



GENERAL PURCHASE CONDITIONS OF GALLETAS GULLÓN, S.A.

§ 1 Scope of application

1. These General Purchase Conditions ("**Conditions**") apply to all sales and deliveries of Goods and Services by the Suppliers to the Customer made on the basis of (subject to applicable law): (i) a Customer purchase order signed by authorised person(s) or (ii) on the basis of a Customer contract signed by authorised person(s) (hereinafter the "**Purchase Order/Contract**"). No other conditions, including those that are in contradiction with the Conditions, may be accepted unless the written approval of the Customer is obtained. If this is not the case, they will be considered null and void. Any matter not covered by the Conditions will be governed by the provisions of the contract and/or purchase order. In the case of any discrepancy between these Conditions and the Contract/Purchase Order with regard the conclusion of negotiations, the Purchase Order and/or Contract will prevail. In the case of any discrepancy between the Contract and the Purchase Order, the Contract will prevail.
2. Any reference in the Conditions to:
 - a) "**Conditions**" refers to these General Purchase Conditions;
 - b) "**Customer**" refers to any of the following companies GALLETAS GULLÓN, S.A., VÉRTICE DE INNOVACIÓN Y DESARROLLO ALIMENTARIO, S.A.U., BOLACHAS GULLÓN, LDA, BISCOTTI GULLÓN, SRL, GULLÓN BISCUITS LIMITED, GULLÓN COOKIES INC and BISCUITERIE GULLÓN, SAS, which conducts or plans to conduct transactions with the Supplier (hereinafter also individually referred to as the "**Company**" or collectively "**Companies**");
 - c) "**Supplier**" refers to a supplier, seller or service provider who is engaged in the business or profession of providing services or delivering goods, equipment, etc.;
 - d) "**Goods**" refers to goods, inputs, products, raw materials, machinery, equipment and materials, as well as the contracting of works and services (such as maintenance, logistics...) software, etc. purchased by the Customer in the exercise of its activity and provided by the Supplier.
 - e) "**Services**" refers to the provision of a service that satisfies a need and does not entail the production of material goods.
3. The conclusion of a Contract in accordance with the Conditions means that the Conditions will be applied by the Supplier and the Customer to all kinds of operations or transactions for the purchase of Goods that the Supplier and the Customer may enter into in the future, even when such transactions do not refer to the Conditions.
4. Any general conditions, pre-established standard contracts or any other Supplier remarks attached to or incorporated into the Conditions will not bind the Customer, even if not expressly rejected by the Customer. If a copy of the Conditions is not sent or delivered to the Supplier, either together with the Customer's offer or on some other occasion, the Conditions will apply as if the Supplier was aware or should have been aware of them from the first commercial transaction with the Customer.

§ 2 Purchase Orders/Contract

1. Goods and Services must be purchased only on the basis of a written Contract/Purchase Order signed by an authorised person between the Supplier and the Customer.
2. The Supplier must accept each Purchase Order/Contract through the business mail system or by the execution of the duly signed Contract.
3. In the absence of a Contract, the Customer purchase order signed by an authorised person is an offer (valid for the period indicated thereon) governed by Spanish law and as such must be accepted by the Supplier in its entirety without any changes or reservations. Any change or addition to any provision of a purchase order will be considered a counteroffer. Any changes to a purchase order must be expressly confirmed in writing by both the Customer and the Supplier.
4. Any Supplier invoice for the delivery of Goods or the provision of Services must indicate the Customer Purchase Order or Contract number. In the absence of the Purchase Order or Contract number, the Customer may consider that the Goods specified in the invoice have not been ordered and may reject them or withhold payment until the Supplier proves (e.g., by showing the Purchase Order or Contract) the basis on which the Goods are delivered or the Services are provided.
5. The cost of any materials, drawings, designs or similar, prepared and/or collected in the course of negotiations prior to the Purchase Order/Contract are included in the price, and all elements that have been created or designed specifically for Galletas Gullón will become the property of the Customer. The Customer will also acquire all copyrights and industrial property rights related to the aforementioned objects, as well as the right to exercise the copyrights and rights of use derived from these items. As part of the acquisition of the copyrights, or derivative rights and any intellectual property, the Customer will have a plural, anonymous, exclusive and unlimited right of use and dissemination of the aforementioned objects and their modified versions, without territorial restrictions, in any field subject to exploitation. When necessary, at the Customer's first request, the Supplier undertakes to sign an agreement with the Customer confirming the transfer of copyrights and industrial property rights or to submit a written declaration to the same effect.
6. In the case of purchase orders relating to Services, the Supplier must collect any waste generated by its work from the Customer's premises, in accordance with the provisions applicable by law.



§ 3 Delivery of Goods and Services

1. The deadline will be the date indicated on the Purchase Order/Contract. A Purchase Order/Contract may provide for the delivery of Goods or Services at the Customer's request. Without prejudice to the obligation to pay any of the contractual penalties or damages under subparagraph 5 below, the Supplier must notify the Customer immediately of any situation that may affect the punctuality of any delivery of the Goods or Services. The dates included on each delivery order (within a Contract) requested from the Procurement Department will also be considered as a specific purchase order for the purpose of the delivery of Goods and Services.
2. The delivery of Goods and Services before the agreed date is not permitted unless prior written approval is obtained from the Customer. For an early delivery, the payment period will be counted from the receipt of the Customer invoice.
3. The Goods and Services are delivered at the risk and expense of the Supplier, unless otherwise expressly agreed. The delivery of Goods will be received at the Customer's warehouse (excluding emergencies, to be determined by the Customer). The risk of accidental loss or damage to the Goods will be transferred to the Customer upon signature of the delivery note or, in the case of machinery or equipment, upon commissioning or on the date of written confirmation of acceptance by the representatives of the Customer and Supplier. In the case of complaints regarding weight, the weight of the Goods will be determined using the Customer's scale. The Supplier is solely responsible for the consequences of incorrectly prepared or missing transport documents. The Customer is entitled to charge the Supplier for any costs arising from inappropriate transport documents.
4. Without prejudice to 3.1 above, the Goods will be delivered at the Customer's factory in Aguilar de Campoo (Carretera de Burgos Km. 1.5) DDP (Incoterms 2020). For their part, the Services will be provided in accordance with the provisions of the particular conditions in each case.
5. In the event of delivery delays attributable to the Supplier, the Supplier will pay the Customer a contractual penalty of 1% of the value of the purchase order for each calendar day of delay, but not more than 15% of the total value of the Purchase Order/Contract, unless the service plan specifically provides for a higher penalty. If the Customer incurs a loss due to the delayed delivery of the Goods or provision of Services, the Customer may, based on the general rules of law, claim damages, without prejudice to the agreed penalty. The Customer may claim damages from the Supplier both for direct damages, including loss of profit or lost income, and for indirect or consequential damages arising from delayed delivery or defects in the Goods and Services.
6. If the delayed delivery of the Goods or Services is more than 7 calendar days, the Customer will have the right to cancel the order, the Purchase Order/Contract without granting an additional period and without losing the right to claim the penalty and damages under subparagraph 5. The Customer may thus cancel an order, Purchase Order/Contract within 5 working days, counting from the eighth day of the delayed delivery.
7. Together with the Goods, the Supplier will deliver all documents required by law to the Customer, such as instructions in Spanish, and as a minimum, certificates, safety certifications, certificates of origin, spare parts list and authorisations related to the Goods; as well as the documentation required for the correct operation and proper use of the Goods. The Customer may charge the Supplier for any costs incurred as a result of the absence of documents required by law. Although not specified in the documentation, the Goods and related documentation must be provided in compliance with the highest standards and in full compliance with applicable regulations.
8. The Goods will not be deemed to have been delivered if the documents referred to in subparagraph 7 are not delivered together with the Goods to the Customer in such a way that the Customer can review them at will.
9. The Supplier must ensure that the Goods are delivered in containers or packaging suitable for such Goods and that this packaging secures and protects the Goods until the end of the delivery process. The packaging and containers for Raw Materials and Auxiliary Materials will be specified in the Service Plan.
10. The Supplier declares and guarantees that its Goods and Services comply, where applicable, with the Customer's technical specifications, are free from any physical or legal defects, and, in particular, that they do not infringe the intellectual property rights of third parties, including, but not limited to, any copyrights, trademarks, patents and/or industrial designs. The Supplier will, at its own expense, indemnify and/or hold the Customer harmless for any damages, including direct and indirect damages, arising in connection with the delivery of defective Goods.
11. If the Supplier provides any Service on the Customer's premises, the Supplier will be required and responsible for complying with all formalities, notifying the relevant administrative authorities, obtaining all necessary permits and paying all taxes and social security contributions due in respect of the Supplier's employees providing the Services on the Customer's premises.
12. The Supplier's employees and any subcontractor of the Supplier must comply with the rules and regulations applicable at the Customer's premises.
13. The Customer has the right to delay delivery of all or part of the Goods ordered. In this case, the Supplier undertakes to store the Goods on its own- or third-party premises until the Customer gives its approval for delivery. The foregoing will not entail any cost for the Customer.
14. In the event that the Goods do not comply with the agreed specifications, the Customer may return the Goods to the Supplier at the Supplier's risk and expense or may notify the Supplier that the delivered Goods are rejected and stored at the Supplier's risk and expense.

§ 4 Warranty, including statutory warranty

1. The Customer will be entitled to all statutory warranties for any defects in the Goods in accordance with applicable law.



2. If the claim is not settled within 14 calendar days of receipt, the Supplier will pay the Customer a contractual penalty of 1% of the value of the purchase order for each calendar day of delay since the submission of the claim, but not more than 15% of the total value of the purchase order, unless the service plan specifically provides for a higher penalty. If the Customer incurs a loss due to the delay in processing the claim, the Customer may, in addition to the above and on the basis of the general rules of law, claim damages without prejudice to the agreed penalty.
3. In the event that the Customer cancels all or part of an order, Purchase Order or Contract, the Customer may, without limitation, charge the Supplier an amount for the storage of any of the Goods that have not been removed by the Supplier.
4. Unless a Purchase Order or Contract between the Customer and the Supplier provides otherwise, the Supplier grants the Customer a quality guarantee for the Goods delivered until their expiry date or for at least 2 years after they are delivered to the Customer if such Goods do not expire. If a supply involves the provision of Services, the Supplier's warranty covers the entire scope of the Services, e.g., the individual materials, devices or constructive elements (even if the manufacturer's warranty was different) and related to the constitution, processing, assembly or installation of the works. Under the warranty, the Customer may, at its discretion, request that the physical defect in the Goods be repaired or that Goods be delivered free of defects. If the Customer invokes the warranty, the Supplier must remove the defective Goods from the Customer's premises and redeliver the Goods free of defects. As part of its rights, the Customer may contract with third parties to repair the defect at the Supplier's risk and expense, without the need for the Supplier's prior consent. Together with the Goods, the Supplier will deliver a warranty certificate to the Customer to confirm the Customer's rights where necessary and appropriate under applicable laws.
5. The Customer reserves the right to withhold payment or make a deduction from the payment of Goods for which there are claims under any of the subparagraphs 1 to 4.
6. The Supplier will be liable for any acts, omissions, negligence and obligations of its suppliers, subcontractors, agents, employees, workers or other contractors as if they were its own acts, omissions, negligence or obligations. The Supplier will in any event be liable for any damage or injury to persons or damage to property caused by defects in the Goods supplied. Any subcontracting must be approved in advance and in writing by the Customer. All subcontracting must be done in accordance with current legislation. The Supplier will expressly exclude the application of article 1597 of the Spanish Civil Code in contracts concluded with subcontractors.

§ 5 Economic conditions

1. Unless a Purchase Order/Contract provides otherwise, the prices indicated in the Purchase Order/Contract are established as the closed price at the Customer's warehouse or facilities. If a reduction in the price of the Goods and Services is established between the Customer's request for a purchase order and the delivery of the Goods or Services, the Supplier will adjust the reduction prior to acceptance of the Purchase Order/Contract. The Supplier is not entitled to increase the Purchase Order/Contract price if the price of the Goods or Services increases between the communication of the Purchase Order/Contract by the Customer and the delivery of the Goods or Services.
2. The Purchase Order/Contract price includes appropriate packaging and in addition the packaging must, without limitation, comply with the applicable marking and labelling regulations. The Purchase Order price covers all obligations, actions and charges necessary to fully execute the Purchase Order/Contract.
3. Any price and discount of a Purchase Order/Contract will also apply to modifications of Purchase Orders/Contracts and additional Purchase Orders.
4. Purchase Orders will be invoiced on the basis of the certificates of acceptance of Goods signed by the Supplier and the Customer. Even if there are no claims on the part of the Customer at the time of signing the certificate of acceptance of the Goods or Services, it does not in any way imply that the Customer waives its right to make any claims after the certificate of acceptance is signed if the defects become apparent afterwards or were concealed by the Supplier.
5. In the case of purchase orders relating to regular deliveries, the Customer's payments will be made on the basis of invoices issued by the Supplier on a monthly basis, as agreed with the Customer.
6. In the event of a delivery of Goods with a net value of more than 50,000 euros, the Customer reserves the right to retain 10% of this net value as security for any claim it may make under § 4 of the Conditions, during the period of transfer of the risk of accidental loss or damage to the Goods.
7. Amounts owed to the Supplier as a result of executed Purchase Orders/Contracts may be offset by the Customer against amounts due by the Supplier to the Company from which the invoice is issued. Amounts owed to the Customer by the Supplier as a result of the Contract, the Purchase Order and/or the Conditions may be offset by the Customer against the Supplier's receivables.



§ 6 Terms of payment

1. In accordance with the Company's Policy on the Prevention of Money Laundering and Terrorist Financing, any cash payment is prohibited.
2. Payment for the Goods and Services purchased will be made in accordance with the provisions of the contract between the parties.
3. Unless otherwise specified in the Purchase Order or in the Contract, invoices may only be issued by the Supplier after the Customer has signed the protocol of receipt/confirmation of delivery.
4. Payment will be deemed to have been made on the date it is debited from the Customer's bank account or on the due date of the Customer's Confirming document.
5. The Customer may offset any amounts due to the Customer against sums due to the Supplier in connection with a Purchase Order, Contract or with fulfilment of a Purchase Order, even if such amounts are not enforceable.

§ 7 Force majeure

1. Exceptions on grounds of force majeure will be in accordance with the provisions of Commission Communication C (88) 1696 on "force majeure" in European agricultural law and Article 1105 of the Civil Code. Neither party is liable for damages arising from force majeure.
2. The party who is prevented from fulfilling its contractual obligations due to circumstances of force majeure will notify the other party in writing at the latest 10 days from the date of the onset of such circumstances. The obligation to notify will also apply to information that such a circumstance is no longer present. Failure by a party who is prevented from performing its contractual obligations due to circumstances of force majeure will deprive that party of the right to invoke the circumstance of force majeure in order to be released from its obligations.
3. When the circumstance of force majeure occurs, the time stipulated for the fulfilment of its obligations will be extended for the period that such circumstances or their consequences last.
4. If the stoppage caused by force majeure lasts longer than 30 days, the party not affected by such circumstances will be entitled to cancel the purchase order in whole or in part without granting an additional period of time, but to the exclusion of any further compensation for this reason.

§ 8 Final provisions

1. The contracts established between any Galletas Gullón company and suppliers must comply with the legislation in force at the time of signing, and must accommodate potential regulatory changes that may arise during the term of the contract.
2. The Supplier is not entitled to assign its rights or obligations in relation to the Customer without the prior written consent of the Customer. The signing of a Purchase Order/Contract in accordance with the Conditions implies that the Supplier gives its unconditional consent to the Customer to assign the rights or obligations arising therefrom in favour of any Company.
3. The Supplier will maintain the secrecy of the terms of the Purchase Order/Contract with the Customer and of any information relating to the Customer to which it has access in connection with the negotiation or fulfilment of a purchase order. The Supplier may only disclose such information after obtaining the prior written consent of the Customer or if required to do so by mandatory provision of law. In the event of non-compliance with the above obligations, the Supplier will pay the Customer a contractual penalty of 200,000 euros for each breach. If the Customer incurs a loss due to the Supplier's failure to comply with the above obligations, the Customer may, on the basis of the general rules of law, claim damages without prejudice to the agreed penalty. The Customer will be entitled to claim damages from the Supplier for direct damages, indirect damages and loss of profit.
4. The Supplier must maintain liability insurance covering at least six times the total value of the Customer's Purchase Order/Contract and for the entire contract period. If the Customer so requests, the Supplier must send a copy of the supporting documentation for the insurance in question.
5. The Conditions are an integral part of any contract for Goods made with the Supplier by authorised employees of the Customer and of the Contracts between the Customer and Supplier.
6. For all matters not determined by the parties, Spanish law will apply.
7. All disputes arising in connection with the Conditions and the Contracts signed will be submitted to the courts of the jurisdiction of Cervera de Pisuerga (Palencia) (Spain).
8. In accordance with the provisions of Personal Data Protection regulations, you are hereby informed that your data will be incorporated into a processing activity, the purpose and legal grounds of which is the management and maintenance of the contractual or pre-contractual and commercial relationship described in this document. The data provided will be kept for the duration of the business relationship or for the years necessary to comply with legal obligations. No data will be disclosed to third parties, unless legally obliged to do so, and you have the right to lodge a complaint with the Spanish Data Protection Agency (www.agpd.es). To exercise your rights of access, rectification or deletion, limitation of processing, portability and/or opposition, you may contact the data controller Galletas Gullón, S.A. (ref. Data Protection), Carretera de Burgos, Km 1,5, 34800 Aguilar de Campoo (Palencia) or lopd@gullon.es.