

GENERAL CONDITIONS OF PURCHASE OF MURRELEKTRONIK GMBH

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1. General information

- 1.1. If a seller delivers goods or if Seller provides works or services to Murrelektronik GmbH or companies affiliated with Murrelektronik GmbH within the meaning of Section 15 et seq. German Stock Corporation Act (AktG) (hereinafter referred to as "Buyer" or "we"), these General Conditions of Purchase shall apply exclusively, unless otherwise agreed by express written agreement between the parties. Sellers General Conditions shall only apply to the extent expressly consented to by us in writing. This requirement of consent shall apply in any case, particularly if Seller refers to its General Conditions during order confirmation or delivery and we do not expressly object thereto.
- 1.2. Agreements between Seller and us shall be legally binding only if made in writing. Any further conditions or contract clauses introduced by Seller shall be deemed to have been rejected as long as we have not expressly agreed in writing.
- 1.3. These General Conditions of Purchase shall apply to all future contracts between Seller and us without being expressly repeated or agreed at the time of their conclusion.
- 1.4. These General Conditions of Purchase shall apply only if Seller is an entrepreneur (according to Section 14 German Civil Code [BGB]), a legal entity under public law or a special fund under public law.
- 1.5. Legally relevant declarations made by Seller with regard to the contract (e.g. setting of a deadline, reminder, withdrawal) must be made in writing, i.e. in written/text form (e.g. letter, e-mail, fax).
- 1.6. Unless otherwise agreed between the parties and/or in these General Conditions of Purchase, the following regulations shall apply in addition and shall be complied with by the supplier: (1) General Logistics Guideline (2) Supplier Code Of Conduct shall apply accordingly (available at: <https://www.murrelektronik.com/de/downloads/weitere-unterlagen/rechtliche-dokumente>).

2. Conclusion of contract

A contract shall be deemed to have been concluded if, subsequent to the receipt of an offer, we have issued a written declaration of acceptance within the acceptance period or, in the absence of such period, within 14 days. An order offer from us is to be accepted by Seller within the stated acceptance period, or in the absence of such, within 14 days.

3. Services, deliveries, transfer of risk, default of acceptance

- 3.1. Seller shall not be entitled to have its services rendered by third parties (e.g. subcontractors) without our prior written consent. This consent requirement does not apply to shipping operations. Seller shall bear the procurement risk for its services unless otherwise agreed on a case by case basis.
- 3.2. Delivery shall be "Delivered Duty Paid" (DDP, incoterms 2020) to the location specified in the order. If a place of delivery is not specified and nothing else has been agreed, delivery shall be made to our registered office at Oppenweiler. The respective place of delivery shall be place of performance for delivery and any supplementary performance.
- 3.3. Attached to Seller's delivery must be a delivery note stating the date (issue and dispatch), the content of the delivery (item number and quantity) and our order identifier (date and number); otherwise, we shall not be responsible for any resulting delays in processing and payment. Additionally, a corresponding shipping notice with the same content must be sent to us separately from the delivery note.
- 3.4. Seller shall not be entitled to make partial deliveries without our prior written consent.
- 3.5. Seller shall take back its packaging at its own expense at the place of delivery.
- 3.6. The risk of accidental loss and accidental deterioration of the item shall pass to us upon handover at the place of performance. Insofar as acceptance of services is required or has been agreed upon, the risk shall transfer upon acceptance; statutory provisions pertaining to contracts for works (Section 633 et seq. German Civil Code [BGB]) shall apply accordingly. Default of acceptance shall be deemed equivalent to handover or acceptance.
- 3.7. Statutory provisions shall apply in case of our default in acceptance. However, Seller must expressly offer its performance, even if an action or cooperation on our part is required for the performance to be effected (e.g. provision of material) and a specific or determinable calendar time has been agreed for said purpose. Should we be in default of acceptance, Seller may demand compensation for its additional expenses in accordance with the statutory provisions (Section 304 BGB). If the contract relates to a non-representable item to be manufactured by Seller (custom-made product), Seller shall be entitled to rights exceeding § 304 BGB due to the delay in acceptance only, if we have undertaken to cooperate and are responsible for any failure to cooperate.
- 3.8. We shall be entitled, within the bounds of reasonable business conduct, to demand changes to the delivery item with regard to construction and design. The effects thereof – in particular, any additional (or reduced) costs and the delivery dates – shall be regulated reasonably.

4. Prices and terms of payment

- 4.1. The price stated in the order and accepted by the contracting party shall be binding. Price increases by Seller shall only be recognised by express written confirmation. The agreed purchase price includes delivery according to Sec. 3.2., including packaging, assumption of transport insurance and statutory value added tax (to be listed separately on invoices).
- 4.2. Unless otherwise agreed, payment shall generally be made within 30 days of delivery and receipt of the invoice with a 3% trade discount, or within 60 days net.
- 4.3. We shall not owe interest on arrears; in the event of default in payment, all pertinent statutory provisions shall apply.
- 4.4. We shall be entitled to assert the rights of set-off and retention, as well as the defence of non-performance of the contract to the extent provided by law. In particular, we shall be entitled to withhold payments due as long as we are still entitled to claims against Seller arising from an incomplete (or defective) performance.
- 4.5. Seller shall have a right of set-off or retention only in respect of counter-claims, which have been established by declaratory judgement or are otherwise undisputed.
- 4.6. Seller may assign claims arising from legal transactions concluded with us only with our prior express consent.

5. Deadlines for deliveries or services

- 5.1. Delivery shall be made within the delivery period stipulated in the purchase contract or the order. If a delivery time is not determined, it shall be 4 (four) weeks from the conclusion of the contract.
- 5.2. Seller requires our prior written consent for an early delivery that deviates not only slightly (max. 1 week) from agreed delivery date; otherwise, acceptance may be refused.
- 5.3. Seller shall be obligated to notify us immediately in writing if a delay in delivery occurs.
- 5.4. If Seller is in default with its performance, we may – in addition to further statutory claims – assert a claim for lump-sum compensation for our damage incurred and caused by default in the amount of 1% of the net price per full calendar week, but, in total, not more than 5% of the net price of the goods delivered late. We reserve the right to prove that higher damages have been incurred. Seller reserves the right to prove that no or significantly less damage has been incurred.

6. Insurance

- 6.1. Seller undertakes to take out comprehensive liability insurance including product liability with a reputable insurance company with a minimum sum insured of EUR 10 million per case of personal injury/property damage. Said insurance policy shall extend to affiliated companies of Seller to the extent that they are engaged in a service covered by these General Conditions of Purchase.
- 6.2. Seller undertakes to send us confirmations annually as proof of cover. Each confirmation shall specify its scope of cover.

7. Warranty, liability

- 7.1. Seller warrants as follows:
 - (i) Its goods and services comply in all respects with applicable laws, rules and regulations of the country in which they are manufactured, stored or delivered to and used for their intended purpose under the contract.
 - (ii) The goods are manufactured in accordance with top industry standards.
 - (iii) The goods delivered by him are free of defects and possess the agreed quality. All product descriptions, which are the subject of the individual contract, shall be deemed to be an agreement on the quality of the goods; it makes no difference as to whether the product descriptions originate from Seller, from the manufacturer or from us through drawings or other specifications. If there is no agreed quality, the absence of defects shall be governed by the statutory provisions.
 - (iv) Goods are marked in conformity with the specifications and legal requirements (the latter shall include, in particular, the country of manufacture, as well as the country/countries of destination).

(v) Goods are subject to full ownership and no other rights of third parties (such as liens, other creditor positions from the assignment of claims or other loan securities, sale of claims, hire purchase, conditional purchase, etc.) oppose this.

- 7.2. The statutory provisions shall apply to our rights in the event of material defects and defects of title in goods (including wrong delivery and insufficient delivery, as well as improper assembly, defective assembly, operating or operating instructions) and in the event of other breaches of duty by Seller, unless otherwise stipulated below.
- 7.3. We shall not be obligated to inspect the goods or make special enquiries about any defects upon conclusion of the contract. In partial deviation from Section 442 (1) Sentence 2 German Civil Code (BGB), we shall, therefore, also be entitled without restriction to claims for defects if said defect remained unknown to us at the time of conclusion of the contract due to gross negligence.
- 7.4. The statutory provisions (Section 377, 381 German Commercial Code [HGB]) shall apply to the commercial obligation to inspect and issue notice of defects, subject to the following proviso: Our obligation to inspect shall be limited to defects which become apparent during our incoming goods inspection under external inspection – including the delivery papers (e.g. transport damage, wrong and insufficient delivery) – or which are recognisable during our quality control in the random sampling procedure. Insofar as acceptance has been agreed, there shall be no obligation to inspect. Moreover, it shall depend on the extent to which an investigation is feasible in the ordinary course of business, taking into account the circumstances of the individual case. Our obligation to issue a notice of defects discovered at a later stage shall remain unaffected. Notwithstanding our duty to inspect, our complaint (notice of defect) shall be deemed to have been made without delay and in good time if it is sent within 5 working days of discovery or – in the case of obvious defects – of delivery.
- 7.5. Insofar as there is a defect in the purchased item for which Seller is responsible, we shall be entitled to demand – at our discretion – that Seller rectify the defect or make a replacement delivery. All replacement deliveries or repairs are also part of the warranty for defects according to these General Conditions of Purchase.
- 7.6. Seller warrants that no rights of third parties within the Federal Republic of Germany are infringed in connection with its performance. Should claims be asserted against us by third parties due to a culpable breach of this obligation, Seller shall indemnify us against such claims and our justified expenses.

8. Supplier recourse

- 8.1. In addition to claims for defects according to Sec. 7, statutory recourse claims within the supply chain (supplier recourse pursuant to Sections 445a, 445b, 478 BGB) shall be available to us without restriction. In particular, we shall be entitled to demand the exact type of supplementary performance (repair or replacement delivery) from Seller that we owe our customer. Thereby, our statutory elective right (Section 439 [1] BGB) is not restricted.
- 8.2. Before we acknowledge or fulfil a claim for defects asserted by our customer (including reimbursement of expenses pursuant to Sections 445a [1], 439 [2] and [3] BGB), we shall notify Seller and give opportunity to make a written statement, briefly stating the facts of the case. If a substantiated statement is not made within a reasonable period of time and if no amicable solution is established, the claim for defects as granted to customer by us shall be deemed to be owed to our customer. In this case, Seller has the burden of proof to the contrary.
- 8.3. Our claims from supplier recourse shall also apply if said defective goods have been further processed by us or another entrepreneur, e.g. by incorporation into another product.

9. Limitation

- 9.1. The mutual claims of the parties shall become statute-barred in accordance with the statutory provisions, unless otherwise stipulated below.
- 9.2. In deviation from Section 438 (1) No. 3 BGB, the general limitation period for claims for defects is 3 years from the transfer of risk. Insofar as acceptance has been agreed, the limitation period shall commence upon acceptance. The 3-year limitation period shall apply mutatis mutandis to claims arising from defects of title; in addition, claims arising from defects of title shall, in no case, become time-barred as long as the third party can still assert the right – in particular, in the absence of a limitation period – against us.
- 9.3. The limitation periods of the law on sales including the above extension shall apply – to the extent provided by law – to all contractual claims for defects. Insofar as we are also entitled to non-contractual claims for damages due to a defect, the regular statutory limitation period (Sections 195, 199 BGB) shall apply for this, unless the application of the limitation periods of the law on sales leads to a longer limitation period in individual cases.

10. Indemnification

Seller undertakes to indemnify us against any liability towards third parties or liability claims of third parties arising from the manufacture, delivery or storage of the products (product liability). He shall be obligated to reimburse us for payments made in settlement of justified claims. Said obligation to indemnification and reimbursement shall not apply if the underlying event is demonstrably due to grossly negligent or intentional misconduct on our part, or on the part of one of our employees, representatives or vicarious agents. Seller shall be obligated to inform us immediately of any legal action brought against him or of the assertion of claims and to provide us with all documents relating thereto at our request.

11. Rights, confidentiality, retention of documents, retention of title

- 11.1. We hereby reserve the property rights and copyrights to materials, tools, objects, plans, drawings, calculations, product descriptions and other documents. Such documents and objects are to be used exclusively for the purpose of implementing the contract and returned to us after completion of the contract. The documents and items are to be kept secret from third parties, even after termination of the contract. The obligation to maintain secrecy shall only expire if and to the extent that the knowledge contained in the documents provided has become generally known.
- 11.2. Seller undertakes to keep documents relating to the manufacture, storage, delivery and sale of the goods for a period of at least 5 years from the date of delivery, and to make these documents available to us on request.
- 11.3. Any processing, mixing or combination (further processing) of provided items by Seller shall be carried out for us. The same shall apply in the event of further processing of the delivered goods by us, so that we shall be deemed to be the manufacturer and shall acquire ownership of the product at the latest upon further processing.
- 11.4. The transfer of ownership of the goods to us shall be unconditional and without regard to the payment of the price. However, if in an individual case, we accept an offer by Seller to transfer title conditional on payment of the purchase price, Seller's retention of title shall expire at the latest upon payment of the purchase price for the goods delivered. We shall remain authorised to resell the goods in the ordinary course of business even before payment of the purchase price with advance assignment of the claim arising therefrom (alternatively, the simple reservation of title extended to the resale shall apply). This excludes all other forms of retention of title, in particular, the extended retention of title, the forwarded retention of title, and the retention of title extended to further processing.

12. Place of performance, applicable law and place of jurisdiction

- 12.1. Unless otherwise agreed, the place of performance shall be Buyer's registered office in Oppenweiler.
- 12.2. This contract and resulting legal relationships between the parties shall be governed by the laws of the Federal Republic of Germany to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG).
- 12.3. If Seller is a merchant within the meaning of the German Commercial Code (HGB), a legal entity under public law or a special fund under public law, the exclusive – including international – place of jurisdiction for all disputes arising from the contractual relationship shall be our registered office in Oppenweiler. However, we shall also be entitled to file lawsuits against Seller at the place of performance or at the general place of jurisdiction of Seller. Overriding statutory provisions – in particular, pertaining to exclusive competencies – shall remain unaffected.

13. Severability clause

The invalidity of individual provisions of these General Conditions of Purchase shall not affect the validity of the remaining provisions. Said ineffective provisions shall be deemed to be replaced by such effective provisions as are suitable to realise the economic purpose of the omitted provision to the greatest extent possible.