

# **General Purchasing and Ordering Terms and Conditions of helag-electronic GmbH**

## **Section 1 – Validity**

1. All deliveries, services and proposals from our suppliers are performed exclusively based on these general terms and conditions. These terms and conditions are an integral part of all contracts that we sign with our suppliers for the deliveries and services they provide. They also apply to all future deliveries, supplies and proposals to our company, even if they are not especially agreed again, or if they are not specifically referred to.
2. Business terms and conditions from our suppliers or third parties cannot be applied, even if their validity has not been specifically excluded in each individual case. Even if we refer to a written document that contains business terms and conditions of the supplier or a third party or makes reference to such, no agreement with the validity of such business terms can be assumed.

## **Section 2 – Ordering**

1. Only written orders with a legally valid signature are binding for us.
2. The acceptance of an order is to be confirmed immediately in writing, specifying our order data (order number, order date, project number, type number, if necessary the tool number) as well as the binding delivery date and price. Orders become binding if the supplier does not contradict it within 5 working days after receipt. We can withdraw the order if we do not receive the order confirmation within two weeks of the order being received. If this deviates from the order, we are only obliged to accept it if we have approved the deviation in writing. Receipt of deliveries or services or payment does not mean that approval has been given.
3. We are permitted to change the time and place of the delivery as well as the type of the packaging at any time in writing providing it is at least 14 calendar days before the agreed delivery date. We are also permitted to change production specifications providing they can be implemented with the framework of the normal product process at the supplier's without significant additional expense. In these cases, notification must be provided at least three weeks in advance. We will reimburse the supplier with the additional costs that are proven to have been incurred as a result of the change. If such changes cause delays to deliveries that cannot be avoided during normal production and business operations of the supplier with reasonable effort, then the delivery date originally agreed will be postponed accordingly. The supplier will advise us in writing of the expected additional costs and/or delivery delay that they have estimated with due care in good time before the delivery date, but within 10 working days of our notification.
4. We are permitted to terminate the contract at any time by stating a reason in writing if we are no longer able to use the ordered products in our business operations due to reasons, especially product specific requirements of our customer, that have occurred after the contract has been signed. In this case, we will reimburse the supplier of any partial supplies that have already been delivered.

### **Section 3 - Prices, payment terms**

1. The price quoted in the order is binding. All prices include VAT, unless this is listed separately.
2. Unless agreed otherwise in writing in a special case, the price includes all services and ancillary services of the supplier as well as all ancillary costs (e.g. suitable packaging, transport including transport and liability insurance). If the price does not include the packaging in accordance with the agreement, then unless agreed otherwise, the cost of packaging will be calculated using the proven at cost price. The supplier is to take back packaging material at our request.
3. Unless otherwise agreed, following receipt of the goods and submission of the invoice, we make payments by choosing one of the following: within 14 days and deduction of 3 percent or, within 30 days and deduction of 2 percent or, within two months without deduction. Payments are made in legal tender or discountable bills to bank discount.

### **Section 4 - Delivery period, delivery terms, transfer of risk, invoice**

1. The delivery dates or delivery periods specified in the order are binding.
2. The order data (see section 2 paragraph 2 above), storage location and packing lists and delivery notes with our type codes and goods designations are to be supplied in duplicate with each delivery.
3. The supplier is obliged to inform us immediately in writing if circumstances arise or become apparent that would result in the delivery period not being maintained.
4. The supplier is responsible for delayed delivery if they do not hand over the goods in their entirety at the place of fulfilment on the agreed delivery date. The delivery period has not been fulfilled if only part of the delivery is handed over on the agreed delivery date.
5. In the event of delayed delivery, we have unrestricted claim to legal entitlements, including the right to withdraw from the contract and claim compensation for damages in place of the delivery after a reasonable period has passed without a successful result. Additional costs incurred by us for accelerated conveyance necessary as a consequence of the delivery period being exceeded are to be borne by the supplier.
6. The risk of accidental loss and the accidental deterioration of the goods is only passed to us, even if dispatch has been agreed, if the goods are handed over to us at the place of fulfilment. If an acceptance procedure has been agreed, this is substantial for the transfer of risk.
7. Invoices are generally to be furnished in duplicate and must not be sent with the delivery; they are to include the order data (see section 2 paragraph 2 above), storage location of our order as well as our type and goods designation and sent to us separately as soon as the delivery has been completed to facilitate checks.

## **Section 5 - Quality and documentation**

1. The supplier warrants that for their deliveries they comply with the recognised rules of technology, the safety regulations and the agreed technical data. Changes to the deliverables require prior written permission of the party placing the order.
2. The materials delivered by our suppliers must comply with legal regulations, in particular compliance with the EU directives 2002/95 EG, 2005/618 EG and 2011/65 EG (RoHS and RoHS-II), which determine the limit values for heavy metals and brominated flame retardants, must be ensured.
3. Moreover, the obligations laid down in directive (EG) No. 1907/2006 (Reach directive) are to be adhered to. Of special mention is the fact that the publication or updating of the candidate list triggers the obligation to provide information directly and without transitional period. With the publication of the first candidate list on 28 October 2008 and the subsequent updates, the obligation to provide information takes immediate effect (see also article 33 (1) in the REACH directive (EG) No. 1907/2006).
4. The regulations in section 1502 of the "Dodd-Frank Wall Street Reform and Protection Acts" (Dodd-Frank-Act) to avoid the use of conflict materials, are to be adhered to. If requested by helag-electronic, the corresponding proof of freedom from conflict along the supply chain is to be provided (e.g. using EICC check list).
5. If the order concerns individual components and materials to be implemented in the automotive sector, the supplier is to arrange the necessary entries in the IMDS database. The transmitted product IMDS data must always comply with the current IMDS recommendations and must be transmitted again if they are updated. The helag ID is 28796.
6. The supplier has to ensure, that personal data has to deal according the EU General Data Protection Regulation EU-DSGVO (EU 2016/679)

## **Section 6 - Warranty claims**

1. In the event of defective delivery, we have unrestricted entitlement to warranty laws, in particular we can choose to demand the removal of the defect (subsequent repair) or deliver of defect-free goods (subsequent delivery). The warranty period, however, is 36 months, which deviates from the legal rule.
2. An incoming goods check is only performed by us with respect to externally recognisable damage and deviations in identification and quantity that can be detected from the outside. We will send notification of such defects within ten working days of the goods arriving. Otherwise, defects will be notified within ten days of them being discovered in the course of normal business processing. The supplier can therefore not claim that defects have been notified too late.

3. If the supplier does not fulfil their obligation to subsequently remedy the defect within a reasonable period set by us, then we can remedy the defect ourselves and demand compensation or an advance from the supplier for the expenses incurred. If the subsequent remedy by the supplier does not work or is not reasonable (e.g. because of particular urgency, risk to operational safety or threat of disproportional damages) there is no requirement to set a remedy period; we will advise the supplier as soon as possible before we perform the remedy for the defect.
4. If the supplier falls behind schedule, we can demand a contractual penalty of 0.5 % of the net price per calendar week, amounting to a total sum not exceeding 5 % of the net price of the delayed goods. We are entitled to demand the contractual penalty in addition to fulfilment of the contract and as a minimum the legally specified compensation from the supplier; the right to claim further damages remains unaffected. If we accept the delayed delivery, we are obliged to claim the contractual penalty by the time the final payment is made at the latest.

### **Section 7 - Protection of ownership, secrecy**

1. We retain right of ownership and copyright on images, plans, drawings, calculations, implementation instructions, product descriptions and all other documents. Such documents are to be used solely for supplying goods and services in accordance with the contract and after the contract has been fulfilled they are to be handed back to us. Even after the contract has been fulfilled, the supplier must not allow third parties access to them, or make them known, or use them or duplicate them themselves or through third parties, with our express written permission.
2. Tools, samples, moulds, demonstration equipment and models that we make available to the supplier, remain our property. If such goods are manufactured by the supplier as part of a contract and invoiced to us in full or in part, then as a consequence of payment being made, we obtain ownership or partial ownership in proportion to the proportion of the costs paid. Processing, mixing or compounding such goods will be performed by the supplier for us. If after processing, mixing or compounding with goods or third parties their right of ownership remains, we obtain part ownership in the resulting goods in proportion to the value of the goods we have provided in relation to the goods of the third party. The supplier bears the risk for the models we made available to them and is liable for any damage or loss, regardless for what reason the damage or loss occurs.
3. Tools, samples, moulds, demonstration equipment and models - even if they are wholly or partially property of the supplier – must not be made accessible to third parties without our prior written permission and must not be used for deliveries to third parties. The supplier is to hand over such items to us in good condition once they are no longer needed to fulfil the contracts signed with us: if the supplier owns or partially owns the items, they are obliged in this case to transfer ownership of the items concurrently against reimbursement of their proven manufacturing costs.
4. Ownership of the supplied goods is transferred to us when full payment has been made. Any extended or prolonged retention of ownership by the supplier is excluded.

## **Section 8 - Company regulations**

Suppliers and their representatives, such as agents, employees, installation engineers, etc., who visit our company premises, are subject to the work regulations and company regulations that apply at our plant. We assume liability, no matter in which way this is formulated, only in the case of deliberate intent and gross negligence resulting in loss of life, physical injury, damage to health as well as foreseeable and typical loss resulting from the violation of a significant contractual obligation (an obligation without which it would be impossible to fulfil the contract properly and on which the supplier can and does regularly rely). In all other cases the legal regulations apply.

## **Section 9 - General terms**

1. Location of fulfilment for both sides and exclusive court of jurisdiction is 72202 Nagold.
2. All contracts signed between us and suppliers are subject to the law of the Federal Republic of German and exclude the United Nations Convention on Contracts for the International Sale of Goods.