

# Mill purchasing conditions of the GoodMills Germany GmbH

**CROP 2024**

## 1. General

For all contractual conditions not mentioned in our Terms and Conditions of Purchase, the Standard Terms and Conditions of the German Grain Trade (latest version) shall apply, excluding § 22, i.e. any small and high water surcharges, ice demurrage etc. shall be borne by the seller in the event that the mill concerned is connected to the water supply. The special provisions for CIF transactions - delivered weight and delivered quality - also apply to ship's goods.

The purchase contract shall be deemed approved and solely valid if no written objection is made within 24 hours of receipt. A confirmation by the seller or broker deviating from our purchase contract shall not be deemed an objection pursuant to § 2 of the Standard Terms and Conditions of the German Grain Trade. We reserve the right to make changes during the business year.

If the seller is an entrepreneur, any disputes arising from this business relationship shall be decided by the court of arbitration.

Otherwise, our General Terms and Conditions apply (available online at <https://www.goodmills.de/agb/>).

## 2. Guarantee of product quality

The Seller warrants to the Buyer in the sense of a quality agreement pursuant to Section 434 (1) sentence 1 of the German Civil Code (BGB) that each delivered batch complies with all food and feed regulations applicable in Germany and the European Union in the version valid at the time of delivery.

This also applies to the latest guidelines, in particular compliance with the regulations issued by the following associations: Deutscher Raiffeisenverband, Deutscher Bauernverband, Bundesverband der Agrargewerblichen Wirtschaft, Bundesverband Güterkraftverkehr Logistik und Entsorgung, Deutscher Mälzerbund, Deutscher Verband Tiernahrung, Union zur Förderung von Öl- und Proteinpflanzen, Verband der Getreide-, Mühlen- und Stärkewirtschaft VGMS e. V. and Verband der Ölsaaten- und Ölsaatenverarbeitenden Industrie (Association of the Oilseed Processing Industry), as well as the "Recommendations for action to minimise ergot and ergot alkaloids in grain", as amended from time to time.

In addition, the seller warrants that all harvested material delivered was produced from propagation material that complies with national and European plant variety protection regulations and has no legal defects. In particular, the harvested material has either been produced from Z-seed or - in the case of authorised replanting - the replanting has been reported to the respective holder of the plant variety right and - unless the seller falls under the so-called small farmer regulation - the necessary fee has been paid on time. If the seller is not a producer himself, he warrants that his respective upstream supplier has given him a corresponding assurance.

If the Seller culpably violates the national or European plant variety protection regulations or provides incorrect information in the context of this declaration, the Seller shall be liable to pay a contractual penalty of up to EUR 100.00 per tonne of the crop concerned, to be determined by the Buyer in each individual case at its reasonable discretion and, in the event of a dispute, to be reviewed by the competent court. The assertion of a further claim for damages remains unaffected by this. Any contractual penalty claimed at the same time shall be offset against this.

In the event of doubt as to the accuracy of the assurance, the Buyer shall be entitled to request further information on the crop delivered if the Seller is the producer. The seller is obliged to disclose this immediately.

We require the seller to have a quality assurance system in accordance with QS, GMP+ or another recognised standard.

## 3. Exclusion of certain processes (GMOs, irradiation, etc.)

The Seller further warrants to the Buyer within the meaning of the quality agreement pursuant to Section 434 (1) sentence 1 BGB that the grain

- is not subject to the labelling of products containing, consisting of or produced from genetically modified organisms (GMOs) (Regulation (EC) No. 1829/2003 and Regulation (EC) No. 1830/2003);

- does not contain, consist of or have been produced from GMOs not authorised in the EU (Regulation (EC) No 1829/2003 Article 4 (2));
- has not been irradiated within the meaning of the Food and Feed Code;
- does not originate from fields fertilised with sewage sludge, even if the application of sewage sludge is permitted under the Sewage Sludge Ordinance of 15 April 1992, as amended
- complies with the guideline values of the German Society for Hygiene and Microbiology in the version valid at the time of delivery and does not contain Shiga- and verotoxin-forming E. coli or their toxins.

#### 4. Avoidance of contamination

We would like to point out that goods which could harm the health of the consumer may not be placed on the market. It is strictly forbidden to offer such grain to us as a buyer. As the seller, the supplier is responsible for ensuring that all allergenic ingredients in his product that are subject to labelling (in accordance with LMIV Regulation (EC) No. 1169/2011, Annex II) are named.

Furthermore, the supplier as seller is responsible for ensuring that contamination (e.g. pesticides, mycotoxins, allergens requiring labelling) is excluded, including during storage and transport, taking into account the state of the art, and that the grain complies with all applicable legal limits.

#### 5. Pre-freight and stock protection

The seller undertakes to notify the type of goods of the last three transports of the transport vehicle when submitting the transport documents (pre-freights). Permitted pre-freights and the associated cleaning measures as well as exclusions from certain pre-freights must be complied with.

For Halal-certified mills, the exclusion of the defined pre-freights applies.

In the case of products containing GMOs or allergens as defined in the FIR, Annex II, which have been transported as pre-cargo, intensive cleaning with water must be carried out.

The Seller undertakes to notify the Buyer of any protective treatment of the grain or part of the delivered grain carried out by him or his suppliers at the latest upon delivery. The notification must include the reason for the treatment, the active substance used and its dosage, date, place, the name of the user and the quantity of treated grain contained in the delivery. If no notification is made, this is equivalent to a guarantee that the grain delivered has not been treated with storage pesticides and does not contain any residues.

#### 6. Determination of quality

Determination of quality, condition and baking ability shall be carried out by the buyer at the place of delivery. The test methods used by an accredited laboratory of the Buyer's choice shall be decisive for the determination of quality and condition etc.. The valid test methods are listed below under point 7. The Seller shall have the opportunity to attend the determinations himself or through an authorised representative. The quality and weight shall be finally determined by the Buyer at the place of delivery.

#### 7. Valid inspection methods in the event of disputes

Quality:

Protein content	in dry matter (N x 5.7) (ICC 105/2 Kjeldahl or ICC 167 Dumas)
Sedimentation value	(ICC 116/1)
Moisture content	(ICC 110/1)
Falling number	(ICC 107/1)
Moist adhesive	(ICC 137)
Germination capacity	> 85%
Hectolitre weight (	ISO 7971-2)
Stocking	(ICC 102/1 (common wheat), ICC 103/1 (rye))
DON / ZEA / OTA	(HPLC or gas chromatography method)

## 8. Sampling and retained samples

The Seller shall be entitled to have a sample secured by a seal with regard to the determination of quality and condition values prepared by himself or by a sworn sampler together with the Buyer upon unloading of the goods. In this case, the seller may request an analysis by an accredited laboratory of the buyer's choice within 24 hours of notification of the quality or condition findings made by the buyer. The Seller shall arrange for the samples secured by seals to be sent to the laboratory without delay, notifying the Buyer at the same time. Both parties have the right to have a subsequent analysis carried out in accordance with § 33 of the Standard Terms and Conditions for the German Grain Trade.

The costs of the analysis and/or re-analysis shall be borne by the losing party. Contrary to § 32 (1) of the Standard Terms and Conditions, complaints made by telephone are valid and do not require additional written confirmation. A sealed sample is drawn together for each delivery unit and stored at the buyer's premises for at least 12 to at least 18 months, depending on the location. The correctness of the sample shall be confirmed by the signature of one authorised representative of the seller and one of the buyer and shall be regarded as evidence.

## 9. Supply chain due diligence obligations - obligations of the supplier

- 9.1 As the supplier, the seller must always ensure that no violations of the prohibitions specified in Section 2 (2) Nos. 1-12 and (3) Nos. 1-8 LkSG are committed in its own business area (within the meaning of Section 2 (6) LkSG). The Supplier also undertakes to pass on the above obligation to its direct suppliers (within the meaning of Section 2 (7) LkSG) and to address it appropriately along its supply chain (within the meaning of Section 2 (5) LkSG).
- 9.2 If the supplier discovers that a violation of the prohibitions specified in § 2 para. 2 no. 1-12 and para. 3 no. 1-8 LkSG has occurred in its own business area, the supplier must inform us as the purchaser immediately in text form of this violation and inform us of the measures that have been or will be taken to remedy the violation. The Buyer shall be entitled to pass on the information obtained in accordance with this clause 9.2 to the direct customers of the products or services manufactured by it. The information shall be passed on while safeguarding the legitimate interests of the supplier, the rights of employees, data protection and the protection of business secrets.
- 9.3 If the Supplier fails to fulfil any of its obligations under this Clause 9, the Buyer shall be entitled - without prejudice to its other rights - to suspend the business relationship with the Supplier until the Supplier has fulfilled its obligation.

## 10. Quality accounting

If one of the analysis values determined at the place of delivery falls short of or exceeds the value-reducing value, the mill has the right to refuse acceptance or to apply customary market discounts. The amount of the reduction in value in the event of deviation from the quality and condition characteristics agreed in the contract, e.g. stocking and/or moisture and/or other quality and/or condition values, shall be determined by the deduction tables to be requested by the buyer for the harvest year. Surcharges for natural weight or reduced moisture content are excluded.

See applicable documents: mill-specific discount tables

## 11. Applicable documents in the respective valid version

- Standardised conditions in the German grain trade
- Information sheet Measures for the safe handling of cereals, oilseeds and legumes (source: DRV et al)
- Recommendation for action to minimise ergot and ergot alkaloids in cereals (source: BMEL and MRI)
- Supplier self-disclosure
- Discount tables
- GoodMills Deutschland GmbH - General Terms and Conditions also online (<https://www.goodmills.de/agb/>)