



1. Scope

1.1

These General Terms of Purchase apply to all current and future business relationships between MEGGLE Bakery GmbH ("MEGGLE Bakery") 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 Bakery 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 Bakery's acceptance of a delivery or service rendered by Supplier does not constitute consent to Supplier's general conditions. The same applies if MEGGLE Bakery 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 Bakery no longer expressly points them out to Supplier.

2. Conclusion of contract

2.1

Orders placed by MEGGLE Bakery 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 Bakery must occur within five days; otherwise, MEGGLE Bakery may revoke the order or refuse to be bound by it. The deadline will be deemed met if MEGGLE Bakery receives Supplier's order confirmation on time. MEGGLE Bakery will not accept deliveries for which no order was made.

2.2

Supplier's offers will be deemed accepted at the earliest when MEGGLE Bakery 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 Bakery's exclusive property and may not be made accessible to third parties.

Drawings and specifications specified by MEGGLE Bakery 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 Bakery, that contain obvious mistakes, incompletions, typing errors, and calculation errors will be nonbinding. Supplier shall inform MEGGLE Bakery 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 Bakery 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 Bakery or manufactured on their behalf will remain MEGGLE Bakery's property and may not be delivered to third parties without MEGGLE Bakery's express written consent. All rights, in particular copyrights, hereto accrue to MEGGLE Bakery. Unless otherwise agreed in individual cases, the aforementioned documents and objects must be returned to MEGGLE Bakery 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 Bakery.

3. Terms of delivery

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 Bakery or by the receiving location specified by MEGGLE Bakery. If the delivery is made before the agreed delivery date, MEGGLE Bakery 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 Bakery'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 Bakery, 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 Bakery may assert claims for damages and withdraw from the contract.

3.4

If Supplier culpably defaults in delivery, MEGGLE Bakery 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 Bakery 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 labour disputes, pandemics, epidemics or plagues. If MEGGLE Bakery is thus impeded for a period of more than six months, MEGGLE Bakery 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 Bakery 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 Bakery will not accept short deliveries even if the goods have been inspected and approved.

3.8

MEGGLE Bakery may cancel the order if:

- Supplier transfers the production of the goods to a subcontractor or subsupplier without MEGGLE Bakery'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 Bakery.
- The quality and workmanship of the sample do not meet MEGGLE Bakery's quality standard and technical requirements.
- The sample on which MEGGLE Bakery 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 Bakery 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 Bakery 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 Bakery 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 Bakery 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 Bakery'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 Bakery 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 Bakery 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 Bakery, Accounts Payable, Megglestraße 6-12, D-83512 Wasserburg, 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 Bakery may be assigned to third parties only with MEGGLE Bakery's consent. Payment must be made only to Supplier.

6.7

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

6.8

MEGGLE Bakery 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 Bakery is in particular entitled

to withhold its due payments as long as claims from incomplete or defective services exist against Supplier. MEGGLE Bakery 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 Bakery 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 Bakery has accepted.

7.2

MEGGLE Bakery 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 Bakery 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 Bakery must identify themselves on request.

7.3

MEGGLE Bakery may inspect each delivery through a sampling inspection. If the result is negative, MEGGLE Bakery 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 Bakery 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 Bakery 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 Bakery must be unconditional and without regard for the payment of the price. But if MEGGLE Bakery 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 Bakery 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 Bakery 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 Bakery'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 Bakery's liability for damages in the event of an unjustified request for remedying of defects shall remain unaffected; to this extent, MEGGLE Bakery shall however only be liable if it was known or was not known due to gross negligence that no defect existed. If MEGGLE Bakery makes no express declaration, Supplier shall provide the kind of subsequent performance, after-work of replacement delivery chosen by MEGGLE Bakery 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 Bakery 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 Bakery 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 Bakery 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 Bakery 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 Bakery 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 Bakery and the costs of representation by an attorney. MEGGLE Bakery 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 Bakery 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 Bakery. Any further claims for damages remain unaffected.

11.3

MEGGLE Bakery 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 Bakery or one of its legal representatives or vicarious agents, and for damages falling under a guarantee or assurance granted by MEGGLE Bakery. In the event of ordinary negligence, MEGGLE Bakery 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 Bakery 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 Bakery in this regard, Supplier shall indemnify MEGGLE Bakery 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 Bakery 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 Bakery, 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 Bakery's utilization of that delivery. Supplier shall at first request indemnify MEGGLE Bakery and its buyers from all claims arising from the use of such protective rights.

13. Storage/ownership

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

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 Bakery 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 homepage.

15. Nondisclosure

15.1

Supplier shall treat orders from MEGGLE Bakery and all associated commercial and technical details as business secrets. In particular, Supplier shall not disclose any documents or information it receives from MEGGLE Bakery. Those may be disclosed to third parties only with MEGGLE Bakery'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 Bakery may demand immediate withdrawal and assert claims for damages.

15.2

After the contract ends, Supplier may not use the knowledge obtained from MEGGLE Bakery 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 Bakery a contractual penalty to be determined by MEGGLE Bakery 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 Bakery'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 Bakery.

16.3

Supplier shall notify MEGGLE Bakery 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 Wasserburg. The court of jurisdiction for any disputes arising from or in connection with the contractual relationship between MEGGLE Bakery 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.