



## **1. Scope**

### **1.1**

These General Terms of Purchase apply to all current and future business relationships between MEGGLE Cheese GmbH ("MEGGLE Cheese") and the suppliers of the goods ("Supplier") they order and purchase. However, these apply only if Supplier is an entrepreneur (Sec. 14 of the German Civil Code, or BGB), a legal entity formed under public law, or a special fund under public law.

### **1.2**

When a contract or order is accepted and/or executed, Supplier acknowledges these General Terms of Purchase in the version applicable at the time of the order.

These General Terms of Purchase apply exclusively. Contradictory, supplementary or deviating Supplier GTP will not be acknowledged or form part of a contract unless MEGGLE Cheese expressly consented to their application in writing when the contract was concluded. In that case, and if there is a separate agreement to govern special conditions for certain orders, the General Terms of Purchase will apply secondarily and in addition. The General Terms of Purchase will also apply if Supplier executes the contract unreservedly while knowing that its conditions oppose or contradict these. MEGGLE Cheese's acceptance of a delivery or service rendered by Supplier does not constitute consent to Supplier's general conditions. The same applies if MEGGLE Cheese does not respond to an order confirmation from Supplier that contains contradictory statements by Supplier.

### **1.3**

The General Terms of Purchase apply to all future transactions and contracts with Supplier even if MEGGLE Cheese no longer expressly points them out to Supplier.

## **2. Conclusion of contract**

### **2.1**

Orders placed by MEGGLE Cheese will be binding when the order is placed at the earliest. Orders may be placed in writing or through an electronic transmission channel (such as SAP orders by fax or email). Supplier must accept an order by issuing a declaration or order confirmation, which can be made in writing or through an electronic transmission channel. The declaration of the order confirmation to MEGGLE Cheese must occur within five days; otherwise, MEGGLE Cheese may revoke the order or refuse to be bound by it. The deadline will be deemed met if MEGGLE Cheese receives Supplier's order confirmation on time. MEGGLE Cheese will not accept deliveries for which no order was made.

### **2.2**

Supplier's offers will be deemed accepted at the earliest when MEGGLE Cheese issues a declaration of acceptance. The declaration of acceptance may be issued in writing or through an electronic transmission channel (such as SAP orders by fax or email).

### **2.3**

Information on dimensions and weight, quantities, prices, and other descriptions and data contained in catalogs, circulars, advertisements or price lists, are only approximations and are not binding unless they have been expressly included in the contract. Data transmitted to Supplier when the contract is concluded remain MEGGLE Cheese's exclusive property and may not be made accessible to third parties.

Drawings and specifications specified by MEGGLE Cheese in individual cases, including tolerance information, are binding. By accepting the order, Supplier acknowledges that it has

understood the type of execution and scope of the service by viewing the available plans, drawings, and samples. Any documents, such as orders, drawings and plans submitted by MEGGLE Cheese, that contain obvious mistakes, incompletions, typing errors, and calculation errors will be nonbinding. Supplier shall inform MEGGLE Cheese of such errors so that the order can be corrected and placed again. This also applies to missing documents or drawings.

#### 2.4

Deviations in quantity and quality compared with the text and content of the order, and subsequent contract amendments, will not be deemed agreed unless MEGGLE Cheese has expressly confirmed them in writing.

#### 2.5

Drawings, illustrations, plans, calculations, instructions for performance, product descriptions, tools, samples, models, trademarks, packaging or the like, and finished and semifinished products provided by MEGGLE Cheese or manufactured on their behalf will remain MEGGLE Cheese's property and may not be delivered to third parties without MEGGLE Cheese's express written consent. All rights, in particular copyrights, hereto accrue to MEGGLE Cheese. Unless otherwise agreed in individual cases, the aforementioned documents and objects must be returned to MEGGLE Cheese unsolicited when the order has been filled. Products manufactured or marked with such manufacturing equipment, brands and designs may only be delivered to third parties with the express written consent of MEGGLE Cheese.

### **3. Terms of delivery / Force Majeure**

#### 3.1

The terms of delivery indicated in the order, which Supplier shall check carefully in advance, are binding. The delivery date will be deemed the day on which the goods are received by MEGGLE Cheese or by the receiving location specified by MEGGLE Cheese. If the delivery is made before the agreed delivery date, MEGGLE Cheese may refuse to accept the delivery and send it back at Supplier's cost and risk.

#### 3.2

If Supplier does not render its service or not within the agreed supply period or if it falls into arrears, MEGGLE Cheese's rights - in particular the right to withdrawal from the agreement and damages - shall be based on the statutory directives. If Supplier defaults, Supplier shall pay compensation for all damages arising from the delay, including without limitation additional costs for a replacement delivery made by third parties. The regulations in Section 3.4 shall remain unaffected.

#### 3.3

Supplier shall inform MEGGLE Cheese, without undue delay and at least in text form, if circumstances occur or become known to Supplier that mean the agreed delivery date cannot be met. Otherwise, Supplier may not refer to such circumstances later. If Supplier breaches that obligation, MEGGLE Cheese may assert claims for damages and withdraw from the contract.

#### 3.4

If Supplier culpably defaults in delivery, MEGGLE Cheese is entitled to demand a contractual penalty of 0.2% of the delivery value according to the final invoice, per workday of delay or part thereof, but no more than 5% of the delivery value according to the final invoice in total. Further statutory claims may be asserted. The acceptance of a late delivery or service is not deemed a waiver of claims for compensation.

#### 3.5

There is no obligation to pay the aforementioned contractual penalty, however, if the delay is caused solely by force majeure, or by other operational disruptions that are no one's fault, or that last or will probably last longer than 48 hours. In those cases, the delivery period will be extended by the duration of the impediment, but no more than four weeks plus a period for subsequent delivery. However, that extension will occur only if Supplier has fully complied with

its notification obligation under item 3.3.

### 3.6

If force majeure or other unforeseeable events prevents MEGGLE Cheese from accepting the ordered goods, the date of acceptance will be delayed by the duration of that impediment. Such events particularly include war, civil unrest, breakdowns caused by fire, water or storms, as well as legitimate labour disputes and strikes, pandemics, epidemics or plagues, failures or restrictions of electronic data exchange caused by a third party as well as attacks on IT systems of MEGGLE by third parties. If MEGGLE Cheese is thus impeded for a period of more than six months, MEGGLE Cheese may withdraw from the contract without entitling Supplier to assert claims for damages. This also applies to orders that Supplier has not yet processed by the date of withdrawal. Orders that Supplier has already started to fill, or has filled, will be settled as agreed.

### 3.7

MEGGLE Cheese shall accept excess deliveries of up to 3%. If Supplier makes an excess delivery of more than 3%, Supplier shall grant a price reduction of 35%.

MEGGLE Cheese will not accept short deliveries even if the goods have been inspected and approved.

### 3.8

MEGGLE Cheese may cancel the order if:

- Supplier transfers the production of the goods to a subcontractor or subsupplier without MEGGLE Cheese's consent, which must be given in at least text form, or production occurs at a production facility other than the one agreed with MEGGLE Cheese.
- The quality and workmanship of the sample do not meet MEGGLE Cheese's quality standard and technical requirements.
- The sample on which MEGGLE Cheese will perform quality control, to the extent agreed, is submitted late.
- Samples that were ordered separately are shipped late.

## 4. Documentation

### 4.1

After the order has been placed, pursuant to item 2, and Supplier has received notification from MEGGLE Cheese about block quantities and scale division, Supplier shall confirm the delivery dates and order quantities in advance in writing.

### 4.2

An original and a copy of the respective invoice must be attached to each shipment unless collective invoicing has been expressly agreed.

Two copies each of delivery notes, packing slips, and analysis certificates are to be attached to each shipment. Those documents must contain:

- The order number and article number
- The quantity and quantity unit
- The remaining quantity for partial deliveries

### 4.3

For freight shipments, MEGGLE Cheese shall send a separate notice of shipment on the day of dispatch. Pallets must be labeled with EAN 128.

## 5. Prices

### 5.1

The prices shown in the order are fixed prices. All prices shall be understood inclusive of statutory turnover tax if the latter has not been stated specifically. The price specifically includes costs for carriage paid freight, insurance, customs, packaging, and material testing procedures. Claims due to additional deliveries and/or services (e.g. assembly, installation) can be asserted

only after the Parties have entered written agreements to commission those deliveries or services between the Parties. Otherwise, additional claims regarding the total price are excluded.

#### 5.2

Invoices are issued in euros, and payments must be made exclusively in euros.

#### 5.3

Supplier shall not grant MEGGLE Cheese prices and conditions that are less favorable than those granted to other buyers, if and insofar as those other buyers are offering the same or equivalent conditions in the specific case.

#### 5.4

The price includes packaging. If anything else is agreed by way of exception, packaging will be charged at cost. Supplier must select the packaging MEGGLE Cheese specifies and ensure that the packaging protects the goods from damage. If a return is made, at least two-thirds of the invoiced value must be credited. Supplier shall take back the transport packaging at no charge at MEGGLE Cheese's request.

### **6. Payment terms**

#### 6.1

Payment and delivery must occur in the manner and at the time agreed by the Parties for the case at hand. Unless otherwise agreed on a case-by-case basis, payment must be made with a 2% discount within 14 days after delivery and receipt of invoice, or strictly net within 30 days. MEGGLE Cheese shall not owe maturity interest. The statutory directives shall apply to arrears in payment.

#### 6.2

In principle, payment against an invoice is agreed.

#### 6.3

A separate invoice must be issued for each order. Payment will not be made until defect-free goods or services have been completely received or rendered (incl. any acceptance which may have been agreed), and after receipt of the invoice, which must meet statutory requirements, especially those under the German Turnover Tax Act (UStG).

This applies mutatis mutandis to partial deliveries. Separate partial invoices must be attached to partial deliveries.

Regarding discount periods, MEGGLE Cheese will not bear the cost of any delays caused by incorrect or incomplete invoicing.

#### 6.4

The invoice accompanying the goods must have the same value as the original invoice. Other invoices cannot be paid. The invoice must be sent to MEGGLE Cheese to ensure prompt payment.

#### 6.5

Invoicing occurs every 14 days for collective invoices. Other charges, and cash expenditures, will be settled separately.

#### 6.6

Supplier's receivables from MEGGLE Cheese may be assigned to third parties only with MEGGLE Cheese's consent. Payment must be made only to Supplier.

#### 6.7

If MEGGLE Cheese does not respond to a Supplier invoice, this will not be deemed acknowledgment of that invoice even if Supplier has expressly requested that MEGGLE Cheese make such a statement.

## 6.8

MEGGLE Cheese is entitled to rights of setoff and retention as well as the objection of non-performance of the contract to the full statutory extent. MEGGLE Cheese is in particular entitled to withhold its due payments as long as claims from incomplete or defectives services exist against Supplier. MEGGLE Cheese is further entitled to assign claims from this contract without Supplier's written consent. The supplier only has a right of setoff or retention on account of legally effective or undisputed counterclaims.

## 6.9

The payment deadline will be deemed to have been met if the bank receives the transfer order before the deadline expires; MEGGLE Cheese is not responsible for delays caused by banks involved in the payment process.

## **7. Quality assurance and control**

### 7.1

Supplier shall use all measures and equipment to guarantee the delivery of the consistent quality that MEGGLE Cheese has accepted.

### 7.2

MEGGLE Cheese is entitled to carry out production and final inspections, as well as quality inspections and controls, at its expense, during normal business hours, provided it gives prior notice. Supplier shall allow MEGGLE Cheese to inspect the operating and production facilities concerned, and the relevant documentation, by prior arrangement. Any defects detected in so doing will be recorded in writing, and Supplier shall remedy them without undue delay. Whether Supplier or its representative is present, the inspectors employed by MEGGLE Cheese must identify themselves on request.

### 7.3

MEGGLE Cheese may inspect each delivery through a sampling inspection. If the result is negative, MEGGLE Cheese is entitled to carry out an additional inspection. If the negative result is confirmed, the goods must be examined completely. Supplier shall bear the costs to that end.

### 7.4

MEGGLE Cheese points out that the products Supplier delivers must meet current applicable German legal requirements. By delivering the products, Supplier affirms that it has examined them appropriately and that they meet the applicable statutory requirements.

## **8. Transfer of risk**

Unless otherwise specified in individual supply contracts, the date on which risk is transferred will be established in accordance with the current applicable Incoterms of the International Chamber of Commerce. Unless otherwise individually arranged, the clause on delivery duty paid (Incoterms 2010) will apply. To the extent that acceptance has been agreed, it shall be decisive for the transfer of risk. In addition, the statutory directives of the law on contracts for work and services shall apply to an acceptance accordingly.

## **9. Warranty and retention of title**

### 9.1

Warranty claims by MEGGLE Cheese toward Supplier for material defects and defects of title are determined in accordance with the statutory provisions. The warranty period amounts to 24 months from the transfer of risk unless longer statutory or contractual deadlines are specified. The same applies to supplementary performance. Supplier shall bear the expenses necessary for supplementary performance, specifically transport, travel, road, labor, and material costs.

### 9.2

Supplier guarantees that it has the unrestricted right to sell the delivery goods or render the

service in the order. Supplier further guarantees that all deliveries and services, including ancillary services, comply with the state of the art, meet the relevant legal requirements and the provisions and guidelines of the authorities, employers' liability insurance associations, and trade associations, especially regarding occupational safety, accident prevention, and technical equipment, and that the required protective devices and user instructions will be provided. In particular, foodstuffs and all raw materials and auxiliary materials must comply with the applicable provisions under food laws, as well as special requirements, in terms of their composition, quality, packaging, and declaration.

### 9.3

Supplier warrants that it fully owns all the items subject to the orders and that no other third-party rights (such as rights of lien, other creditor positions arising from assigned claims or other credit securities, sale of receivables, hire-purchasing, conditional sale, etc.) stand in the way.

Assignment of the goods to MEGGLE Cheese must be unconditional and without regard for the payment of the price. But if MEGGLE Cheese accepts Supplier's offer for assignment with the condition of payment of the purchase price in the individual case, Supplier's retention of title shall expire no later than the payment of the purchase price for the supplied goods. In the regular course of business, MEGGLE Cheese shall remain authorised to resell the goods with advance assignment of the claims resulting herefrom even before payment of the purchase price (alternatively validity of the simple retention of title and that extended to resale). Thus, all other forms of retention of titles have been ruled out in this way, in particular a retention of title which has been extended, forwarded and extended to further processing.

### 9.4

If the delivery or service is defective (including wrong or short supply as well as improper assembly, defective instructions for assembly, operation or use), MEGGLE Cheese has a claim against Supplier to either having the defect remedied, or a defect-free item delivered, at no charge. Subsequent performance shall also include dismantling of the defective goods and repeated installation to the extent that the goods have been installed in or attached to another object in accordance with their nature and their purpose; MEGGLE Cheese's statutory claim to reimbursement of expenditure in this regard shall remain unaffected. Supplier shall bear the costs necessary for the purpose of examination and subsequent performance even if it is seen that no defect actually existed. MEGGLE Cheese's liability for damages in the event of an unjustified request for remedying of defects shall remain unaffected; to this extent, MEGGLE Cheese shall however only be liable if it was known or was not known due to gross negligence that no defect existed. If MEGGLE Cheese makes no express declaration, Supplier shall provide the kind of subsequent performance, after-work of replacement delivery chosen by MEGGLE Cheese within 14 days of receiving notice of the defect. In special circumstances (e.g. jeopardising operational safety, particular urgency, impending occurrence of disproportionate damage), or if a period for supplementary performance set by MEGGLE Cheese expires without result, no setting of a period shall be necessary. In addition, we are entitled to reduce the purchase price or to withdraw from the contract in accordance with statutory directives in the event of a defect in quality or title. Furthermore, we have a claim to damages and reimbursement of expenditure in accordance with the statutory directives.. Supplier shall bear the burden of proving it is not responsible for the defect/damages.

### 9.5

The obligation for MEGGLE Cheese to inspect or give notice of defect under Sec. 377 of the German Commercial Code (HGB) shall apply with the following proviso: the inspection obligation is limited to defects which are open at a control of incoming goods with external examination, including the supply papers (e.g. transport damage, wrong and short supply). To the extent that acceptance has been agreed, no inspection obligation shall exist. Notwithstanding our inspection obligations, our complaint (notification of defects) shall in any case be deemed without delay and in good time if it is dispatched within 10 working days of discovery , or for obvious defects, from supply.

## **10. Withdrawal from the contract**

### 10.1

MEGGLE Cheese may withdraw from the contract if Supplier requests that insolvency proceedings be initiated against Supplier's assets, if such proceedings are initiated, or such proceedings are rejected due to lack of assets.

### 10.2

MEGGLE Cheese may also withdraw if individual enforcement measures are taken against Supplier.

### 10.3

Otherwise, the statutory regulations governing withdrawal remain unaffected.

## **11. Product liability, insurance**

### 11.1

If Supplier is responsible for a product defect, Supplier shall indemnify MEGGLE Cheese against third-party claims for damages to the extent that the cause lies in Supplier's sphere of power and organization and Supplier is liable in the external relationship. As part of Supplier's obligation to indemnify, it shall assume all costs and expenses (specifically those under Sections 683 and 670 BGB and Sections 830, 840, and 426 BGB) resulting from or in connection with a third-party claim, including the costs of recall campaigns by MEGGLE Cheese and the costs of representation by an attorney. MEGGLE Cheese shall inform Supplier about the content and extent of any recall campaign to be carried out, enable Supplier to cooperate adequately, and exchange information with Supplier about how to carry out that campaign effectively; this is unnecessary if it is impossible or unreasonable to inform Supplier, or for Supplier to participate, especially due to a special need for urgency. Further-reaching statutory claims remain unaffected.

### 11.2

Supplier shall take out adequate and customary insurance against those risks. Therefore, during the existing contractual relationship Supplier shall at all times hold product liability insurance with an adequate minimum coverage sum of 15 million euros per incident of personal injury or damage to property, which also covers the costs of recall campaigns. Furthermore, Supplier shall ensure that the product liability insurance also covers claims that do not arise or become known until the contract has ended, but whose cause lies in the contractual relationship. Supplier shall inform MEGGLE Cheese of any circumstances (including other third-party claims of recourse) which could make it impossible to fully exhaust the aforementioned minimum cover sum in the event of a claim arising in favor of MEGGLE Cheese. Any further claims for damages remain unaffected.

### 11.3

MEGGLE Cheese shall be liable under statutory provisions for damages due to injury to life, limb or health, or due to intent or gross negligence on the part of MEGGLE Cheese or one of its legal representatives or vicarious agents, and for damages falling under a guarantee or assurance granted by MEGGLE Cheese. In the event of ordinary negligence, MEGGLE Cheese shall be liable only for compensating for damages that are foreseeable and typical of this type of contract and for breaches of material obligations (an obligation is "material" if it makes execution of the contract possible in the first place and the contracting parties may rely on its being complied with) by MEGGLE Cheese or one of its legal representatives or vicarious agents. Otherwise, liability is excluded to the extent permitted by law.

## **12. Protective rights**

Supplier guarantees that its delivery will breach no third-party rights. If third parties assert claims against MEGGLE Cheese in this regard, Supplier shall indemnify MEGGLE Cheese from all claims resulting therefrom without undue delay at first request, and defend against those claims. That obligation to indemnify also applies to all expenses that MEGGLE Cheese necessarily incurs from or in connection with the claims asserted by a third party. This also includes the costs for representation by an attorney. Supplier shall take out adequate and customary insurance against those risks. That liability will not apply insofar as Supplier has manufactured the delivered goods in accordance with drawings or samples provided by MEGGLE Cheese, or other similar descriptions or orders, and does not know, or, in the context of the products it has manufactured, cannot know, that protective rights are being breached. Supplier is responsible for ensuring that no patents or other protective rights of third parties will be breached by its delivery and MEGGLE Cheese's utilization of that delivery. Supplier shall at first request indemnify MEGGLE Cheese and its buyers from all claims arising from the use of such protective rights.

## **13. Storage/ownership**

Any material provided will remain MEGGLE Cheese's property. It must be stored separately as such, and may be used only for orders from MEGGLE Cheese. Supplier shall be liable for any reduction in value or loss, regardless of culpability. The items manufactured with the material MEGGLE Cheese has provided will remain MEGGLE Cheese's property in their respective state of production. Processing, blending or combination (further processing) by Supplier of material provided shall be done on MEGGLE Cheese's behalf. The same shall apply to further processing of the supplied goods by MEGGLE Cheese. The purchase price includes the cost of storing the items and materials kept for MEGGLE Cheese.

## **14. Assurance**

Supplier guarantees that it will meet at all times the statutory prerequisites for filling the orders assigned to it, and specifically that it or the subcontractors it employs:

- a) Do not act in any manner inconsistent with the rights stated in the "Convention of the Rights of the Child." This also includes Article 32 therein, which requires, among other things, that a child (under 14 years old) is protected from performing any work that would probably be dangerous or impair its education, upbringing or health, or damage its physical, mental, intellectual, moral, or social development.
- b) Employ foreign employees from third countries (non-EU or -EEA countries) only if they have the necessary work permits, and ensure that personnel hold the prescribed documents (residence permit, work permit) in the original and, if necessary, with an official certified copy in German.
- c) Must present the documents named in b) on request by MEGGLE Cheese or its contractual partners.
- d) Use only employees who hold the necessary qualifications.
- e) Comply with the code of conduct of the amfori Business Social Compliance Initiative (BSCI), as amended at the time, as a minimum social standard. In addition, it must ensure that any possible upstream suppliers comply with this BSCI code of conduct. The current BSCI code of conduct is available on the [www.amfori.org](http://www.amfori.org) homepage.

## **15. Nondisclosure**

### 15.1

Supplier shall treat orders from MEGGLE Cheese and all associated commercial and technical details as business secrets. In particular, Supplier shall not disclose any documents or information it receives from MEGGLE Cheese. Those may be disclosed to third parties only with MEGGLE Cheese's express written consent. The nondisclosure obligation also extends to personal data. The nondisclosure obligation will also survive the contract's fulfillment or failure; it will expire if and insofar as the information in the documents provided becomes generally known. Any third parties whom Supplier uses to fulfill the contractual obligations must be obligated accordingly. If those obligations are breached, MEGGLE Cheese may demand immediate withdrawal and assert claims for damages.

### 15.2

After the contract ends, Supplier may not use the knowledge obtained from MEGGLE Cheese to manufacture competing products. This applies to every direct and indirect activity. A "competing product" means any article that corresponds to or is comparable with the articles in the order.

### 15.3

For every instance of a breach against the obligations named in items 15.1 and 15.2, Supplier shall pay MEGGLE Cheese a contractual penalty to be determined by MEGGLE Cheese at its reasonable discretion (Sec. 315 BGB), which must be reviewed by the competent local or regional court if its reasonableness is disputed. Any contravention will be deemed a separate breach under exclusion of the plea of connection with any previous act of contravention. MEGGLE Cheese's right to assert damages beyond that remains unaffected.

## **16. Duties upon contract termination**

### 16.1

When the contractual relationship ends, each contracting party shall return the other party's property to it.

### 16.2

After the contract ends, Supplier shall immediately return all available items, such as drawings, specifications, work documents, samples, etc., provided by MEGGLE Cheese.

### 16.3

Supplier shall notify MEGGLE Cheese of any unpaid receivables within 14 days after notice of termination, cancellation or withdrawal is received, or after the contract ends. Notifications after that period entail no legal claim.

## **17. Final provisions**

### 17.1

The laws of the Federal Republic of Germany apply. The provisions of the UN Convention on Contracts for the International Sale of Goods and legal standards referring to other legal systems will not apply.

### 17.2

Side agreements and amendments must be made in writing to be effective; this also applies to any cancellation of the requirement for written form.

### 17.3

The place of fulfillment is at the seat of MEGGLE Cheese. The court of jurisdiction for any disputes arising from or in connection with the contractual relationship between MEGGLE Cheese and Supplier is Traunstein Regional Court, provided Supplier or other party to the contract is a merchant, a legal entity under public law, or a special fund under public law.

17.4

Should a provision of these General Terms of Purchase be or become ineffective, now or in the future, this will not render ineffective the remaining provisions.