relationship, the Parties shall settle the loading equipment account within thirty (30) days of the date of termination of the contract by payment of the corresponding balance by the obligor to the authorised party.

H. Specifications and declarations of conformity

H.1 The specifications, certificates, declarations of conformity and other information and documents provided by the Seller to the Buyer prior to the first delivery shall in their entirety constitute warranted characteristics of the goods by the Seller. The Buyer is not obliged to check the processability and marketability of the goods. If the Buyer orders the relevant product on the basis of a sample consignment, the characteristics of the sample consignment, including sensory/flavour characteristics, shall be deemed to be warranted for future orders.

H.2 The Seller undertakes to provide the Buyer with a valid specification and associated declarations of conformity for each item to be delivered no later than fifteen (15) working days before the order is placed. The Buyer shall be entitled to request that the Seller provides specifications and declarations of conformity on the basis of the forms provided by the Buyer.

H.3 All products delivered to the Buyer shall be specified and their food conformity shall be certified in accordance with applicable law (see clause R1).

H.4 Existing and/or enclosed labelling on properties/quality, durability, designations, descriptions, accompanying documents and/or advertising statements must be correct in content, legally correct, complete, comprehensible and in German. Specifications and declarations of conformity can also be provided in English.

H.5 The Seller shall ensure that specifications, declarations of conformity and certificates are regularly reviewed, independently renewed or updated and made available to the Buyer without request.

H.6 The Seller undertakes to make declaration/quality-relevant changes to specified articles only by mutual agreement with the Buyer and to provide the Buyer with a new specification, as well as associated declarations of conformity and certificates, with reasonable advance notice before the first delivery.

I. Quality

I.1 The Seller confirms that the goods delivered by it comply with the applicable food law and other regulations (laws, ordinances, etc.) in the contract territory and/or in the country in which the place of delivery is located according to the order and are suitable and safe for use in the food industry. In particular, the Seller guarantees that all items delivered to the Buyer comply with the statutory provisions on labelling, the use of additives and the use of genetic engineering and that the goods delivered by the Seller are not GMO products and/or are to be classified as novel foods that are subject to declaration.

I.2 The Seller acknowledges that the Buyer will only accept food raw materials and foodstuffs whose production is safeguarded by a certified quality assurance system - including a HACCP concept and a contingency plan - and whose production is carried out in accordance with good manufacturing practice (GMP).

I.3 The Seller and its upstream suppliers of

a) **Food raw materials and foodstuffs** are certified according to a GFSI-recognised food safety standard. If the seller is a trader, the seller guarantees that it is either certified according to IFS-Broker (or equivalent standard) or discloses and proves that the supplier is certified according to a GFSI-recognised food safety standard.

(b) **goods other than those referred to in (a)**

- with **direct** food contact are obliged to provide evidence of certification in accordance with BRC GS Packaging Materials or FSSC 22000 or a comparable standard, e.g. IFS PacSecure and to maintain this during the term of delivery to the buyer. Further specific certificates if required by the respective buyer.

- with **indirect** food contact are obliged to provide evidence of certification in accordance with ISO 9001:2015 and to maintain this for the duration of the supply to the buyer. Further specific certificates if required by the respective buyer.

If a supplier is a trader (broker), it must provide the certificates listed above under a) and/or b) from the upstream suppliers (manufacturers).

The seller is obliged to provide the buyer with the necessary and valid evidence and contact persons without being requested to do so. If a supplier does not fulfil one or more requirements, a decision will be made on a case-by-case basis as to whether a supplier audit will be carried out.

I.4 The seller must ensure that the traceability of the goods delivered by him in relation to the origin of the delivered products is guaranteed in accordance with Regulation 178/2002/EC and, in the case of deliveries to an address in the contract territory, also in accordance with the Ordinance of 16 December 2016 on Foodstuffs and Utility Articles (817.02). Traceability must also be guaranteed for the seller's upstream suppliers in accordance with these requirements.

I.5 The Seller guarantees compliance with the Bell Food Group regulations, any customer regulations and the instructions it receives from the Seller ("**Applicable Documents**"), including allergen labelling and specifications on microbiological values, for itself and its upstream suppliers. The Buyer is entitled to update, replace or cancel these documents at any time.

I.6 In the event of quality deviations suspected or proven by the Buyer, the Buyer shall be free to commission its own or an external laboratory to analyse the goods at the Seller's expense.

J. Liability, warranty and guarantee

J.1 Goods shall be deemed to be defective if, at the time of delivery and/or during the warranty and guarantee period, they are wholly or partially

- show one or more relevant deviations from the agreed target specifications and/or
- do not fulfil a condition prescribed by law or regulation and/or may not be manufactured, imported, sold or processed in the contract territory, Switzerland and/or the EEA for any other reason and/or
- is in breach of any obligation, declaration, undertaking or warranty of the Seller in a contract, a framework agreement, the QAA, if applicable, a specification agreement, if applicable, these GTC or the Applicable Documents and/or
- pose a health risk to consumers and/or are physiologically harmful when used as intended and foreseeable.

J.2 The warranty and guarantee period ends

- for foodstuffs on the best-before date or use-by date and
- for packaging materials after expiry of the specified shelf life.

J.3 In the event of defective goods, the Buyer shall be entitled to the statutory warranty claims at its own discretion.

J.4 If the Seller has culpably breached a contractual or statutory obligation, the Seller shall reimburse the Buyer for all direct and indirect damages, costs, fines and other disadvantages incurred by the Buyer in this connection (including costs and penalties in the event of product recalls). The Buyer shall be entitled to assert warranty and guarantee claims against the Seller within two (2) years of the expiry of the warranty and guarantee period, whereby the date of receipt of the corresponding notification by the Seller shall be decisive. The burden of proof that the goods were not defective upon delivery in accordance with the applicable Incoterms and/or became defective during the warranty period shall be borne by the Seller.

J.5 The Seller's liability for defects shall not be affected by the acceptance of the deliveries and services or by the approval of submitted samples or specimens.

J.6 The Seller undertakes to carry out and document all inspections necessary to ensure compliance with the agreed quality of the goods. This also includes inspections of incoming goods at the seller's premises.

K. Insurance

The Seller undertakes to take out product liability insurance in a sufficient amount (depending on the value of the deliveries), at least in the amount of CHF 5 million or its equivalent in another currency. A confirmation of insurance shall be presented to the Buyer upon request.

L. Audits

L.1 The Buyer reserves the right to audit the Seller and/or its upstream suppliers at any time or to have them audited by third parties. Dates for regular audits shall be agreed by mutual consent. The Buyer shall have the right to carry out unannounced audits in the event of suspected quality deviations that are hazardous to health. The Seller acknowledges, accepts and ensures that the Buyer's customers may also carry out audits of the Seller and/or its upstream suppliers to the same extent.

L.2 The Seller undertakes to authorise and facilitate the audits referred to in point L.1 and to provide the necessary support.

L.3 The Seller undertakes to ensure that direct suppliers of the Seller also comply with the obligations under L.1 to L.3 accordingly. The Seller must ensure that both the Buyer and the Buyer's customers can audit any legal or natural person along the supply chain up to the original manufacturer of a raw material or starting product, in particular with regard to compliance with the Supplier Code of Conduct (see point N.2).

M. Invoicing and conditions

M.1 The Seller shall bear the procurement and currency risk in respect of all goods and services required for the manufacture and delivery of the goods sold by him to the Buyer. The seller guarantees equal conditions (quality, availability, prices) for all items. Logistics costs must be shown separately and transparently in offers and calculations.

M.2 The Seller shall also send invoices in electronic form to the e-mail address provided. Invoices shall be due for payment within thirty (30) days after receipt of a verifiable invoice which complies with the requirements of a tax document under the applicable law in the Contract Territory and shows the VAT separately, but not earlier than thirty (30) days after (i) proper delivery of the Goods and (ii) receipt of all necessary documents by the Buyer. **If the Buyer pays within 14 days after the start of the payment period, the Buyer shall be entitled to deduct a discount of 3% from its payments.**

M.3 If an annual reimbursement has been agreed, the basis for determining the reimbursement is - unless otherwise agreed - the total net sales before discount of all companies of the Bell Food Group on the Buyer's side in a calendar year. The reimbursement shall be paid within eight (8) weeks after the end of the calendar year.

M.4 Requests for price increases must be submitted to the local purchaser of the ordering company at least 8 weeks before the start of the quarter, stating the following criteria:

- Hügli article number
- Article description
- Old price
- Price new
- Reason

Price adjustments that have not been duly submitted will be rejected. The agreed prices shall apply until a new price agreement is concluded.

N. Compliance

N.1 The Seller undertakes to comply with the statutory provisions applicable to such a process when processing personal data. The Seller has familiarised itself with the Buyer's privacy policy¹ and undertakes to bring this privacy policy to the attention of its employees and subcontractors.

N.2 The Seller undertakes to comply with the Bell Food Group Supplier code² in its business activities.

N.3 The seller guarantees that neither he, his shareholders/partners, members of the administrative/supervisory board nor persons authorised to legally or arbitrarily represent the seller are authorised to act on behalf of the seller,

a) are on a sanctions list that is binding for the EU, the EEA and/or Switzerland, and

b) are persons who hold political functions or offices at federal or cantonal level in Switzerland or in comparable structures in other countries.

O. Secrecy

O.1 The Seller undertakes to treat all information and documents relating to a member of the Bell Food Group, its legal or authorised representatives, partners/shareholders, members of the Board of Directors/Supervisory Board, employees, customers, suppliers and/or other business partners as confidential and to use such information and documents exclusively for the fulfilment of the obligations owed under this contract.

O.2 The following are exempt from the confidentiality obligation

- information and documents that are publicly known at the time of signing this contract or become publicly known after signing without breach of the confidentiality obligation and
- information and documents that the Seller is required to provide to a court or authority pursuant to a mandatory statutory order or a court or administrative decision enforceable against it; in such a case, however, the Seller undertakes to limit the transmission of information and documents to the minimum extent permissible and to anonymise and redact information.

P. Intellectual property

P.1 If information, documents or objects are handed over which contain intellectual property, in particular know-how, recipes, graphics, slogans, claims and/or industrial property rights, the Buyer or its affiliated company reserves all rights thereto.

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

Q. Foreign trade law

Q.1 Upon request, the seller is obliged to state the country of origin of the goods and to provide the certificates of origin required for export. He is liable for the correctness of his information. If the buyer does not obtain the required export licence, the buyer is entitled to cancel the order.

Q.2 In this case, the Seller shall reimburse the Buyer for the costs and damages incurred and suffered by the Buyer as a result, insofar as the Seller is responsible for the non-issuance of the export licence.

R. Final provisions

R.1 The law of the country in which the Buyer has its registered office under commercial law shall apply. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.

R.2 The place of jurisdiction is the place where the buyer has its registered office under commercial law.

¹ Available at www.bellfoodgroup.com/partner

² Available at <https://www.bellfoodgroup.com/lieferanten/>