



GENERAL TERMS AND CONDITIONS OF PURCHASE

Suncomo Foods Bulgaria EOOD

1. Applicability

- 1.1 These General Terms and Conditions of Purchase (hereinafter to be referred to as: "Conditions") apply to all the offers made and tenders submitted to Suncomo Foods Bulgaria EOOD, all its legal successors and all legal entities affiliated with Suncomo Foods Bulgaria EOOD (hereinafter to be referred to as: "SFB") and to all agreements to which SFB is a party as the buyer/commissioning party.
- 1.2 In case of conflict between provisions of these Conditions and other written provisions that are part of the agreement, the latter take precedence.
- 1.3 In case of differences between the English text of these Conditions and versions of these Conditions in other languages, the English text shall take precedence.

2. Establishment of agreement

- 2.1 Any offer made by the Supplier is irrevocable unless it is unequivocally clear from the offer that the offer is without obligation.
- 2.2 An agreement with SFB shall not be established until it has been confirmed in writing by SFB.
- 2.3 Any agreement/contract exceeding a contract value of € 100,000 is only validly concluded if signed by a member of the management of SFB whose authority to sign and bind SFB for such a contract is registered with the Commercial Register in Bulgaria.
Any agreement/contract not exceeding a contract value of € 100,000 can only validly be

concluded by an officer of SFB whose authority to sign and bind SFB for such a contract is registered with the financial authorization matrix of the company.

3. Risk

- 3.1 Unless agreed otherwise in writing, the supplier bears the risk for the goods, including the risk for the transport, loading and unloading of the goods, up to the moment that the goods have been explicitly accepted by SFB.

4. Quality

- 4.1 Without prejudice to the statements or stipulations made in the agreement and in the accompanying specifications, indications and descriptions, the supplier shall in any case guarantee with respect to the goods:
 - a. that such goods are entirely in agreement with the provisions or specifications made in the agreement, for example with regards to the quantity, description, quality, origin, etc.;
 - b. that the goods are organic or conventional; for the organic goods in the sense of the agreement if they have been qualified as such by a recognised certification body in the country of customs inward clearance; In the event of decertification and/or detention and/or refusal of import of the goods by the relevant authority (with the authority to detain and/or decertify the goods) after delivery of the goods, as a consequence whereof the goods cannot be processed and/or traded and/or sold as organic, the seller shall be liable for all loss and damage suffered by SFB arising from or related to such decertification and/or detention and/or refusal of import of the goods including but not limited to the reduced value of the goods, storage costs and other additional expenses and cost related from on-buyers of the goods. In such case the seller renounces its right to invoke and raise as a defense in any proceedings any contractual or arbitration time limits against the buyer.

- c. that they have been made, produced, composed, cultivated from new raw materials and new high-quality materials and in soil/ground/locations agreed between SFB and the supplier;
 - d. that they have been cultivated, produced, composed etc. with the use of professional skills;
 - e. that, to the extent that samples or examples were shown or provided, the goods are identical to these samples or examples;
 - f. that they meet the applicable requirements concerning the use, yield, etc. agreed or indicated or defined in the agreement and/or the specifications and qualities that are part of such an order;
 - g. that they are generally suitable for the purpose of use.
- 4.2 If the agreement and/or the respective appendices refer to quality and/or other regulations that have not been attached to the agreement, the supplier is expected to be acquainted with such regulations.

5. Inspection and examination

- 5.1 SFB is entitled, if he asks supplier timely in advance, to carry out inspections and/or examinations of the goods to be delivered or any part thereof for his own account or to have them carried out, in which case supplier is obliged to offer full cooperation for the inspections and/or examinations.
- 5.2 If SFB so desires, the supplier undertakes to supply to SFB an authenticated copy of the inspection results or the test report, whichever is applicable.
- 5.3 SFB shall be entitled during normal working hours and on working days to visit the locations where supplier produces or stores the goods. If necessary, supplier shall provide a suitable room for the inspection or examination and any further cooperation required for this purpose.
- 5.4 SFB has the right to give supplier instructions to be observed for the production or storage of the goods purchased in as far as these instructions are in SFB's opinion necessary to limit SFB's risks during resale.

5.5 Without prejudice to the rights and legal means in accordance with the applicable law and in accordance with the agreement, non-compliance of the supplier with the instructions given by SFB are an imputable default of the obligations under the agreement with SFB which justifies dissolution and/or termination of the agreement by SFB.

5.6 In the event of rejection of the goods, SFB shall inform the supplier of this rejection. SFB shall store or arrange for storage of the rejected goods at the risk and expense of the supplier. If the supplier has not taken back the goods within a period of fourteen (14) days after SFB has informed the supplier that the goods delivered have been rejected. If the supplier refuses to take delivery of the goods, SFB is entitled to store, sell or destroy the goods at the risk and expense of the supplier.

6. Packaging

6.1 Goods to be supplied to SFB must be properly packed in accordance with the applicable legislation, the agreement and/or their nature and the use that is normally made of them.

6.2 Supplier shall accurately observe SFB's instructions regarding packaging, dispatch, preservation and marking.

6.3 Supplier shall indemnify SFB against all costs that SFB has to incur as a result of inadequate packaging and/or as a result of the government measures that apply for and in connection with the removal, disposal or destruction of excess (and for SFB commercially worthless) packaging material.

6.4 SFB is entitled to refuse, at supplier's risk and account, any dispatches that do not comply with the provisions in this Article.

7. Delivery

7.1 The time limits of delivery mentioned in the agreement are firm dates (art 84 of Bulgarian Law of Obligations and Contracts)

7.2 As soon as the supplier is aware of the fact that the goods cannot be delivered in accordance with the agreement, supplier shall promptly notify SFB thereof.

7.3 If the goods have not been delivered within the agreed-upon term at the agreed-upon place, the supplier shall owe SFB without any notice or other prior demand a penalty payable immediately amounting to 50% of the price of the goods in question, without prejudice to SFB's other rights, such as the right to recover the actual loss and/or damage suffered as a result of the violation, in addition to the penalty.

7.4 If SFB is unable to take delivery of the goods at the agreed time, at SFB's request supplier shall (cause to) store the goods at the supplier's location, or at the location of one or several third parties to be accepted by SFB. In such case, SFB shall be obliged to compensate supplier for the reasonable costs for storage of the goods.

8. Supplier's liability

8.1 Supplier shall be liable for any damage directly or indirectly caused by non-compliance, late compliance or inadequate compliance with any obligation under the agreement on the part of the supplier and/or its employees and/or third parties instructed by the supplier and for any damage directly or indirectly caused by the supplier's failure to (timely) notify SFB of a delay or that any other failing on the part of the supplier is to be expected. Damage includes damage due to injury and/or death and includes damage suffered by SFB and/or any subsequent purchasers or users and/or any other third party.

8.2 Supplier shall indemnify SFB against all third-party claims, for any reason whatsoever, for compensation of damage, costs or interest relating to the goods, caused by the goods and/or following from the use of these goods.

9. Rectification

9.1 If requested so by SFB, supplier is obliged, for his account and without any costs for SFB, to repair any shortcoming, damage or defect in the goods as soon as possible by replacing them with goods that are in conformity with the agreement, notwithstanding SFB's right to claim damages.

9.2 If supplier fails to timely fulfil his obligations with regard to the replacement or fails to do so properly, or in the case of what SFB feels are

urgent cases, SFB is entitled to take due action or cause one or more third parties to take action for the account of the supplier, without the supplier being discharged from its obligations under the agreement and notwithstanding SFB's right to claim damages.

10. Processing of SFB's goods

10.1 If SFB provides goods to the supplier to be processed or to be combined or mixed with goods that are not SFB's property, then SFB's goods shall remain SFB's property, respectively the goods developed through processing, combining or mixing shall be SFB's property; the supplier shall retain these goods in such manner that they can be clearly recognised and identified as SFB's property.

10.2 Supplier is not entitled to transfer or encumber the goods referred to in Article 10.1 or to provide them to any third parties. Supplier furthermore cannot subject these goods to a security right, and shall not be entitled to (cause to) process such goods, or to combine or mix them with other goods, or to take such action with regard to those goods that they become a part or element of one or several goods that are not SFB's property.

10.3 Notwithstanding supplier's liability as set out in these Conditions, supplier bears full responsibility for any damage caused to the goods referred to in this Article 10, as well as for any damage directly or indirectly caused by such goods, and the supplier shall indemnify SFB against any third-party claims pursuant to or related to such damage. Supplier is obliged for his own account to be adequately insured with regard to the liability referred to in the previous sentence.

11. Information

11.1 Supplier undertakes to timely supply SFB with clear information if this is necessary for use and/or application and preservation of the goods (to be) delivered.

11.2 Supplier is obliged to make available information if SFB asks for it, with regard to the features, characteristics, quality, application, etc. of the goods to be delivered, which is required or

desired in relation to the health and safety of people and/or in relation to the environment.

12. Transfer of ownership

- 12.1 All goods shall unconditionally become SFB's property on delivery.
- 12.2 Supplier guarantees that unencumbered ownership of goods is acquired by SFB.
- 12.3 Supplier waives any right to invoke a retention of title.
- 12.4 Supplier indemnifies SFB against any costs that SFB has to incur and any damage that SFB suffers if any burden or any right still rests on the goods at the time of delivery, or if third parties pretend to any right with regard to those goods.

13. Statutory regulations

- 13.1 Supplier guarantees that the composition, capacity, packaging and quality of the goods, as well as the use of the goods, shall in every way fulfil and be in accordance with the conditions and requirements stipulated in the agreement, the applicable laws, guidelines, regulations and rules of the government, including those of international organisations and supranational authorities, applicable either in the country where they were produced, in the place of loading or in another place where they stayed during the journey, in the country where the supplier is based, in the place of delivery and/or at the final destination of the goods.

14. Price and payment

- 14.1 The purchase price to be paid by SFB shall be expressed in euros or in another currency to be agreed upon with SFB. Supplier shall not be entitled to amend the prices agreed upon.
- 14.2 Save if explicitly otherwise stipulated in the agreement, the agreed price shall be the full price for the goods to be delivered, including the costs of packaging, transport, insurance and delivery at the location(s) indicated by SFB.

14.3 SFB shall pay the supplier's invoices within thirty (30) days after the receipt of the supplier's invoice, unless otherwise agreed in writing.

14.4 Not in any way does payment by SFB constitute a renunciation of any right.

14.5 In the case of delivery of goods to a location other than agreed, such at the request of SFB, the additional costs shall be for the account of the supplier, save if and to the extent the parties have otherwise agreed in writing.

14.6 SFB shall be entitled to offset the amounts due to the supplier against any amounts the supplier is due to SFB. Supplier shall have no right to set off, suspension and/or deduction.

15. Intellectual property rights

15.1 Supplier guarantees that the goods delivered in no way violate any third-party intellectual property rights.

15.2 Supplier guarantees to indemnify SFB against any claims ensuing from any third-party intellectual property rights.

16. SFB's liability

16.1 SFB is not liable for damage resulting from any act or omission on the part of SFB, its employees, agents, representatives or any third party instructed by SFB, unless and to the extent that the supplier proves that the damage and/or loss was caused as a result of an act or omission on the managers of SFB,

16.2 If SFB is, for whatever reason, not entitled to invoke the limitation of liability as set out Article 16.1 of these Conditions, any liability of SFB shall at all cases be limited to a maximum of BGN 100,000.

16.3 In no case shall SFB be liable for any indirect or consequential damage and/or loss, such as but not limited to loss of profit, costs for demurrage of any means of transport (floating or rolling) or dispatch money.

16.4 All claims against SFB must be submitted to the competent court within six (6) months after the supplier has become or reasonably should have become aware of the damage and/or the

shortcoming, failing which any right to damages shall be expired.

17. Force majeure

17.1 If force majeure impedes either party from complying with any obligation, SFB shall be entitled to suspend fulfilment of its obligations up to the moment that force majeure has ceased to exist, or to entirely or partially dissolve or terminate the agreement, without incurring any liability for costs and/or damage.

17.2 If force majeure impedes SFB from complying with any obligation with respect to one or several of its suppliers or contract partners, however not with respect to all, SFB shall be entitled to decide which of the obligations and with respect to which contract partners it will comply with, as well as the order in which this shall take place, without incurring any liability for costs and/or damage.

18. Security

18.1 At SFB's request, supplier shall undertake, prior to commencement or continuation of the work assigned to him, to provide adequate security for his compliance with his obligations.

18.2 If at SFB's discretion supplier is unable to show evidence or inadequate evidence of the requested security, SFB shall be entitled to terminate or dissolve the agreement either entirely or partially, without incurring any liability for costs and/or damage.

18.3

19. Termination

19.1 If supplier should fail to fulfil any of its obligations, SFB is entitled to suspend the performance of any of its obligations and/or to immediately dissolve or terminate the agreement, out prejudice to SFB's right to claim compliance and/or damages.

19.2 Notwithstanding SFB's other rights pursuant to the agreement and/or these Conditions, SFB is entitled to immediately dissolve or terminate the agreement with the supplier, if (not limitative):

- the supplier is insolvent or goes into liquidation;
- any bankruptcy proceedings shall be instituted by or against the supplier;

- c. the supplier applies for a moratorium, or the supplier has been granted a (preliminary or definite) moratorium;
- d. the supplier, if he is a natural person, dies or is put under restraint, or the supplier's capital or part thereof is put in receivership;
- e. the supplier, if he is a legal entity, is dissolved or goes into liquidation or a decision to go into liquidation is taken;
- f. the supplier merges with a third party or is taken over by a third party;
- g. the supplier's legal form is altered;
- h. any of the supplier's assets are attached; or
- i. essential changes are made to the supplier's activities.

19.3 If one of the situations referred to in Article 19.1 or 19.2 occurs, all of SFB's claims on supplier shall be fully payable on demand.

20. Amendments

20.1 Amendments to the agreement and/or these Conditions are only valid if they are made in writing and both parties have agreed to the amendment(s).

21. Confidentiality

21.1 All information about SFB which has not been made public by SFB in some way and which supplier receives in connection with the agreement, is confidential and may not be passed on to third parties.

22. Applicable law

22.1 All legal relationships arising out of or in connection with the agreement and/or the delivery of the goods and/or these Conditions shall be governed exclusively by Bulgarian Law with the exclusion of the Vienna Sales Convention (United Nations Convention on Contracts for the International Sale of Goods, 11 April 1980).

22.2 All disputes arising out of or in connection with the agreement, these Conditions and/or the delivery of the goods shall be exclusively decided by the competent Court in Varna, Bulgaria.

23. Validity

23.1 In the event that any provision in these Conditions should not - either entirely or partially - be valid and/or imperative, then this will not in any way have any implications for the validity of the other provisions in these Conditions