

General

Terms and Conditions

of Sales

(Last updated on 05 August 2019)

UHB Livestock GmbH & Co. KG

and

UHB Livestock Verwaltungs GmbH

Terms and conditions of sales

- Terms and Conditions of sales of the UHB Livestock GmbH & Co. KG and the UHB Livestock Verwaltungs GmbH – hereinafter both called UHB Livestock -

1. Scope and amendment of these terms and conditions

- (1) The following Terms and Conditions shall apply exclusively to all legal transactions - including future transactions - between UHB Livestock and the contractual partner (business customer and consumers) unless deviating terms and conditions have been expressly recognized or agreed in writing. The general terms and conditions of the contractual partner shall not apply even if UHB Livestock does not explicitly object to them. Any opposing prohibition of assignment is hereby expressly rejected.
- (2) The invalidity of individual conditions shall not affect the validity of the remaining conditions. The same applies if individual conditions do not become part of the contract.
- (3) UHB Livestock is entitled to assign the claims arising from its business relationship.

2. Conclusion of contract

If contracts with business customers are concluded subject to written or telex confirmation, the content of the letter of confirmation from UHB Livestock shall be authoritative unless the recipient objects immediately. UHB Livestock shall make special reference to this consequence in the letter of confirmation to consumers.

3. Delivery

- (1) Delivery shall be made as soon as possible unless a specific delivery period or delivery date has been agreed. Extreme heat, frost, or risk of frost shall release UHB Livestock from compliance with the delivery period or delivery date until suitable weather conditions occur. UHB Livestock shall inform the contractual partner immediately of the occurrence of such events.
- (2) UHB Livestock is entitled to make partial deliveries, provided this is reasonable for the contractual partner. If delivery on call has been agreed upon, the contractual partner must request the delivery within a reasonable period.
- (3) If delivery becomes impossible or excessively difficult within the meaning of section 275 (2) of the German Civil Code (BGB) due to force majeure, governmental actions, operational shutdowns, strikes, extreme weather conditions, or similar circumstances - including those affecting UHB Livestock's suppliers - UHB Livestock is released from its delivery obligation for the duration of the impediment and its aftereffects. This also entitles UHB Livestock to withdraw from the contract if and to the extent that it is no longer reasonable for UHB Livestock to adhere to the contract. In the event of non-delivery or insufficient delivery to UHB Livestock by its upstream suppliers, UHB Livestock is fully or partially released from its delivery obligations to business customers. This only applies if UHB Livestock has taken the necessary precautions to fulfill its performance obligations and has carefully selected its suppliers. In such a case, UHB Livestock undertakes to assign its claims against the supplier to the business customer upon request. In this case, the business customer remains obligated to provide consideration in accordance with section 326 (3) BGB. UHB Livestock will promptly inform the business customer of the occurrence of the aforementioned events and the non-availability, and in the event of withdrawal, will promptly refund the business customer's consideration.
- (4) Increases in transport costs and changes in tariffs may be added to the price by UHB Livestock if the delivery occurs more than one month after the conclusion of the contract.
- (5) Risk and liability for purchased live animals pass to the contractual partner upon delivery; in the case of auctions, upon the fall of the hammer. In the event of an agreed "slaughter-sale," risk and liability pass to the contractual partner after the animals have been weighed at the slaughterhouse and released by the official meat inspection.
- (6) Shipping - even within the same location - is at the expense of the contractual partner, unless the goods are transported by UHB Livestock's vehicles. In the case of shipping to a business customer - even from a third location - the customer bears the risk, including in the case of freight-free delivery. UHB Livestock will select the method of shipment unless the contractual partner provides specific instructions. UHB Livestock will arrange transport insurance at the contractual partner's request and at their expense, to the extent desired by the contractual partner.
- (7) A delivery agreed upon with the business customer requires an access road or delivery point that is passable by a heavy truck and unaffected by weather conditions. If the

delivery vehicle leaves the passable access road at the instruction of the business customer, the customer is liable for any resulting damages. Costs incurred due to the impassability of the access road or delivery point shall be borne by the business customer in their capacity as the buyer. If the delivery point is not attended at the time of delivery, so that the receipt of the delivery cannot be acknowledged, the time and place of delivery will be documented by the driver by signing the delivery note.

4. Complaints

- (1) Complaints due to obviously defective or obviously deviating quality of the goods or due to delivery of goods that are obviously different from those ordered can only be asserted by the business customer immediately, but at the latest within 24 hours after receipt of the goods or after the defect has become apparent.
- (2) The business customer must inspect the goods immediately upon receipt for material defects, such as quantity, quality, and condition, and is obligated to note any obvious defects on the receipt. Additionally, section 377 of the German Commercial Code (HGB) applies to the relationship with business customers. Transport damages do not entitle the business customer to refuse acceptance of the goods vis-à-vis UHB Livestock.
- (3) For consumable goods, defect complaints entitle the business customer only to a reduction in the purchase price. For goods other than consumables, defect complaints entitle the business customer only to request subsequent performance; if such performance cannot be achieved within a reasonable time or is impossible due to the nature of the goods, the business customer has the option to either withdraw from the contract or request a reduction in the purchase price. The provisions of section 478 of the German Civil Code (BGB) remain unaffected.

5. Claims for defects

UHB Livestock is liable for claims for defects for one year, except in the cases of Art. 309 No. 7 letters a and b of the German Civil Code BGB. For consumers, this period shall only apply to the sale of used, movable goods/animals. For business customers, liability for defect claims concerning used goods/animals is excluded. UHB Livestock shall only be liable to business customers for public statements, in particular advertising, which it has used for its own purposes or expressly included in the contract.

6. Payment

- (1) Unless otherwise agreed, payment for UHB Livestock's deliveries and services must be made in full, without any deductions, immediately upon receipt of the invoice. In the case of delivery or service on credit, the payment term shall be calculated from the date of delivery and service.
- (2) Payment by bill of exchange is only permitted with explicit agreement and, even then, only for the purpose of fulfillment.

- (3) Discount charges and collection fees are the responsibility of the contractual partner and are due immediately.
- (4) When payment is made by check, it is not the receipt of the check by UHB Livestock but its final clearance that is considered as payment.
- (5) The contractual partner may only offset counterclaims that are undisputed by UHB Livestock or have been legally established by a final judgment. The contractual partner may not exercise a right of retention that does not arise from the same legal relationship.
- (6) UHB Livestock is entitled to assign claims to BFS finance GmbH. Insofar as UHB Livestock's claims have been assigned to BFS finance GmbH, payments with a debt-discharging effect can only be made to BFS finance GmbH. The corresponding bank account details can be found in the notice on the invoice.

7. Current account

- (1) All mutual claims arising from the business relationship may if separately agreed upon, be included in a current account, to which the provisions of sections 355ff. of the German Commercial Code (HGB) apply.
- (2) UHB Livestock's receivables on the current account will bear interest at a rate of 8 percentage points above the base interest rate.
- (3) UHB Livestock may demand immediate payment of all claims and make deliveries dependent on advance payment or the provision of security if there is a significant deterioration in the financial or income situation of the contractual partner or if there is a substantial risk to their assets.
- (4) UHB Livestock issues a balance statement at least once a year, which is considered a statement of account. The balance is deemed accepted if the account holder does not raise objections within six weeks of receiving the statement. UHB Livestock will specifically point this out when sending the statement of account. Statutory claims remain unaffected.

8. Price determination

Unless otherwise agreed, UHB Livestock shall be entitled to set the price at its reasonable discretion.

9. Performance disruptions

- (1) If the claim has been assigned, all claims against the contractual partner - to the extent they have been assigned - become immediately due for payment in the event of default on more than one obligation. The same legal consequence applies if the contractual partner, whose claim has been assigned, definitively refuses to pay the obligation.

- (2) The purchase price becomes immediately due if the contractual partner definitively refuses to pay the purchase price. The same legal consequence applies if the contractual partner is in arrears with an amount exceeding one installment in an agreed installment payment plan and if the outstanding amount constitutes at least 10% of the total purchase price.
- (3) In the event of the final refusal to pay the purchase price, UHB Livestock may also, without setting a grace period, refuse to fulfill the purchase contract and demand compensation for all incurred costs, expenses, and damages for depreciation in value.
- (4) During the period of default, the consumer is required to pay default interest of 5 percentage points, while the business customer must pay default interest of 8 percentage points above the respective base interest rate. The right to claim further damages is reserved, as is the possibility of demanding higher interest rates based on another legal basis. UHB Livestock may require advance payments, partial advance payments, or delivery against cash payment, as well as payment of all claims in the event of a deterioration in the financial situation.
- (5) In the event of the contractual partner's default in acceptance, UHB Livestock may store the goods at the contractual partner's expense and risk, either at its own facilities or with a third party, or appropriately dispose of them at the contractual partner's expense, without the need for prior notice.

10. Retention of title

- (1) The goods shall remain the property of UHB Livestock until all outstanding claims have been paid in full.
- (2) Ownership of the goods delivered by UHB Livestock or on its behalf, including animals and any offspring, is reserved until the purchase price has been paid in full.

If a current account relationship pursuant to section 355 of the German Commercial Code (HGB) exists between UHB Livestock and the contractual partner, the advance assignment also applies to the acknowledged balance.

Any processing or transformation of the purchased goods by the contractual partner is always carried out on behalf of UHB Livestock.

If the purchased goods are processed or combined with other items not owned by UHB Livestock, UHB Livestock acquires co-ownership of the new item in proportion to the value of the purchased goods relative to the other processed items at the time of processing. If the purchased goods are mixed with other items not owned by UHB Livestock, UHB Livestock acquires co-ownership of the new item in proportion to the value of the purchased goods relative to the other mixed item at the time of mixing. If the contractual partner's item is to be regarded as the principal item, the contractual partner must transfer proportional co-ownership to UHB Livestock.

- (3) UHB Livestock is entitled to withdraw from the contract after setting a reasonable deadline if the contractual partner acts in breach of the contract. To assert the retention of title, it is not necessary to withdraw from the contract unless the contractual partner is a consumer.
- (4) The contractual partner is revocably entitled to resell the goods, including those produced through mixing, combining, processing, or treatment, only within the scope of their regular business operations. The contractual partner is not authorized to make other dispositions over these goods, particularly pledging or transferring them as security.

Insofar as the claim has been assigned, the contractual partner is revocably authorized to resell the goods; the claims arising from the resale for payment of the purchase price are hereby assigned to UHB Livestock.

11. Liability

- (1) Claims for damages by the contractual partner, regardless of the legal grounds, in particular due to breach of duties arising from the contractual obligation and tort, are excluded.
- (2) This shall not apply where liability is mandatory by law, in particular:
 - in cases of fraudulent intent, intent, and gross negligence,
 - injury to life, limb, or health,
 - the assumption of a guarantee, e.g. for the existence of a property,
 - the breach of material contractual obligations or
 - liability under the German Product Liability Act (Produkthaftungsgesetz).
- (3) Claims for damages due to negligent breach of essential contractual obligations are limited to the foreseeable damage typical for this type of contract.
- (4) Insofar as liability is excluded or limited, this shall also apply to the personal liability of UHB Livestock's employees, staff, representatives, and vicarious agents.
- (5) A change in the burden of proof to the detriment of the contractual partner is not associated with the above regulations.

12. Place of performance, place of jurisdiction, applicable law

- (1) Unless otherwise agreed in individual cases, the place of performance for both parties shall be the registered office of UHB Livestock.
- (2) If the contractual partner is a merchant or a legal entity under public law or a special fund under public law, UHB Livestock may sue at the place of jurisdiction of the place of performance and may only be sued at this place of jurisdiction.
- (3) The contracts concluded with the supplier and these terms and conditions shall be governed exclusively by German law to the exclusion of the CISG.
- (4) Verbal side agreements between the supplier and UHB Livestock are not legally binding. They must be made in writing to be effective. The same applies to the amendment of this clause.