# Special terms and conditions of business "Goods processing" Kräutermühle GmbH, 99625 Kölleda

### As of 01.06.2016

#### Preamble

The special terms and conditions of business below "goods processing" apply to the entire business transaction with principals (hereinafter referred to as Customer) in connection with the goods processing carried out at our premises. Our general terms and conditions of business apply in addition to these and in parallel to these. Both shall apply exclusively. Terms and conditions of the Customers which conflict with or deviate from these shall only apply if such terms and conditions have been expressly agreed by us in writing. No oral ancillary agreements have been concluded.

### § 1 Delivery and return transport, completion deadlines, insurance

- The Customer shall deliver the goods which are to be processed to us carriage paid and shall retake possession of these from our factory following processing, both from and to Manfred-von-Ardenne-Str. 1, 99625 Kölleda, unless otherwise expressly agreed in writing.
- Binding completion deadlines shall be stated as such and fixed in writing. Otherwise, named completion deadlines shall be nonbinding. Otherwise, the deadline regulations in accordance with § 6 of our general terms and conditions of business shall apply accordingly.
- 3. As only the Customer knows the value of the delivered goods, the Customer shall be obliged to sufficiently insure the goods which are handed over in order to carry out the engagement at its own expense against loss, destruction and damage for the duration of the delivery, storage, processing and collection period. As a rule, insurance will not be taken out by us. Should this be undertaken however, this shall require an express written agreement.

# § 2 Subject matter of the goods processing

- 1. The subject matter of the goods processing is the processing and treatment (for example sterilisation, protective treatment, drying, cutting, grinding, cleaning, mixing etc.) of goods which the Customer makes available to us for the goods processing at its own expense. The processing and treatment of the goods take place on the basis of the respective current state of technology. Any structural changes/quantity changes which arise nonetheless, in particular during the sterilisation and drying process are possible and do not represent defects.
- 2. An odour contamination of the goods delivered by the Customer for processing with a "house odour" is not fully excluded, despite comprehensive handling at our premises which endeavours to avoid such contamination, rather this can only be reduced as far as possible. In case of contamination which occurs nonetheless, the Customer shall not have any entitlement to damages claims, should the contamination have occurred despite compliance/observance/fulfilment of the essential duties of care to this extent in connection with the storage, processing and packaging at our premises. The Customer shall bear an unavoidable residual risk of such contamination.
- A quality inspection of the goods delivered by the Customer prior to the goods processing shall only take place if an agreement has been concluded in writing. Following a request by the Customer, we will deliver, at its expense, an analysis of the goods processed by us.
- 4. Should it become apparent during the processing of the goods that the processing is going to be more expensive than expected due to product-specific factors which were not apparent at the time of conclusion of the contract, and should we notify the Customer of such, both contracting partners shall be able to rescind the contract, should they not be able to reach agreement concerning the additional price to be charged as a result within a reasonable time. The expenses incurred in connection with the work at our premises prior to the rescission shall be remunerated by the Customer on a pro rata basis in relation to the expenses which were originally expected.

# § 3 Quality of the goods delivered by the Customer

In the course of an independent guarantee undertaking, the Customer hereby guarantees that in respect of the quality and identification of the handed over goods, a proper and safe handling is assured, in particular that the goods can be stored and processed without any risk to persons and property and that these can be placed on the market in accordance with the applicable statutory provisions.

# § 4 Packaging

Should the Customer not itself collect the packaging used at the time of delivery of the goods or should this not be able to be reused for the processed goods, we will carry out the disposal of the packaging used for the delivery at the expense of the Customer. The Customer must provide suitable packaging in good time prior to completion of the processing of the

goods. Any agreed purchase of new packaging shall take place at the expense of the Customer.

### § 5 Security rights / acquisition of co-ownership / pledging prohibition

1. Alongside the entrepreneurial lien to which we are entitled in accordance with § 647 of the German Civil Code (BGB), the Customer shall assign to us the co-ownership in respect of the processed goods as security until the full payment of the fee to the relationship of the value of the processing of the goods to the value of the goods as returned to the Customer by us.

Should the Customer have paid the fee for the processing of the goods, but should further liabilities under the business relationship with us not yet have been fully paid by the Customer, we shall also retain the co-ownership in respect of the processed goods which have been returned until all liabilities have been fully pad. This shall apply accordingly in case of setting of our individual claims into a current account

- 2. In case of processing by the Customer of the processed goods which have been returned by us, we shall be deemed to be the manufacturer and shall acquire direct co-ownership in respect of the newly created goods to the relationship of the invoice value of the goods processing provided by us to the invoice value or market value of the principal item. At the same time, it is hereby agreed that the Customer shall store and insure for us in a secure, proper and careful way our security co-ownership and our acquired co-ownership at its own expense and each with suitable identification.
- 3. The Customer shall be entitled to sell on the goods which are in our co-ownership within the framework of normal and proper business practices, provided that it complies with its obligations under the business relationship with us in good time. All claims connected to the sale of goods in respect of which the Customer grants us co-ownership which exist at the time of conclusion of the contract are hereby being assigned to us by the Customer to the amount of the goods processing carried out by us and we hereby accept the assignment at the same time.

# § 6 Defect claims

- 1. The expected quality of the processed goods shall be in accordance with the contractual agreements. However these do not represent any undertakings concerning properties or a quality guarantee, unless these can be expressly agreed in writing. We only subject the goods delivered to us to a visual inspection prior to processing. Any inspection which goes beyond the above only takes place in case of an express written agreement. We do not assume any liability for defects in respect of the processed product, should these be due to product qualities which are beyond our control, such as microbiological sources of contamination, natural or growth-related product characteristics, plant protection or heavy metal residues or other impurities.
- Unavoidable losses during processing are highly dependent on the quality of the raw materials which are used. Therefore in case of statements prior to the processing which concern expected losses during processing, these are merely non-binding estimations. Should these not be complied with, this shall not represent a defect.
- 3. Samples of the requested quality of the finished goods or corresponding concrete information concerning cut sizes, screen sizes and losses during the drying process which are provided by the Customer at the time of issuing the engagement are to be considered to be purely target values, which may not be attained due to the irregular qualities of natural products. Should these be lacking in an unavoidable manner, this shall not represent a defect.
- 4. A written complaint must be raised in respect of the returned processed goods immediately, at the latest within 3 working days of taking receipt. Should a defect not become recognisable until later, despite a proper inspection on the part of the Customer and should no fault be present on its part, the 3 working days deadline shall apply as of the time of becoming aware of the defect.
- 5. In case of timely and justified complaints, the defect claims shall initially be limited to a replacement delivery or correction of the defect, depending on our choice. We shall be entitled to provide supplementary performance twice. Should the second attempt at supplementary performance fail, the Customer shall be able to reduce the remuneration for the processing or rescind the processing contract, depending on its choice. Damages claims in accordance with § 13 of our general terms and conditions of business shall remain unaffected thereby.
- 6. The Customer shall not be entitled to assign defect claims which are brought against us.

# § 7 Other

Should one of the provisions of these special "goods processing" terms and conditions be ineffective, the remaining clauses shall remain unaffected thereby.