

# General Terms and Conditions for the Sale of Meat Products- - EG Suedbayern Group -

## I. General

1. The following terms and conditions ("EGN GTC") are an integral part of every contract regarding meat products a third party enters into with affiliated companies of EG Suedbayern eG ("EGN"). However, the EGN GTC only apply for third parties which are considered undertakings (sec. 14 BGB).
2. The EGN GTC also apply, in their respectively latest version, to any follow-up contracts without that being explicitly stated or agreed upon when those follow-up contracts are entered into.
3. The EGN GTC apply exclusively; EGN does not accept any conditions contradictory or deviating from the EGN GTC except EGN has explicitly agreed to it in writing. The EGN GTC also apply when EGN executes an order of a Buyer knowing that this Buyer's conditions are contradictory to or deviating from the EGN GTC.
4. The EGN GTC do not apply for any sales of livestock.

## II. Offers, Purchase Orders

1. All "offers" of EGN are – in particular, without limitation with regard to quantity, price and delivery time - always subject to change.
2. EGN is entitled to accept purchase orders submitted by Buyer within 8 calendar days after their receipt. Acceptance may either be made by virtue of an order confirmation (at least in text form) or by virtue of delivery of the goods. In the latter case the invoice as submitted by EGN shall be considered as confirmation.
3. Guarantees regarding state or durability are only deemed as warranties if and to the extent they are explicitly marked as such. The same applies for any assumption of a procurement risk.

## III. Prices, Weights

1. Subject to the following regulations in this Sec III prices of EGN do not include any value added tax (VAT) being applicable at the date of delivery.
2. To the extent that the goods purchased by the Buyer are delivered in another EU Member State, the Buyer is required to provide EGN with the requested evidence to prove that the goods have reached the EU Member State of destination. The evidence must be provided to EGN no later than the 10th day of the month following the month in which the goods were delivered. If EGN does not receive the evidence from the Buyer within the stipulated period or the evidence provided does not meet the requirements set by statutory VAT law, EGN is entitled to charge the VAT on the delivered goods to the Buyer.
3. If, due to modifications of statutory provisions, between conclusion of contract and delivery additional or increased duties and/or taxes – in particular without limitation, regarding tariffs, variable export/import levies or currency adjustments - incur, EGN is entitled to raise the agreed purchase price accordingly. The same applies to any inspection fees.
4. Decisive for EGN's purchase price calculation shall be the weight as determined upon loading. Customary weight shrinkage occurring during transport shall be within Buyer's sole responsibility. Any weight differences going beyond must be notified immediately in text form at assumption of the goods and must be specified on the accompanying documents when the goods arrive at Buyer.

## IV. Quantity, Quality, Labelling

1. EGN is always entitled to deliver up to 10 % more or less of the quantity agreed upon. Any delivery of a quantity up to 10 % less than agreed is not considered as material defect.
2. The quality of the goods should be in accordance with trade practice, if not agreed differently in writing in an individual case.

3. Unless expressly agreed otherwise, Goods are in any case not deemed as packaged and labelled for the final consumer within the meaning of food labelling laws.

## V. Dispatch, Delivery

1. The goods are always carried uninsured and in any case at Buyer's risk. This also applies with regard to carriage-paid delivery and regardless which kind of transport is used. Transport insurances are only entered into on Buyer's express request. Any costs arising therefrom are at Buyer's sole account.
2. Except agreed otherwise, EGN is entitled to determine any details of shipment (place of dispatch, carrier, kind of transport and transport company as well as packaging) to the best of EGN's judgement without assuming any liability for fastest and cheapest carriage.
3. If Buyer provides the means of transport, it is responsible for its timely provision. EGN must be notified of any eventual delay in due time. Costs arising therefrom are borne by Buyer. If Buyer picks up goods at EGN's plant or instructs a carrier to collect them, such delivery is always "free carrier" (FCA, Incoterms 2020). EGN ensures that the respective goods are put on the carrier and – if and to the extent Buyer or his carrier provides appropriate fastening and securing material in sufficient quantity and quality – also ensures transport safety. Buyer or his carrier are solely responsible for ensuring operational safety.
4. EGN is entitled to partial deliveries if acceptable for Buyer.
5. Any delivery commitment of EGN is always subject to its own duly and correct supply with goods .
6. Stated delivery and unloading times are always not binding unless otherwise expressly agreed in writing.
7. Delivery impediments due to force majeure or because of unforeseeable events for which EGN cannot be held liable for exempts EGN for the duration and extent of their effects from its contractual obligations., Such events include, in particular, without limitation, operational disruptions, e.g. due to the fact that EGN can no longer maintain production in its premises due to epidemics/pandemics/animal diseases or unforeseeable shortage of raw materials, strikes, lockouts, governmental orders, subsequently effected cessation of export or import possibilities as well as EGN's reservation in relation to its own supply with goods pursuant to Sec. V para. 5 above.
8. If - without occurrence of any delivery impediment as stated in Sec. 5 para. 7 above - a delivery or unloading time is exceeded, Buyer grants EGN in text form a reasonable extension. A period of 2 weeks is generally considered reasonable, unless a longer or shorter period is required due to the circumstances of the individual case. If EGN does not observe such extension time as well, Buyer is entitled to withdraw from the respective contract. However, it is not entitled to claim for damages for reasons of non-fulfilment or default, unless EGN is liable for intent or gross negligence.

## VI. Duty Examination and Notice of Non-Conformity

1. Upon receipt of the goods at the agreed destination or, in case of self-collection upon their take-over, Buyer is obliged to immediately, but in any case prior to any further processing,
  - (a) inspect them in terms of quantity, weights and packaging and to note any complaints in relation thereto on the delivery note or counterfoil/disbursement slip of the cold store; and
  - (b) make, at least by representative samples, a quality test and to open the packaging (cartons, bags, tins, foils, etc.) in reasonable numbers and to check the goods in terms of apparent condition, smell and taste, whereas at least samples of frozen goods must be defrosted.
2. When making a complaint about eventual material defects, Buyer must observe the following formal requirements and time limits:
  - (a) Any complaint must be submitted by the end of the working day that follows the delivery day of the goods to

# General Terms and Conditions for the Sale of Meat Products- - EG Suedbayern Group -

the agreed destination or their take-over. In case of a complaint about a hidden defect, which, despite of a properly made initial inspection pursuant to Sec. VI para. 1 (b) above, has remained unidentified at first, the following applies in deviation from the aforesaid: The complaint must be submitted by the end of the working day that follows the day on which the defect was detected, however, at the latest within 2 weeks after the delivery of the goods or their take-over.

(b) Buyer must submit a detailed complaint to EGN in text form within the terms set forth above. A notice of defects by phone is not sufficient. Complaints made towards commercial agents, brokers or dealers are not relevant.

(c) Any complaint must clearly state type and extent of the asserted defect.

(d) Buyer must keep the non-conforming goods at the place of investigation available for inspection by EGN, its suppliers or experts appointed by EGN. Buyer must store frozen goods at a temperature of the store of -21°C or colder. EGN is entitled to receive evidence for a consistent cold chain.

3. Any complaints in terms of quantity, weights and packaging of the goods are excluded, provided that the note on the delivery ticket/freight bill or counterfoil as required pursuant to Sec. VI para. 1 (a) above is missing. Further, any complaint is excluded as soon as Buyer has mixed, re-dispatched or resold the delivered goods or has started to treat or process them.
4. Goods complained about in non-compliance with formal requirements and time limits are considered approved and accepted.

## VII. Warranty, Limitation of Liability

1. Generally, only the product description of EGN or the producer, respectively, are considered as characteristics of the goods. Public comments, appraisals or advertising of the products are not considered as characteristics of the goods. Any given best-before date is only made in order to comply with statutory requirements and shall not be considered as warranty regarding to or agreement on characteristics of the goods.
2. In case of complaints submitted in compliance with formal requirements and time limits as well as substantially justified, Buyer has the right to claim for faultless delivery within an adequate period of time. EGN has the right to decide if it cures the defect or makes a substitute delivery. Only if the defect could not be cured or the compensation delivery failed or was unacceptable and the defect is not immaterial, Buyer may rescind the contract or reduce the purchase price according to statutory provisions.
3. Any kind of processing of goods delivered from EGN by Buyer is considered a refinement of the goods and not covered by sec. 439 III BGB. §§ 445a, 478 BGB remain unaffected.
4. Buyer has no further rights or claims. In particular, EGN is not liable to Buyer for compensation for non- or malperformance or for reimbursement of expenses which Buyer made relying upon receipt of the goods, unless a warranty for the state of the goods EGN delivered was assumed or EGN acted wilfully or grossly negligently.
5. The preceding limitations of liability also apply to any representatives, employees, agents or vicarious agents of EGN.
6. The aforementioned limitations of liability do not apply in case of culpable injury to life, limb or health, in the case of strict liability - in particular under the Product Liability Act - or in the event of a breach of a material contractual obligation. In the event of a breach of a material contractual obligation, liability for damages shall be limited to the foreseeable, typically occurring damage.
7. Any claims for material or legal defects are time-barred 12 months after transfer of risk. Any claims for wilful breaches, tortious acts, lack of guaranteed characteristics, acceptance of a procurement risk as well as personal damages are time-barred in accordance with statutory provisions.

## VIII. Payment

1. Purchase price claims by EGN are generally due "net cash" without any deduction within 7 calendar days after the date on the respective invoice, provided however, no other payment term was agreed in writing. If EGN issues an adjusted invoice for a delivery to a Buyer in another EU Member State (Sec. III 2), the payment term starts in this case with the date on the respective adjusted invoice.
2. EGN only accepts bill of exchanges or cheques if agreed in the individual case and only in lieu of payment.
3. If the amount invoiced has not been settled within 14 calendar days after the date of delivery, EGN is entitled to charge statutory interest rate for delay without necessity of submission of a specific warning notice. This does not refrain EGN from proving higher damages. Buyer hereby entitles EGN to directly collect outstanding receivables with which Buyer is in delay for payment.
4. If Buyer is no longer able to conduct its business properly, in particular, without limitation, if seizures, liquidity crunches or even stoppage of payments occur or if an insolvency procedure has been applied for, EGN is entitled to demand from such Buyer immediate payment of all due or not yet due receivables EGN has against Buyer. The same applies when Buyer is in default with its payments to EGN or other circumstances become known, which cause Buyer's credit worthiness to appear doubtful. Additionally, in such case EGN may require advance payments or collaterals or may withdraw from the respective contract.
5. Buyer is only entitled for set-off, retention or reduction if the counter claims Buyer asserts have been established as final by a court or expressly been acknowledged by EGN.
6. EGN may at any time declare a set-off with its own receivables or with receivables of its affiliated entities within the meaning of sec. 271 HGB against receivables of Buyer.

## IX. Retention of Title

1. EGN retains legal title to all goods delivered by EGN until Buyer has settled all of EGN's receivables arising from the business relationship- including any balances from current accounts.
2. Buyer is entitled to resell goods delivered by EGN. This, however, does not apply to the extent Buyer is no longer able to run its business operations properly (Sec. VIII para. 4). EGN is further entitled to revoke Buyer's authorisations to resell, if Buyer is in default with the performance of its duties and, in particular, with its payments or if other circumstances become known, which cause Buyer's credit worthiness to appear doubtful.
3. Sec. IX para. 2 above applies accordingly to Buyer's right to process the goods delivered by EGN. By processing such goods, Buyer does not receive full title to the fully or partially processed products; processing is made free of costs and exclusively for EGN's account as producer within the of sec. 950 BGB. To the extent EGN's retention of title extinguishes for whatever reason Buyer and EGN agree that any title to the goods are transferred to EGN, that EGN accepts such transfer and that Buyer remains keeps the products free of charge as custodian.
4. If goods of EGN sold under retention of title are processed or mixed with goods owned by third parties, EGN acquires joint ownership to the new products or the mixed stock. The extent of such joint ownership derives from the proportion between the invoice value of the goods delivered by EGN and the invoice value of the remaining other goods.
5. Goods to in which EGN acquires ownership or joint ownership pursuant to the preceding Sec. IX para. 3 and 4, are considered, as well as goods EGN delivered under retention of title pursuant to preceding Sec. IX para. 1 goods subject to retention of title within the meaning of the following provisions.
6. Buyer hereby assigns to EGN in advance all receivables from a further sale of the goods subject to retention of title. Receivables from a further sale also include those receivables of Buyer based on other legal grounds against

# General Terms and Conditions for the Sale of Meat Products- - EG Suedbayern Group -

its purchasers or third parties (in particular, without limitation tort law receivables and claims against insurers) and further including all balances from current accounts as well as receivables against a bank having opened or confirmed a letter of credit in favour of Buyer's (=reseller). EGN hereby accepts such assignment. To the extent that goods subject to retention of title are processed products or mixed stock, wherein, apart from the goods delivered by EGN, only such goods are included, which either belonged to Buyer or had been delivered to her by third parties under a so-called ordinary retention of title, Buyer hereby assigns to EGN the entire receivable from the resale of the goods. Otherwise, i.e. upon coincidence of advance assignments to EGN and to other suppliers, EGN is entitled to a fractional part of the disposition, namely according to the proportion of the value of the goods invoiced by EGN and the value of the other processed or mixed goods.

7. To the extent EGN's receivables are, because of the aforementioned assignments respectively retentions, certainly secured by more than 110 % (one hundred ten per cent), any surplus of the outstanding debts respectively the goods subject to retention of title are within the discretion of EGN, upon Buyer's request, released to Buyer.
8. Buyer is authorised to collect outstanding debts from the resale of goods. Such authorisation for collection gets void, if Buyer is no longer maintaining its business operations properly (Sec. VIII para. 4). EGN is further entitled to revoke Buyer's authorisation to collect debts, if Buyer is in default with the performance of its duties or, in particular, without limitation, with any payments to EGN or if other circumstances become known that cause its credit worthiness to appear doubtful. Should such authorisation to collect debts becomes void or be revoked, Buyer must inform EGN, upon EGN's request, about all debtors of the assigned receivables without delay and must provide EGN with all information and documents necessary to collect those debts.
9. In case of third party access to EGN's goods subject to retention of title or outstanding debts assigned to EGN, Buyer must inform them about EGN's ownership/right and must inform EGN without delay. Any costs of intervention are borne by Buyer.
10. In case of any breach of contract, in particular, without limitation, in case of a payment default, Buyer is, upon EGN's first request, obliged to handover any of EGN's goods subject to retention of title which are still in Buyer's possession and further to assign to EGN all potential claims for return against third parties in relation to EGN's goods subject to retention of title. Any takeback or seizure of EGN's goods subject to retention of title by EGN is not deemed to be a withdrawal from the respective contract.
11. With regard to the scenarios as mentioned in Sec. VIII para. 4, EGN may request from Buyer to notify EGN about the receivables as incurred by the resale and as assigned to EGN in accordance with Sec. IX para. 8, as well as about the debtors thereof. Subsequently, EGN may in its sole discretion disclose the respective assignment.

## X. Empties

If not agreed differently, Buyer must return to EGN empties (crates, pallets, hooks, etc.) in same type, quantity and value as Buyer has received for the purposes of delivery. Empties must be returned cleaned and in accordance with all hygiene law regulations. Should Buyer not be able to return such empties upon delivery of EGN's goods, Buyer must take care, without delay and at its own costs, to balance the empties' account (obligation to provide, DDP). To the extent EGN and Buyer have empties' accounts, Buyer must check the balances of those empties' accounts submitted by EGN immediately upon receipt. If Buyer does not object to them within 14 days in text form, the balances of the empties' accounts as submitted by EGN are deemed to be confirmed by Buyer. If Buyer is in default with the return of empties, EGN may, apart from a default loss after having set a reasonable extension period refuse the return and may request from Buyer damages in cash.

## XI. Licensing of Packaging Materials

To the extent Buyer put packaging on the market which is subject to system participation Buyer must assure that Buyer (i) has been registered in accordance with the statutory requirements of packaging law with the *Zentrale Stelle* or an equivalent body under any foreign jurisdiction and (ii) has licensed all packaging subject to system participation properly, unless EGN is obliged to license the packaging because EGN is responsible for putting the packaging on the market or based on an individual agreement.

## XII. Final Provisions

1. Place of performance for the delivery of goods is the respective place where the goods have been dispatched.
2. Venue for all disputes out of or in connection with the respective contractual relationship is Landshut, if the Buyer is entrepreneur, a public legal entity or a special public fund or if Buyer does not have a place of general jurisdiction in Germany. EGN is also entitled to sue the Buyer at its general place of jurisdiction.
3. The law of the Federal Republic of Germany applies exclusively. Any international laws of sales, in particular, without limitation, the United Nations Convention on the International Sale of Goods (CISG) do not apply.
4. If a provision of these GTC is invalid, the remaining provisions of these GTC remain unaffected. Any invalid provision will be replaced by a valid provision that comes as close as possible to the economic purpose pursued by the Parties with the invalid provision.

**Status: 11/2024**