

General Purchase and Take Over Conditions of CropEnergies Bioethanol GmbH, Zeitz for EU-27 Grain

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Note: An English translation is provided for mutual convenience. In case of any dispute or discrepancy between the German and English version, the German version is leading.

General

Only grain which fulfills the following conditions will be accepted:

Good, healthy, dry, not moistured, commercial quality, cleaned, largely free of dust, cleaning parts/aspiration residues and living crop pests.

The seller guarantees that the grain is fully marketable in Germany, complies with the relevant national and European legal provisions as well as the regulations and directives of authorities, professional associations and trade associations and was produced in accordance with good agricultural practice.

The seller also guarantees that the grain is not from fields fertilized with sewage sludge.

The grain is not subject to any provisions on the authorization, labeling or traceability of genetically modified feed in accordance with Regulation (EC) No 1829/2003 and 1830/2003.

The grain was not subjected to irradiation.

The maximum levels laid down in Regulation (EC) No 396/2005 for the production of animal feed are not exceeded.

The grain has not been subjected to direct drying and contains no preservatives.

Post-harvest chemical treatments for health maintenance of the grain, e.g. for storage protection (also with parts of a lot) must be communicated to the buyer and the goods recipient in written form. Treatment with chlorpyrifosmethyl and Chlorpyrifosethyl is not allowed.

The grain is free from material and legal defects and has in particular the condition required by these purchase and takeover conditions as well as the product specification and quality required.

Certifications

At the time of delivery, the grain has the GMP+ status in accordance with the GMP+ FSA module. The seller and its subcontractors have to be certified at the time of delivery in accordance with GMP+ or another GMP+ recognized quality assurance system, as amended.

As the product is used also for the production of biofuel, the seller and the goods supplied must have a corresponding valid sustainability certification at the time of delivery, according to Article 17 of Directive 2009/28/EC on the promotion of the use of energy from renewable sources.

Relevant valid certificates for the agreed delivery period must be presented to the buyer before the start of the delivery in copy. If a certification is withdrawn from the seller, he must inform the buyer immediately and is not entitled to deliver for the duration of the withdrawal. The seller is liable for all resulting costs and consequences.

The seller can also be made liable for damages if it turns out after the delivery that the delivered grain is not sustainable or does not have the GMP+ status in accordance with the GMP+ FSA module.

Delivery and Receipt

Place of delivery is in general the factory of CropEnergies Bioethanol GmbH (CEB) in Zeitz (Albrechtstraße 54 | 06712 Zeitz). In exceptional cases the buyer is entitled to assign a different warehouse within 10 kilometers of the original storage location.

Unless otherwise agreed, the contract volume shall be delivered in approximately equal shares over the agreed delivery period.

Deliveries to the buyer are only possible using the TiLog/TSM system described in more detail in the next paragraph.

- TiLog/TSM

To book the deliveries, an internet-based system is used. It is required that the seller signs a user agreement with the platform operator. The first contact is made by the buyer. Each booking is subject to a charge for buyer and seller. The costs are based on the fee regulation of the platform operator.

When booking in TSM/TiLog, the seller is required to provide the following information:

- The VAT number is mandatory when booking deliveries or making an appropriation. This binding information will be taken into account when the credit note is created. Vendors with multiple VAT numbers are required to ensure that the correct data is provided when booking or making an appropriation.
- Specification of harvest year according to the EU grain year
- Specification of country of origin
- Information regarding sustainability (certificate, partial default value or specific value (NUTS2-value))

In the case of incorrect information, requiring an alteration after delivery, we reserve the right to charge an administrative fee of € 35 per transaction.

After the delivery the seller can see the quantities and analysis values determined at delivery in TiLog/TSM.

- Delivery by Truck (Call)

The seller is assigned a weekly call quantity. Afterwards the booking in the TiLog/TSM-system is possible. The seller is responsible for the booking and the adherence to the binding delivery dates.

The booked delivery dates are considered as an option contract agreement within the meaning of the Unified Contract Terms for the German Cereals Trade. If these delivery dates are not met without a written notification, the seller is automatically in default.

In general, the seller is obliged to inform the logistics department of the plant about non-fulfillment or postponement of delivery dates.

The seller is obliged to submit a duly completed delivery note to the grain laboratory before sampling of the truck. The delivery note must enable a clear traceability of the goods.

The delivery can only be done with backward tipping trucks.

Compliance with GMP+ requirements is regularly monitored at the place of delivery

Persons entering or driving on the premises are obliged to comply with the safety and hygiene regulations and the instructions of the personnel of the factory. The regulations are visible at the factory gate.

The truck acceptance times for the individual types of grain result from the quantity release by the buyer in TiLog/TSM. Demurrage will only be granted if the buyer is culpably responsible for a delay in acceptance and the seller has arrived within his originally booked time window in TiLog/TSM.

- Delivery by Train

Railway station nr.: 80236091

Deliveries by train must be coordinated, agreed and confirmed in written form with the logistics department in Zeitz till 15th of the month before delivery month. Following the written confirmation by both parties, the appointment is to be considered an agreement for an option contract within the meaning of the Unified Contract Terms for the German Cereals Trade.

The seller is offered maximum three alternative delivery dates within the agreed period of delivery. In case there is no agreement and written confirmation between both parties the buyer has all the rights of non fulfillment within the meaning of the Unified Contract Terms

For deliveries by train, the logistics department in Zeitz does the booking in TiLog/TSM.

For contractual reasons, the communication must be between buyer and seller. Contact with third parties is purely informal and does not have any contractual effect.

The seller is obliged to send in good time (preferably directly after loading of the train; for weekend arrivals at the latest by Friday 12:00; if the train arrives between Monday and Friday latest the day before until 12:00) an appropriation with wagon list, contract number, year of crop and cultivation country, VAT number, information on sustainability and traceability to the logistics department in Zeitz.

The seller is obliged to submit a loading sample or a quality certificate before unloading of the train. For corn deliveries the seller is also obliged to submit a certificate for DON and ZEA (as far as there is no sample available before the train is discharged) and as far as legally or e.g. required by GMP+ or if the purchaser determines increased levels of undesirable substances in certain regions/countries, the submission of a quality certificate before discharge is obligatory.

If the relevant documents/samples are not available before unloading of the train, the buyer reserves the right not to unload the train. All resulting consequences and costs are at the expense of the seller.

After the train has been completely unloaded, the seller receives a table with unloaded quantities and qualities. These serve as the basis for the credit note generation.

Wagons that can not be opened with customary tools and adequate force, or whose condition does not correspond to the proper use, or whose permanently attached operating levers to open the unloading device do not work, are not unloaded. All resulting consequences and costs are at the expense of the seller.

The buyer reserves the right to exclude individual types of wagons from delivery if they require a disproportionate effort during unloading or can not be properly emptied in accordance with German accident prevention regulations.

The exact conditions for the transfer of block trains or wagon groups to our industrial spur (WÜST) can be requested in written form. A train operating company commissioned by the seller, may only enter the industrial spur if the locomotive driver has been instructed by the rail operations manager of CropEnergies in advance, and the service order of the industrial siding has been confirmed in writing. If no instruction of the train operating company by the rail operations manager in Zeitz took place before delivery, no entry can be made. All costs and consequences are at the expense of the seller in this case.

Unloading time for trains:

Train size ≤ 1.200 mt 1 day

Train size > 1.200 mt 2 days

Unless otherwise agreed, the specified unloading times apply, if the train is passed on to our industrial spur in time on the agreed delivery day:

- Week days until latest 18:00
- Weekends and public holidays until 08:00

Impediments to Fulfilment

Technical defects at the production plant of the buyer, which make their operation impossible, are explicitly an impediment to fulfilment, within the meaning of § 20 of the Unified Contract Terms for the German Cereals Trade.

Sample Taking

Before accepting the goods, the buyer will take average samples per truck/wagon. Of these, a part is examined prior to unloading for the parameters relevant to the contract, and a retention sample is kept for a period of six months for the purpose of traceability.

The seller may, at his own expense, instruct a recognized/accredited control company to seal the samples during sample taking together with a representative of the buyer.

Unless otherwise agreed between the parties, the quality determined at the place of unloading is final.

Analyses

The analysis at delivery takes place in the in-house laboratory of the buyer. Only defined analysis methods are used to determine the quality parameters.

If the buyer has analyses carried out at an external laboratory that determine an exceedance of the specified limits, the seller may initiate an arbitration analysis within 5 working days. This also applies to the quality assessments of the buyer at the time of delivery.

If the seller requests an arbitration analysis, the retention sample will be divided and sent to the arbitration laboratory on account of the seller. The seller has the right to monitor the division of the sample.

In these cases, the Detmolder Institut für Getreide- und Fettanalytik (DIGeFa) is defined as the arbitration laboratory. If the DIGeFa can not analyse a particular parameter, a laboratory accredited for the corresponding analysis in grains is agreed. If the arbitration laboratory determines different values, the mean of the two results is binding.

Quantity Margins

Unless otherwise agreed, the contractually agreed quantity is defined as min./max. quantity.

With a remaining quantity of <15 mt delivery and acceptance are not required. With a remaining quantity of > 15 mt delivery and acceptance are required.

Weight

The weight determined on the calibrated scales of the buyer is binding. The determined analysis data as well as the weight are documented on the weighing slip, which every truck receives on leaving the weighing platform at the exit.

In the case of a block train delivery, the seller receives a discharge report from the logistics department in Zeitz after unloading is completed. Unless the discharge report is objected within 5 working days, the stated data is considered final.

In addition, the data is available in the system immediately after delivery of the goods.

Payment

Unless otherwise agreed, the payment of the goods takes place within 14 days after delivery by credit note procedure for each truck/wagon including possible quality deductions. Credit notes will only be sent via email.

Payments are made exclusively to the bank details filed with the buyer. If these data change, the seller is obligated to inform the buyer in good time.

In the event of a subsequent change of credit notes due to incorrect information provided by the seller or one of his agents, a processing fee of € 35 per changed delivery will be charged for the additional administrative costs.

Frame Contracts

The pricing of frame contracts is done by mutual agreement on the screen at the bid price or against actuals. At the latest on the date specified in the frame contract. In general at least 500 mt have to be priced.

Ranking of Contract Documents

If the individual contract documents contradict each other, the following order of priority is determined for their validity:

1. Written confirmation of the individual trade by the buyer or a broker authorized by the buyer.
2. General Purchase and Take Over Conditions of CropEnergies Bioethanol GmbH, Zeitz for EU-27 Grain and subsequently:
3. Unified Contract Terms for the German Cereal Trade in its latest version at the time of delivery.
4. Supplier code of conduct (https://www.suedzucker.de/sites/default/files/2019-12/Verhaltenskodex_fuer_Lieferanten.pdf)

The written contract confirmation of the individual trade must always be signed by the seller and returned. The request for signature and return is not a request for a new contract, but serves solely for the mutual documentation of the agreed legal transaction.

The validity of the contract remains unaffected even if the seller does not return the written confirmation countersigned.

General sales conditions of the seller are not recognized, even if the buyer does not expressly contradict them.

Collateral agreements, changes and additions to the delivery agreements must be made in writing and require the written confirmation of the buyer for their effectiveness. This applies in particular to changes in delivery dates or quantities.

Place of Jurisdiction

For all disputes arising out of or in connection with the purchase of EU-27 grain by CropEnergies Bioethanol GmbH, the arbitral tribunal of the Grain Traders Association of the Hamburg Exchange e.V. (Hamburg) is considered agreed under their rules of arbitration.

Product Specification and Quality

The basic qualities listed in the table as well as the respective deduction and refusal agreements apply.

Regulation (EC) No 687/2008 Annex II continues to apply to the definition of individual quality parameters ([EUR-Lex - 32008R0687 - DE - EUR-Lex \(europa.eu\)](#)).

If the buyer detects e.g. in the context of harvest screening, an increased burden of undesirable substances in certain regions/ countries, the seller is informed about additional requirements with a supplier information.

Parameter	Product name/ Basic quality				Method
	Wheat	Barley	Rye	Corn	
Natural weight (kg/hl)	72	63	68	-	NIR
Moisture (%)	14,5				NIR
Protein (%)	min. 10	-	-	-	NIR
Starch (OS) (%) guideline values	58	50	50	60	NIR
Small grains (%)	5	5	5		Pfeuffer sample cleaner
Broken grains (%)	5	5	5	10	Pfeuffer sample cleaner
Sprouted grains (%)	5	5	5		visual/counting
Impurities (%)	2	2	2	2	sieving/selection
thereof foreign matter (%)	0,5	0,5	0,5	0,5	Pfeuffer sample cleaner
Ergot %	max. 0,02	max. 0,02	max. 0,02	-	sieving/selection
Ergot (g/100g)	max. 0,05	max. 0,05	max. 0,05	-	sieving/selection
Aflatoxin B1 (mg/kg)	-	-	-	max. 0,005	HPLC (external)
Cadmium (mg/kg)	max. 0,1	max. 0,1	max. 0,1	max. 0,1	Acc. Lab for grain
Lead (mg/kg)	max. 0,2	max. 0,2	max. 0,2	max. 0,2	Acc. Lab for grain
T-2 / HT-2-Toxin (mg/kg)	max. 0,5	max. 0,5	max. 0,5	max. 0,5	HPLC (external)
DON (Deoxynivalenol) (mg/kg)	max. 0,5	max. 0,5	max. 0,5	max. 1,75	strip test (internal)/
ZEA (Zearalenone) (mg/kg)	max. 0,05	max. 0,05	max. 0,05	max. 0,05	HPLC (external)
OTA (Ochratoxin A) (mg/kg)	max. 0,005	max. 0,005	max. 0,005	max. 0,005	HPLC (external)

Deduction Table of CropEnergies Bioethanol GmbH, Zeitz

	Wheat	Barley	Rye	Corn	Deductions/Refusal
Natural weight (kg/hl)	71 - 69	62 - 59	67 - 65	-	deduction 1 : 1,5
	< 69	< 59	< 65	-	refusal
Foreign matter (%)	0,6 - 1,1			-	deduction 1 : 1
	1,2			-	deduction 1,5 %
	1,3			-	deduction 2,0 %
	1,4			-	deduction 2,5 %
	1,5			-	deduction 3,0 %
	> 1,5			-	refusal
Moisture (%)	14,6 - 16,0				deduction 1 : 2
	> 16,0				refusal
Small-/broken grains (%)	> 10				refusal (acceptance exceptionally with deduction 1 : 1)
Protein (%)	< 10	-	-	-	right to refuse
Mycotoxins	Right to refuse if the max. values stated in the product specification are exceeded.				

Zeitz, 01 July 2021
CropEnergies Bioethanol GmbH