

GENERAL DELIVERY AND CONTRACTUAL TERMS AND CONDITIONS

Effective from 01.11.2022 until revoked

1. Scope of application of the GTC

1. The provisions contained in this document constitute the general terms and conditions of sale of goods of **KALLE HUNGÁRIA Húsipari Ellátó Korlátolt Felelősségű Társaság** (KALLE HUNGÁRIA Meat Industry Supply Limited Liability Company) (registered seat: 1203 Budapest, Zodony utca 3.; company registration number: 01-09-673032; “**KALLE**” or “**Supplier**”) (“**GTC**”). This GTC applies to the business relationship (“**Contract**”) established between KALLE, as Supplier, and each of its customers that is not a natural person, as orderer (“**Customer**”).
2. This GTC applies exclusively to the Contracts falling within its scope. Any terms and conditions of the Customer that differ from, contradict, or supplement this GTC shall only be valid to the extent, and only insofar as, the Parties have expressly agreed thereto in writing.
3. Any differing provisions of individual Contracts entered into with the Customer on a case-by-case basis (including cover letters, supplements, and amendments) shall in all cases take precedence over the provisions of this GTC.
4. All statements and notices of the Customer relating to the contract (e.g. setting a deadline, notice of defect, withdrawal, or price reduction) must be made in writing (e.g. letter, e-mail, fax).

2. Formation of the contract

1. The Customer shall in all cases send its order to KALLE’s logistics e-mail address: ugyfelszolgalat@kallegroup.com. An order placed by the Customer with respect to the Goods shall constitute a binding offer on the part of the Customer. Unless the order provides otherwise, KALLE shall declare its acceptance of the order no later than 14 calendar days from receipt thereof. KALLE shall accept the order in writing (e.g. typically by way of confirmation via e-mail), or by delivering the ordered Goods to the Customer.
2. Following the processing and confirmation of the order, KALLE shall notify the Customer (by e-mail or telephone) of the delivery deadline within which the ordered Goods will be available.
3. The following shall constitute a Contract (contractual relationship) between KALLE and the Customer:
 1. orders confirmed by KALLE;

2. any agreement or framework supply agreement concluded in writing between KALLE and the Customer, of which this GTC forms an integral part.
4. KALLE may modify at any time the offers given by it to the Customer, and such offers shall only be considered binding if the offers expressly state so, together with the deadline for their acceptance, regardless of whether KALLE has provided the Customer with catalogues, technical documentation, product descriptions, or other documents, whether in paper or electronic form.
5. The technical data, product descriptions, and characteristics indicated in offers, brochures, and other informational documents are not authoritative with respect to specific Contracts; they are for informational purposes only and do not give rise to any warranty claim or liability on the part of KALLE.
6. Ownership, including intellectual property rights, in all samples, specimens, drawings, plans, blueprints, descriptions, models, calculations, and any other technical documentation handed over in connection with the conclusion of the contract shall remain with KALLE even after such handover.

3. Modification, withdrawal, termination

1. KALLE expressly reserves the right to modify the range of Goods under the agreement if such change is
 1. necessary to comply with statutory or regulatory requirements, or to comply with consumer protection rules, or
 2. justified by the rationalization of the manufacturing process,provided that the specifications and/or packaging requirements set out in the Contract are not changed to the detriment of the Customer.
2. The Customer is entitled to withdraw from the Contract. However, if KALLE accepts the Customer's withdrawal from the contract as Buyer without KALLE being responsible for the reason for such withdrawal, the Customer shall be obliged to reimburse KALLE for all costs and expenses arising from the order, including, in particular but without limitation, lost profits and general overhead costs.
3. Unless expressly otherwise provided, the Contract shall be concluded for an indefinite period, upon KALLE's acceptance and confirmation of the (first) order.
4. The Contract shall terminate upon the dissolution without legal successor of either contracting party, or upon termination of the Contract. Either Party may unilaterally terminate the Contract with immediate effect if the other Party seriously and/or repeatedly breaches the provisions of the Contract or the GTC, or the obligations undertaken thereunder. A serious breach of contract on the part of the Customer shall include, in particular but without limitation, cases where

- a) the Customer fails to take delivery of the ordered Goods; or
 - b) more than two supplier invoices remain unsettled by the Customer.
1. Unless the Parties expressly agree otherwise, either Party may terminate the Contract in writing subject to 30 days' notice. KALLE shall be obliged to perform orders already accepted and confirmed regardless of the termination of the Contract, unless the Customer states otherwise — however, in such case KALLE shall nonetheless be entitled to reimbursement of all costs incurred in connection with the performance of the order already commenced.
 2. The termination or expiry of the Contract, or withdrawal therefrom, shall not affect the financial obligations arising therefrom, in respect of which the contracting parties are obliged to settle accounts with each other.

4. Delivery time, delay

1. KALLE and the Customer shall in each case determine the delivery deadlines applicable to the Contracts or orders individually, or KALLE shall state the delivery deadline upon acceptance of the order, in accordance with Section 2.2 of this GTC.
2. If KALLE is unable to meet the agreed delivery deadlines for reasons for which it is not responsible (such as, but not limited to, the unavailability of certain goods or services), it shall promptly inform the Customer thereof and, at the same time, where possible, provide the Customer with an estimated new delivery deadline. If performance is not possible even within the new delivery deadline, KALLE shall be entitled to withdraw from the Contract in whole or in part. The unavailability of goods or services referred to in this section shall include, in particular but without limitation, the following cases:
 1. KALLE's supplier partners fail to deliver the Goods on time;
 2. the unavailability is not due to a default of KALLE or KALLE's suppliers (e.g. force majeure).

5. Delivery, transfer of risk, acceptance

1. Unless otherwise agreed by the Parties, the Goods shall in all cases be delivered ex warehouse (under Incoterms 2020: Ex Works).
2. KALLE shall make the ordered Goods available to the Customer at its warehouses [1203 Budapest, Zodony u. 3].
3. Unless the Parties expressly agree otherwise, the place of performance shall in all cases be KALLE's warehouse. At the Customer's request, KALLE may also transport or ship the Goods to another destination, provided that all costs and liability related thereto shall in all cases be borne by the Customer, and the place of performance

shall in such cases likewise remain KALLE's warehouse. In the absence of a different agreement, in such cases KALLE shall be entitled to decide on the mode of shipment, including in particular the choice of carrier, the shipping route, and the packaging.

In the case of delivery requested by the Customer, KALLE shall take out supplementary insurance for the Goods against loss, breakage, transport damage, fire or water damage, or other insurable risks that may arise during shipment, only at the Customer's express request and at the Customer's expense.

4. Unless the Parties agree otherwise, risk shall pass to the Customer at the latest upon handover. A delivery note shall be prepared for each handover.
5. If the Goods are shipped from KALLE's warehouse by a carrier company or another person designated by the Customer, risk shall pass to the Customer upon handover to the carrier or such other person designated by the Customer.
6. If the Parties have agreed on a handover procedure, the transfer of risk shall take place at the time of such handover.
7. In the event of return of the Goods, the risk and the costs of return shall in all cases be borne by the Customer, unless the return is due to defective goods.
8. If the Customer is in default in taking delivery, fails to comply with its duty to cooperate, or if KALLE's performance or the delivery is delayed for any other reason attributable to the Customer, KALLE shall be entitled to claim compensation from the Customer for the damages resulting from such delay, including, among others, additional costs (e.g. costs incurred in connection with storage).

If the Customer does not request delivery of the Goods but instead collects them itself at KALLE's warehouse, KALLE shall store the finished Goods free of charge for up to 3 (three) months, after which KALLE shall be entitled, at its own discretion, to decide either to automatically ship the Goods to the Customer, without further consultation with the Customer, at the Customer's cost and risk, or to continue storing them at a cost of 8 EUR/month/pallet, which cost shall be borne by the Customer and which KALLE shall be entitled to invoice to it — in either case, KALLE shall be entitled to invoice the Customer for the value of the Goods, which amount the Customer shall be obliged to pay.

9. Unless otherwise agreed, KALLE shall be entitled to partial performance or early performance, to the extent reasonable and justified having regard to the Customer's interests.

6. Prices

1. Unless the Parties agree otherwise, KALLE's Ex Works prices in effect at the time of conclusion of the contract (acceptance of the order) ("**List Price**") shall apply to the

Goods. The List Price is a net amount and accordingly does not include applicable taxes and charges, which the Customer shall pay in addition to the List Price.

2. KALLE's List Price applies only to the deliveries and services agreed and specified in the Contract. If the Customer requires additional supplementary or individual services, these shall entail additional costs.
3. The List Price for casings is determined per 1,000 meters or per unit, and for commercial products per 1,000 meters or per 1,000 units.
4. KALLE expressly reserves the right to unilaterally modify previously agreed prices in the event of changes in costs or material prices (including, among others, fuel costs). KALLE shall inform the Customer of the higher price and the date of its application. If the Customer does not accept the amended price, it shall be entitled to terminate the Contract, provided that it remains obliged to take delivery of orders already in progress in accordance with the Contract, and the Parties shall be obliged to properly settle accounts with each other for the services performed up to the date of termination of the Contract.
5. Unless otherwise agreed, all customs duties, fees, taxes, and other public charges and costs shall be borne by the Customer, and may under no circumstances be passed on to KALLE.

7. Terms of payment

1. Invoicing shall be based on the quantity of Goods actually accepted by the Customer that is not objected to or disputed.
2. The Customer shall pay KALLE's properly issued invoices within the payment deadline specified in the Contract, by bank transfer to the bank account indicated on the invoice, within the payment deadline and in the currency indicated on the invoice. KALLE shall be entitled, at any time during the term of the contractual relationship, to unilaterally decide to perform deliveries only against advance payment — KALLE shall promptly notify the Customer in writing of such decision.

8. Delay

1. If the Customer fails to fulfil its payment obligation within the deadlines and in the manner set out in Section 8 of this GTC or in the Contract, it shall be in default. In the event of the Customer's default in payment towards KALLE, all outstanding, unsettled claims against it shall become immediately due and payable. For the period of the delay, KALLE shall be entitled to charge default interest in accordance with Act V of 2013 on the Civil Code (the "**Civil Code**"), and to claim compensation from the Customer for damages arising from the delay.
2. KALLE shall not perform any further deliveries to the Customer for as long as the Customer is in default of payment.

3. The Customer shall only be entitled to set off a counterclaim that is due, of the same kind, and acknowledged, i.e. undisputed.
4. If the Customer fails to fulfil its payment obligation even within the additional deadline specified in KALLE's payment reminder, KALLE shall be entitled to terminate the Contract or withdraw from the Contract, while retaining its right to compensation for its costs and damages.

9. Transfer of title

1. Title to the Goods delivered by KALLE shall pass at the time the corresponding purchase price or fee is paid to KALLE; until then, the Goods shall remain the property of KALLE. This provision applies to all Goods delivered by KALLE, regardless of whether the Goods have been processed or used following their taking into possession by the Customer.

10. Complaints, warranty

1. The Customer must inspect the Goods immediately upon receipt in order to determine whether their quantity and quality conform to the conditions set out in the Contract.
2. Any identifiable defects or quantity discrepancies must be notified to KALLE in writing without delay, but no later than 15 days following receipt by the Customer. Hidden defects or discrepancies must be notified to KALLE in writing following their discovery, but no later than the end of the product's shelf life. Such notices must in all cases contain the following:
 1. the name of the Customer submitting the complaint;
 2. the name and/or item number, as well as the quantity, of the Goods affected by the complaint;
 3. the batch number affected by the complaint;
 4. the order number affected by the complaint (where delivery takes place upon KALLE's acceptance of an order);
 5. the serial number of the invoice issued in respect of the disputed Goods;
 6. the number of the delivery note;
 7. where relevant: photographs or video recordings of the defect; and
 8. a brief description and documentation of the problem encountered (photographs, records, etc.).
3. For products that undergo an autoclaving process, the acceptance, professional investigation, and assessment of complaints shall be conditional upon the

manufacturer providing KALLE with the technological data of the filling and autoclaving process of the item subject to the complaint, namely:

1. the temperature-time and pressure-time curves;
 2. the pH value of the autoclave water;
 3. the filling parameters;
 4. the casing soaking parameters.
4. In the absence of such data, KALLE will only be able to carry out the assessment of the complaint to a limited extent.
 5. KALLE shall treat the technological information provided as confidential, shall use it exclusively for the purpose of investigating and assessing the complaint, and shall not make it available to any third party without the manufacturer's prior written consent.
 6. In the event that such notice (complaint) is submitted after the deadline set out in this Section 10, the Customer may thereafter only assert its claims relating to any defects or quantity discrepancies against KALLE to the extent and in the manner prescribed by law.
 7. The Customer must in all cases return the item that is the subject of the complaint to KALLE, or, if this is not feasible, the Customer must provide evidence acceptable to KALLE of its destruction (e.g. a video recording of the destruction of the Goods).
 8. If KALLE finds the quantity/quality complaint to be well-founded, it shall be obliged, within the mutually agreed deadline, to replace or exchange the objected goods, or to credit the amount of their value.
 9. Only the Customer shall be entitled to raise warranty claims against KALLE, within the scope and time limit prescribed by law.
 10. Due to mass production, the accepted scrap percentage, depending on the size of the order, is as follows:

Order quantity	Accepted scrap percentage
Up to 10,000 m	1.2%
10,000–30,000 m	1%
30,000–100,000 m	0.6%
100,000 m	0.3%

For products that undergo an autoclaving process:

Order quantity	Accepted scrap percentage
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Order quantity	Accepted scrap percentage
0–30,000 m	2%
Above 30,000	1%

11. KALLE shall not be liable for lost profits, lost revenue, or any other indirect damages incurred by the Customer arising from improper handling or storage of the delivered Goods at the Customer's premises, or from any other improper or inadequate handling.
12. Unless otherwise provided in this GTC or the Contract, the Customer's rights relating to warranty and guarantee shall be governed by the applicable provisions of Hungarian law and the law of the European Union.

11. Liability, accountability for damages

1. Unless otherwise provided in this GTC, KALLE shall be liable for breach of contract and for damages caused outside the scope of the contract in accordance with the provisions of applicable law, in particular the Civil Code.

12. Intellectual property

1. Unless expressly agreed otherwise, all materials, drafts, and sketches prepared by KALLE shall remain the intellectual property of KALLE. No such material may be reproduced, duplicated, or copied without KALLE's prior written consent. Trademarks relating to products processed or manufactured by the Customer, or trademarks made available to KALLE for the purpose of manufacturing Goods for the Customer, may only be used with the express written permission of the trademark owner — in such cases, if the trademark is not intellectual property owned by the Customer, the Customer shall be responsible for properly obtaining such written permission from the trademark holder.
2. If, in the course of performing an order in accordance with the Customer's instructions and requests, any third party's intellectual property rights (copyrights, trademarks, and other industrial property rights) are infringed, the Customer shall be liable for all infringement claims and demands arising therefrom.

13. Confidentiality and data protection

1. The Customer shall, without any time limitation, keep confidential all confidential information to which it gains access in connection with the Contract or the orders, and shall use such information solely for the purpose of achieving the purpose of the Contract and for the performance of the Contract.

Confidential information means any fact, information, other data, and compilation made therefrom, that is related to economic activity, is secret — either as a whole or in the configuration and assembly of its components not being generally known or not readily accessible to persons engaged in the relevant economic activity — and

consequently has commercial value, and in respect of which the person entitled to the secret has taken measures that can generally be expected in the given circumstances in order to keep it secret, regardless of whether the relevant information has been marked as confidential.

2. The Customer shall:

1. protect confidential information with appropriate confidentiality measures against unauthorized access by third parties, and handle confidential information in accordance with the data protection requirements set out in applicable law or the contract. This includes, among other things, implementing state-of-the-art technical and organizational measures (Article 32 GDPR), as well as ensuring that employees undertake an obligation of confidentiality and comply with the applicable data protection provisions (Article 28(3)(b) GDPR).
2. ensure that confidential information is disclosed only to those of its representatives for whom knowledge of the information is strictly necessary for the performance of the order — this is conditional upon the Customer ensuring that its representatives have familiarized themselves with the provisions of the Contract and this GTC, and have acknowledged the relevant provisions as binding upon them as if they were parties to the Contract.
3. For the purposes of this GTC, information shall not be considered confidential information if the Customer can prove that it was known to it prior to disclosure and without breach of any confidentiality obligation, or was accessible to the public.
4. The Customer acknowledges and consents that, for the duration of the Contract, KALLE shall process personal data, in particular the data of the Customer's employees and executive officers, in accordance with applicable data protection rules. KALLE may transfer such personal data to third parties for the purposes of corporate financing and receivables management (e.g. within the framework of factoring). Furthermore, KALLE's data processing notice is available on the following website: <https://www.kallegroup.com/en/kallehungaria/>. The Customer shall inform its employees, executive officers, and all other data subjects concerned of KALLE's data processing and of the contents of KALLE's data processing notice.

14. Force majeure

1. For the purposes of this GTC, it shall not constitute a breach of contract if either Party is unable to perform its obligations under this GTC or the Contract for reasons not attributable to either of them ("**Force Majeure**"). For the purposes of this GTC, Force Majeure means any unforeseeable, irresistible force or event of natural or human origin that is of an absolute nature, cannot be averted by the Parties, and as a result of which performance of the Contract or the orders becomes impossible (e.g. natural disasters; political-social events (war, revolution, strike, etc.); state or

governmental measures (embargo, boycott, etc.); epidemics, and the official measures and restrictions imposed as a result of an epidemic (governmental or official declaration of a state of emergency, etc.)).

The Parties shall be obliged to inform each other promptly in writing of the occurrence of a Force Majeure event and its expected duration. The Party responsible for a delay in providing such notification shall be liable for any damages arising in connection with the delayed notification.

2. If the Contract terminates due to Force Majeure, the Parties shall not raise any claim against each other for damages, reimbursement of costs, or any penalty or any other claim on any other legal basis.

15. Governing law, jurisdiction

1. This GTC and the contractual relationship between KALLE and the Customer shall be governed by the laws of Hungary, to the exclusion of uniform international law, in particular the United Nations Convention on Contracts for the International Sale of Goods.
2. In the event of any dispute arising from this GTC or the Contract, the Hungarian courts and authorities shall have jurisdiction, in accordance with the general rules on competence and jurisdiction.

16. Miscellaneous provisions

1. Both KALLE and the Customer undertake not to harm the good reputation of the other party and to endeavor to resolve any conflicts amicably and by mutual agreement.
 2. KALLE shall be entitled to unilaterally amend the provisions of this GTC at any time — KALLE shall notify the Customer of any such amendment without delay, at least 30 days prior to the entry into force of the new provisions.
 3. The Parties undertake to inform each other immediately, mutually and in writing, of all material facts and circumstances relating to the performance of the Contract (e.g. change of registered seat, change of legal form, change of authorized persons, change of banking details, bankruptcy, liquidation, etc.).
 4. Matters not regulated by this GTC shall be governed by the applicable provisions of Hungarian law, in particular the relevant provisions of the Civil Code.
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