



1. Scope of Application, Deviating Terms and Conditions, Future Business, Prevailing Agreements, Written Form for Legally Relevant Declarations

- 1.1 These General Terms of Purchase (hereinafter "**GTP**") shall apply to all contracts concluded by MEGGLE Bakery GmbH (hereinafter "**MEGGLE Bakery**") with its suppliers (hereinafter "**Supplier**"), including the underlying orders and declarations of acceptance by MEGGLE Bakery as well as any ancillary agreements.
- 1.2 The GTP shall apply exclusively. Any Supplier terms and conditions that conflict with, deviate from or supplement the GTP shall not apply unless, upon conclusion of the contract, MEGGLE Bakery has expressly agreed to their application in writing.
- 1.3 The GTP shall apply even if MEGGLE Bakery accepts a delivery from Supplier without reservation in the knowledge that Supplier's terms and conditions conflict with or deviate from the GTP.
- 1.4 The GTP shall only apply to entrepreneurs within the meaning of § 14 BGB (German Civil Code).
- 1.5 The GTP, in the respectively valid version, shall also apply exclusively to all future transactions with Supplier within the framework of ongoing business relations, even if they are not expressly agreed again.
- 1.6 Individual agreements (including individual subsidiary agreements, supplements and amendments) with Supplier and deviating information in MEGGLE Bakery's orders or order confirmations shall take precedence over the GTP.
- 1.7 Legally relevant declarations and notifications which Supplier has to make to MEGGLE Bakery following conclusion of the contract (e.g., setting of deadlines, declarations of withdrawal) must be made in writing in order to be effective.

2. Conclusion of Contract, Written/Text Form, Ownership of Documents and Objects, Modification of the Goods

- 2.1 All orders and declarations of acceptance, amendments, other ancillary agreements and arrangements made prior to or upon conclusion of the contract must be made in writing or text form (e.g., SAP orders by fax or e-mail, hereinafter "**in writing**") to be legally effective.
- 2.2 Supplier is to confirm orders in writing without delay - stating the order number. Unless otherwise stated or agreed, MEGGLE Bakery shall be bound by its orders for five days.
- 2.3 Drawings and specifications, including tolerance specifications provided by MEGGLE Bakery in individual cases and confirmed by Supplier, shall be binding. By accepting the order, Supplier acknowledges that he has gained information about the type of execution and scope of performance by inspecting the available plans, drawings and samples. In the event of obvious errors, incompleteness, spelling mistakes and miscalculations in the documents submitted by MEGGLE Bakery, e.g., in the case of orders, drawings and plans, these documents shall not be binding. Supplier shall be obliged to inform MEGGLE Bakery of such errors so that the documents can be corrected and renewed. This also applies to missing documents or drawings.

- 2.4 Drawings, illustrations, plans, calculations, instructions for execution, product descriptions, tools, means of production, samples, models and layouts, etc. as well as finished and semi-finished products (hereinafter referred to as “**documents and items**”), which MEGGLE Bakery has attached to an enquiry or order or has handed over to Supplier for the performance of the contract, shall remain the property of MEGGLE Bakery. Paragraph 14 shall apply in addition. The documents and items may only be handed over to third parties with MEGGLE Bakery’s explicit written consent. MEGGLE Bakery is entitled to all rights, in particular intellectual property rights such as copyrights.

Unless otherwise agreed, the documents and items shall be returned to MEGGLE Bakery immediately upon completion of the order or execution of the contract, even without special request. Products manufactured or awarded on the basis of the documents and items on behalf of MEGGLE Bakery may only be delivered to third parties with MEGGLE Bakery’s explicit written consent.

- 2.5 At MEGGLE Bakery’s request, Supplier shall make changes to the design and execution of the goods, provided that the changes are customary in the trade and reasonable for Supplier. Any additional costs incurred as a result of the changes in accordance with sentence 1 shall be borne by MEGGLE Bakery in accordance with the provision in sub-paragraph 2.6; reduced costs shall be taken into account in MEGGLE Bakery’s favour.
- 2.6 A price increase asserted by Supplier due to a change in accordance with sub-paragraph 2.5 shall be made within a reasonable period of time from receipt of MEGGLE Bakery’s change notification by Supplier and before implementation of the change. If the price increase is not asserted within a reasonable period of time or if it is asserted only after the implementation of the change, Supplier’s corresponding claim shall expire. MEGGLE Bakery shall draw Supplier’s attention to this in the notification of change. Supplier shall provide evidence of additional costs. Supplier shall notify MEGGLE Bakery without delay of any postponement of the delivery date necessitated by the change.

3. Terms of Delivery, Delivery Dates and Delivery Periods, Obligation to inform in case of Delays, Delay in Delivery, Contractual Penalty, Force Majeure, Partial Deliveries, Excess/Shortfall Deliveries, Supplier’s Right of Set-Off and Retention

- 3.1 Agreed delivery dates and delivery periods are binding. MEGGLE Bakery does not recognise any reservation of self-delivery by Supplier. The delivery date will be deemed the day on which the goods are received at MEGGLE Bakery or at the agreed place of receipt. 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 Supplier shall inform MEGGLE Bakery, without undue delay in writing, if circumstances occur or become known to Supplier that mean the agreed delivery date cannot be met. MEGGLE Bakery shall be entitled to demand detailed proof of these circumstances. If Supplier’s notification is not made immediately or is inadequate, Supplier shall not be entitled to invoke such circumstances at a later date. In the event of a breach of this obligation by Supplier, MEGGLE Bakery reserves the right to claim damages and to withdraw from the contract in accordance with the statutory provisions.
- 3.3 In the event of a delay in delivery by Supplier, MEGGLE Bakery shall be entitled to claim a contractual penalty of 0.2% of the net value of the goods in respect of which Supplier is in default of delivery for each completed working day (Monday to Saturday with the exception of public holidays at Supplier’s and MEGGLE Bakery’s place of business) of the delay, but not more than a total of 5% of the net value of such goods. MEGGLE Bakery may declare the reservation of the contractual penalty in derogation of § 341 paragraph 3 BGB (German Civil Code) until the fulfilment of its last act of performance, for example the final payment.

Further claims and rights of MEGGLE Bakery due to the delay shall remain unaffected. The contractual penalty payments shall be offset against any claims for damages.

- 3.4 If MEGGLE Bakery is prevented from accepting the ordered goods or taking delivery, if provided for or agreed by law, due to force majeure or other unforeseeable events which are neither MEGGLE Bakery's own fault nor attributable to MEGGLE Bakery, the time of acceptance or taking delivery shall be postponed by the duration of the prevention caused by these circumstances. Such events include, in particular, disruptions due to war, sabotage, fire, explosion, water or natural disasters/extreme natural events such as severe weather, lawful industrial disputes and strikes, pandemics, epidemics and plagues, official orders, interruption/suspension or other impairment of the energy supply, failures or restrictions of the electronic data exchange caused by third parties as well as cyber-attacks on the IT systems of MEGGLE Bakery or a vicarious agent by third parties. If this prevention at MEGGLE Bakery extends over a period of more than 3 months, MEGGLE Bakery shall be entitled to withdraw from the contract without Supplier being entitled to claim damages. This also applies to orders that Supplier has not yet processed by the date of withdrawal. Orders already started or executed shall be remunerated in accordance with the agreements made. Any statutory rights of withdrawal of the contracting parties shall remain unaffected.
- 3.5 Partial deliveries shall only be permissible with the consent of MEGGLE Bakery and shall be marked accordingly in the shipping documents.
- 3.6 MEGGLE Bakery shall accept excess deliveries of up to 3%. In the event of an excess delivery of more than 3%, Supplier undertakes to grant an appropriate price reduction on the excess goods delivered. MEGGLE Bakery will not accept short deliveries even if the goods have been inspected and approved.
- 3.7 Supplier shall only be entitled to offset such claims that are undisputed, ready for decision or legally established. Supplier may only assert a right of retention insofar as it is based on claims from the same contractual relationship that are undisputed, ready for decision or legally established.

4. Documentation, Information on Invoices and Delivery Documents, Labelling

Unless collective invoices have been agreed, each consignment must be accompanied by an invoice and a copy in accordance with the legal requirements, as well as delivery notes, packing slips and certificates of analysis, each in duplicate. Those documents must contain:

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

5. Prices

- 5.1 The prices are agreed fixed prices, including packaging and statutory value added tax if this is not indicated separately. Claims based on additional deliveries and/or services (e.g., assembly, installation) shall only exist after prior agreement and commissioning of the additional deliveries and services.
- 5.2 Unless otherwise agreed, the prices are in euros "delivery duty paid" (DDP, Incoterms 2020), including costs for insurance and customs duties.
- 5.3 If packaging is not included in the price, it shall be charged at cost price. In this case, Supplier shall use the packaging specified by MEGGLE Bakery. Supplier shall take back the transport packaging at no charge, at MEGGLE Bakery's request.

6. Terms of Payment, Invoicing, Assignment, Right of Set-Off and Retention by MEGGLE Bakery

- 6.1 Unless otherwise agreed, payment shall be made within 14 days after complete receipt of the defect-free goods or complete defect-free performance (including any agreed acceptance) and receipt of the proper and verifiable invoice in accordance with Paragraph 4, with a 2% discount or within 30 days net. MEGGLE Bakery shall not owe any default interest. MEGGLE Bakery may reject invoices if they do not comply with applicable legal requirements and the requirements under Paragraph 4. In this case, the date of receipt of the new proper invoice shall be decisive for the start of the payment and discount periods. In the event of premature delivery or performance, the agreed delivery date shall take the place of the delivery.
- 6.2 In the event of partial deliveries, sub-paragraph 6.1 shall apply accordingly. Separate partial invoices must be attached to partial deliveries.
- 6.3 The invoice accompanying the goods must have the same value as the original invoice. Other invoices cannot be paid. Invoices are to be sent to eingangsrechnungen.bakery@meggle.com or MEGGLE Bakery GmbH, Haßlocher Straße 19, 99189 Gebesee, Germany.
- 6.4 Supplier may not assign its claims against MEGGLE Bakery or have them collected by third parties, unless MEGGLE Bakery has given its consent or Supplier has granted its pre-supplier an extended reservation of title in the ordinary course of business. If the legal transaction which gave rise to this claim is a commercial transaction for both parties, the assignment shall nevertheless be effective. However, MEGGLE Bakery may make payment to Supplier with discharging effect.
- 6.5 If MEGGLE Bakery does not respond to a Supplier invoice, this will not be deemed acknowledgement of the invoice; even if Supplier has expressly requested that MEGGLE Bakery makes such a statement.
- 6.6 MEGGLE Bakery is entitled to rights of set-off and retention as well as the objection of non-performance of the contract to the statutory extent. MEGGLE Bakery is in particular entitled to withhold its due payments as long as claims from incomplete or defectives services exist against Supplier. MEGGLE Bakery is further entitled to assign claims from this contract without Supplier's written consent.
- 6.7 The payment deadline shall be deemed to have been met if the transfer order is received by the bank before the deadline expires.

7. Quality, Quality Assurance, Inspection and Access to Supplier's Operating and Production Facilities, Random Sample Checks

- 7.1 Supplier guarantees that all deliveries and services are state of the art, and comply with the relevant legal provisions and the regulations and guidelines of authorities, trade associations and professional associations, in particular with regard to occupational health and safety, accident prevention and technical work equipment, and are provided with the necessary protective devices and instructions for use. Here, 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.
- 7.2 Supplier shall take all measures and devices to ensure the delivery of consistent, defect-free quality.
- 7.3 After prior notice, MEGGLE Bakery shall be entitled to carry out production and final inspections as well as quality tests and inspections during normal business hours at its own expense. 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. The auditors instructed by MEGGLE Bakery are obliged to identify themselves upon request.

- 7.4 MEGGLE Bakery can 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.

8. Transfer of Risk, Acceptance

Unless otherwise agreed, e.g., in a delivery contract, delivery shall be “delivery duty paid” (DDP, Incoterms 2020). To the extent that acceptance is provided for by law or contractually agreed, this 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. Notice of Defects, Liability for Defects

- 9.1 MEGGLE Bakery's obligation to inspect the goods and give notice of defects pursuant to § 377 of the German Commercial Code (HGB) shall apply with the following proviso: The duty to inspect shall be limited to defects that become apparent during the incoming goods inspection under external examination including the delivery documents (e.g., transport damage, wrong and short delivery). To the extent that acceptance has been agreed, no inspection obligation shall exist. MEGGLE Bakery shall give notice of defects without delay, in the case of obvious defects, however, no later than 10 working days from delivery and in the case of hidden defects 10 working days from discovery.

- 9.2 Claims for defects by MEGGLE Bakery shall be determined in accordance with the statutory provisions. The warranty period shall be 36 months, unless longer statutory or contractual periods apply. Supplier shall bear the expenses necessary for supplementary performance, specifically transport, travel, road, labour, and material costs.

- 9.3 In the event of defective delivery/service (including incorrect or short delivery, improper assembly and defective assembly, operating or operating instructions), MEGGLE Bakery shall be entitled against Supplier, at MEGGLE Bakery's option, to free-of-charge rectification of the defect or free-of-charge delivery of a defect-free item. 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 deficiency check 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.

- 9.4 If a request by Supplier for subsequent performance together with the setting of a deadline is not possible due to special circumstances (e.g., risk to operational safety, particular urgency, imminent occurrence of disproportionate damage), MEGGLE Bakery shall be entitled, without prejudice to its statutory claims, to carry out or commission a substitute performance and to demand reimbursement of the necessary expenses from Supplier. To the greatest extent possible, MEGGLE Bakery shall inform Supplier of this prior to the substitute performance.

- 9.5 In the event of a defect, MEGGLE Bakery shall be entitled to reduce the price or to withdraw from the contract. In addition, MEGGLE Bakery shall be entitled to claim damages and reimbursement of expenses in accordance with the statutory provisions. Supplier shall bear the burden of proof that there is no defect or that it is not responsible for the damage.

10. Transfer of Ownership, Processing/Sale of Delivered Goods before Transfer of Ownership

- 10.1 Supplier warrants that it has the unrestricted right to sell the ordered goods or to perform the agreed service and that no rights of third parties (such as liens, other creditor positions from assignment of claims or other loan securities, sale of claims, hire purchase, conditional purchase, etc.) conflict with this.
- 10.2 MEGGLE Bakery does not recognise an extended or prolonged retention of title.
- 10.3 MEGGLE Bakery shall be entitled in the ordinary course of business to process, sell or otherwise dispose of delivered goods prior to the acquisition of ownership.

11. Withdrawal from the Contract

- 11.1 In addition to sub-paragraphs 3.2, 3.4 and 9.5 - MEGGLE Bakery shall be entitled to withdraw from the contract,
- if Supplier applies for the opening of insolvency proceedings against its assets, or if insolvency proceedings are opened, or the opening is rejected for lack of assets,
 - if individual enforcement measures are carried out against Supplier,
 - if the production of the goods is transferred by Supplier to a subcontractor/pre-supplier without MEGGLE Bakery's written consent or is carried out at a production site other than the one agreed with MEGGLE Bakery,
 - if Supplier no longer holds valid certificates or other approvals or has failed to notify MEGGLE Bakery of changes in the information in Supplier's Declaration which existed at the time of conclusion of the contract and which are essential for the performance of the contractually owed delivery, or
 - Supplier breaches the provisions of Paragraphs 15 or 16.

- 11.2 Otherwise, the statutory regulations governing withdrawal remain unaffected.

12. Product Liability, Insurance, Liability of MEGGLE Bakery

- 12.1 To the extent that the Supplier is responsible for a damaging product defect, it shall be obliged to indemnify MEGGLE Bakery against claims for damages by third parties on first demand, insofar as the cause lies within his sphere of control and organisation and he himself is liable in relation to third parties.
- 12.2 In the event of a necessary and/or officially ordered recall or other measures required to avert danger to persons or property of third parties, Supplier shall be liable for all expenses, costs and damage incurred by MEGGLE Bakery as a result of the recall or other measure and shall indemnify MEGGLE Bakery against corresponding claims of third parties, insofar as the recall or other measure is based on the fact that the delivered goods are not in conformity with the contract, unless Supplier is not responsible for this within the meaning of the above sub-paragraph 12.1. Further claims and rights of MEGGLE Bakery shall remain unaffected.
- 12.3 Irrespective of further obligations, Supplier shall inform MEGGLE Bakery without delay if specific circumstances become known with regard to the delivered goods which make a recall or other measure pursuant to the above sub-paragraph 12.2 by MEGGLE Bakery or Supplier necessary and/or give rise to a relevant risk of product liability cases.
- 12.4 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. MEGGLE Bakery has the final right of decision on the implementation of a voluntary recall. Further-reaching statutory claims remain unaffected.

- 12.5 Supplier shall insure itself against the risks described in this Paragraph 12 to a sufficient extent, and as is customary in the market. 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 be obliged to inform MEGGLE Bakery of such circumstances (in particular third-party claims for recourse) which may lead to the above-mentioned minimum amount of cover no longer being fully utilised in the event of a claim in favour of MEGGLE Bakery. Any further claims for damages remain unaffected.
- 12.6 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 granted by MEGGLE Bakery. In the event of a slightly negligent breach of a primary obligation or a secondary obligation, the breach of which jeopardizes the achievement of the purpose of the contract or the proper fulfilment of which makes the execution of the contract possible in the first place and on the observance of which the Supplier could rely, MEGGLE Bakery shall only be liable for compensation for the foreseeable damage typical for the contract. In all other respects, liability is excluded.

13. Protective Rights

- 13.1 Supplier shall grant MEGGLE Bakery the non-exclusive, irrevocable and transferable right of use, unlimited in time, space and content, to all (components of) goods capable of being protected by industrial property rights. This includes, in particular, the right to modify, process or carry out other redesigns of the (components of) goods for the purpose of integration into other products and to distribute the deliveries in the original or in modified, processed or redesigned form. MEGGLE Bakery shall be entitled to grant sub-licences within the aforementioned framework.
- 13.2 Supplier shall deliver the ordered goods free of third-party rights, in particular, patents, utility models, copyrights, design rights, trademark rights, rights to a name and personal rights, other industrial property rights as well as applications for industrial property rights and other acquired legal positions (hereinafter "**property rights**").
- 13.3 Supplier shall indemnify MEGGLE Bakery against all claims of third parties arising from the infringement of property rights and applications for property rights in the event of contractual use of the deliveries and services, unless he is not responsible for the infringement. The same shall apply to all expenses necessarily incurred by MEGGLE Bakery in connection with such a claim by a third party, in particular for the costs of legal defence. Furthermore, in the event of liability according to this sub-paragraph 13.3, Supplier shall be liable for all consequential damages incurred by MEGGLE Bakery, in particular as a result of delivery bottlenecks and production disruptions.
- 13.4 Supplier shall not be liable insofar as it has manufactured the delivered goods in accordance with drawings, samples or other equivalent descriptions provided by MEGGLE Bakery and did not know or did not have to know that this would infringe property rights.

14. Provision of Materials, Ownership

- 14.1 Any material provided by MEGGLE Bakery will remain MEGGLE Bakery's property. It shall be stored separately as such and marked as the property of MEGGLE Bakery. Material provided may only be used for the execution of the contract with MEGGLE Bakery. It shall be returned after execution of the contract and upon MEGGLE Bakery's request.
- 14.2 Supplier shall be liable for any reduction in value or loss, regardless of culpability.
- 14.3 The items manufactured with the material provided by MEGGLE Bakery will remain MEGGLE Bakery's property in their respective state of production. Processing, blending or combination 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.
- 14.4 The price includes the cost of storing the items and materials kept for MEGGLE Bakery.

15. Compliance

Supplier warrants that it shall, at all times, comply with the legal requirements for the performance of the orders placed with it, in particular that it and the pre-suppliers and subcontractors used by it for the performance of the contract with MEGGLE Bakery

- a) not act in any way that conflicts with the rights promulgated in the Convention on 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) only deploy foreign employees from third countries (non-EU/EEA countries) with the necessary work permit and ensure that these employees have the required documents (residency permit, work permit, etc.) in the original and – if necessary – with an officially certified translation in German;
- c) present the documents specified in sub-paragraph 15 b) to MEGGLE Bakery or its contractual partners upon request;
- d) use only employees who hold the necessary qualifications; and
- e) comply with the Code of Conduct of the amfori Business Social Compliance Initiative (BSCI), as amended from time to time, as a minimum social standard and, in particular, will pay appropriate remuneration as required by minimum wage laws or as regulated in any collective agreements. The current BSCI code of conduct is available on the www.amfori.org homepage.

16. Confidentiality, Contractual Penalty, Marketing Measures

- 16.1 Supplier is obliged to treat trade secrets that have been made available to it by MEGGLE Bakery as confidential, unless they (i) were already publicly known at the time of disclosure or have become so thereafter, (ii) are disclosed to Supplier by a third party without Supplier breaching any confidentiality obligation, (iii) were already in Supplier's possession or known to it at the time of disclosure, or (iv) were developed by Supplier independently of access to the trade secrets. If those obligations are breached, MEGGLE Bakery may demand immediate withdrawal.

- 16.2 The business secrets pursuant to sub-paragraph 16. 1 shall include, in particular, MEGGLE Bakery's internal procedures, the conditions of the contract concluded, documents and information received by MEGGLE Bakery, personal data, specifics of the development project including the systems used for this purpose, know-how, business relationships, business strategies, business plans, financial planning and personnel matters, the technical status, the construction and operation of the production facilities including descriptions, schedules, goals, construction drawings, plans, whereby it is irrelevant on which carrier medium they are embodied, whether they are marked as "confidential" or "secret", whether they have a special economic value from Supplier's point of view or whether other technical or organisational measures are taken by MEGGLE Bakery to protect confidentiality. Supplier may only use the trade secrets for the fulfilment of its obligations under the concluded contract and may only disclose them to third parties with the express written consent of MEGGLE Bakery. Furthermore, Supplier undertakes not to reverse engineer, decompile, disassemble or otherwise examine the composition and/or production of information of MEGGLE Bakery which is subject to secrecy, unless this is necessary for the delivery and MEGGLE Bakery has expressly agreed to this in writing in advance. Upon MEGGLE Bakery's request to do so, Supplier shall immediately return all documents and information to MEGGLE Bakery.
- 16.3 Supplier shall also impose this confidentiality obligation on its employees, subcontractors and suppliers.
- 16.4 After termination of the contract, Supplier shall not be permitted to use trade secrets to manufacture competitive products. This applies to every direct and indirect activity. A "competing product" means any product that corresponds to or is comparable with the goods in the order.
- 16.5 Supplier shall pay a contractual penalty to MEGGLE Bakery in each case of a breach of the obligations referred to in sub-paragraphs 16.1 to 16.4, unless it is not responsible for the breach. The amount of the contractual penalty depends on the severity and consequences of the breach. It shall be determined by MEGGLE Bakery in each individual case at its reasonable discretion and, in the event of a dispute, shall be reviewed by the competent court as to its appropriateness. This shall not affect the assertion of a claim for damages exceeding the contractual penalty on account of the breach; the contractual penalty shall be offset against any claims for damages.
- 16.6 Only with MEGGLE Bakery's prior written consent may Supplier advertise the business relationship, in individual cases. The scope of such advertising measures shall be jointly agreed in writing.

17. Place of Jurisdiction, Place of Performance, Applicable Law

- 17.1 If Supplier is a merchant, a legal entity under public law or a special fund under public law, the place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship is the Rosenheim Local Court or the Traunstein Regional Court, depending on the amount in dispute. The same applies if Supplier has no general place of jurisdiction in Germany. MEGGLE Bakery shall be entitled to sue Supplier at any other statutory place of jurisdiction. Statutory regulations on exclusive jurisdiction shall remain unaffected.
- 17.2 The place of performance for all deliveries and services shall be the place to which the goods are to be delivered in accordance with the order or at which the agreed services are to be rendered. If no place of delivery or performance has been agreed, the place of performance shall be Wasserburg.
- 17.3 The law of the Federal Republic of Germany shall apply; the UN Convention on Contracts for the International Sale of Goods (CISG) shall not apply.