

Purchasing Terms and Conditions

of Ernst & Engbring GmbH, Industriestrasse 9, 45739 Oer-Erkenschwick and EEB Kabeltechnik GmbH, Holunderweg 2, 03149 Forst -both referred to in short as "E&E/EEB" below-

1. Validity

1. The following purchasing terms and conditions are valid for all legal relationships between E&E/EEB and their suppliers providing that Supplier is a businessman, a legal entity under public law or a special fund under public law. Any deviating provisions, in particular Supplier's terms of sale, delivery, and payment shall only apply they have been confirmed by E&E/EEB in writing.

2. With his very first delivery on the basis of these purchasing terms and conditions, Supplier recognises and accepts these conditions in their current version as agreed and as binding on all other contractual relationships involving the sale or delivery of moveable goods or the provision of work services.

3. Any individual agreements with Supplier, for example framework agreements, disposition agreements or supply contracts, shall take precedence over these purchasing terms. The individual agreements shall be supplemented by these purchasing terms, unless more specific provisions have been made in these individual agreements. A written contract or a written confirmation from E&E/EEB shall be authoritative for the content of any contractual amendments, supplements or verbal collateral agreements and shall at the same time be a prerequisite for their validity.

2. Conclusion of the Contract / Subcontractors

1. Only written contracts, orders, delivery schedules and any changes and additions thereto – including by fax or email – shall be valid and effective. Orders and call-offs can also be made via remote data transmission or by machine-readable data carriers. Only the contents of the order shall be valid. Supplier must confirm the order in writing within a maximum of three days from the date of order. If any shorter delivery dates have been agreed, then the period for confirmation shall be reduced to half of the delivery period. On expiry of this deadline E&E/EEB shall be entitled to cancel the orders. Any claims by Supplier based on a valid revocation are excluded.

2. Even after the finalisation of a contract E&E/EEB shall be entitled to demand an amendment to the delivery item, provided that the changes are just and reasonable for Supplier or if E&E/EEB undertakes to reimburse Supplier for any extra costs arising from the change to the delivery item.

3. Supplier may subcontract only with the consent of E&E/EEB. When subcontracting work, Supplier, shall, in the event of non-compliance for which he is liable, contractually transfer to the subcontractor any existing obligations towards E&E/EEB. Supplier must also oblige his sub-supplier to comply with all legal provisions when executing the sub-contract, in particular the obligation to pay a minimum wage to his (subcontractor's) employees. At the request of E&E/EEB, the sub-supplier must demonstrate that he has done so. The sub-supplier must also undertake to pass on the obligations to his sub-suppliers to the same extent. If any claims are brought against E&E/EEB on account of a breach of the law on the part of a sub-supplier or sub-suppliers, then Supplier undertakes to indemnify E&E/EEB in respect of these claims. This applies in particular in the case of a justified claim against E&E/EEB arising from § 13 MiLoG (Minimum Wages Act) in conjunction with § 14 AEntG (Posting of Workers Directive).

§ 3 Prices, Payment

The agreed prices are fixed prices and include all costs in connection with packaging, transport to the specified point of receipt or point of use, customs formalities and customs and, in cases of doubt, the currently valid rate of turnover tax (VAT). If no prices are stated in the order, then Supplier must quote his prices to E&E/EEB beforehand and obtain their approval.

2. Invoices must be submitted following delivery with all relevant data such as, for example, order number, article number, import tariff and VAT identification number. The amount of

VAT must be shown separately. If these details are missing, then the invoice will not be due and payable.

3. Following receipt of the goods and the invoice, E&E/EEB shall pay within 14 days with 3% discount calculated on the gross invoice amount, or net within 45 days.

4. In the case of early deliveries the due date shall be based on the originally-agreed delivery date.

5. In the case of incomplete or incorrect/faulty deliveries, E&E/EEB is entitled to withhold payment in total or in proportion to the value of the goods until proper fulfilment. E&E/EEB shall be entitled to retention and set-off rights to the extent permitted by law. Supplier can only exercise any rights of retention and rights of set-off against E&E/EEB claims if E&E/EEB have acknowledged his claims or if they have been legally established.

§ 4 Delivery dates, Deadlines and Delay / Retention of Title

1. The agreed delivery dates and delivery periods are binding. This also applies to notifications of exact delivery dates by Supplier. Supplier is considered as having complied when the goods are received by E&E/EEB or at the agreed point of use (in doubt, to be determined by E&E/EEB). This then becomes the place of performance.

2. Supplier is obliged to inform E&E/EEB in writing without delay if circumstances occur or become apparent to him which indicate that the agreed delivery dates cannot be met.

3. If Supplier fails to keep a delivery date or deadline for reasons which are in his sphere of risk, E&E/EEB shall be entitled to withdraw from the contract without further notice of default and without granting a grace period, and/or to claim damages.

4. If Supplier fails to keep a delivery date or deadline for reasons which are demonstrably not in his sphere of risk, the contractual parties undertake to adapt the contract in good faith in accordance with the changed circumstances. E&E/EEB are, however, released from any obligation to accept the ordered delivery and are entitled to withdraw from the contract if, as a result of the lapse of time, the delivery or deliveries are no longer useable from an economic point of view.

5. Part deliveries are permissible only with express written agreement.

6. No reservation of title is agreed.

7. The items and/or other items necessary to execute the order which have been handed over to Supplier by E&E/EEB shall remain E&E/EEB's property. Supplier shall carry out the processing and/or machining on behalf of E&E/EEB in such a way that E&E/EEB are the manufacturer in the sense as understood by § 50 Civil Code (BGB). If, when Supplier processes the order, the item(s) surrendered by E&E/EEB are combined or mixed with other items which are owned by a third party, then E&E/EEB shall acquire a share of ownership of the new item(s) thus produced which corresponds to the value relationship of the components supplied by E&E/EEB to the value of the other combined or mixed components. Supplier undertakes to treat / handle the items owned by E&E/EEB with due care and to insure them against loss and damage. E&E/EEB property is surrendered solely for executing the order. Supplier is not entitled to resell, pledge, rent or lend the items or dispose of them in any other way to the disadvantage of E&E/EEB.

§ Transfer of Risk / Packaging / Insurance

1. Delivery shall be made free Buyer's address and shall be made at Supplier's risk up to the point of complete delivery to the contractually-agreed point of receipt or point of use. In case of doubt, this is the hall gate at the goods receiving area at E&E/EEB. Even after finalisation of the contract E&E/EEB is entitled to stipulate a different point of receipt or use provided that Supplier is not thereby disadvantaged (extra costs, etc.) or if E&E/EEB undertakes to make good this disadvantage in respect of Supplier. If E&E/EEB undertakes delivery, then transport shall be at the risk of Supplier.

2. Supplier must pack the items to be delivered exclusively in environmentally-friendly packaging material(s) in such a way that any damage during transport is prevented and at the same time to minimise the time and expense needed for E&E/EEB to dispose of the packaging.

In addition, the relevant packaging regulations shall apply.

3. Supplier must insure the delivery at his own cost against loss and damage during transit and shall provide E&E/EEB with evidence of the insurance on request.

§ 6 Reporting Defects

1. a) E&E/EEB shall inspect the delivered products within one week of delivery of the goods. If the function and freedom from defects of the delivered product can only be determined without unreasonable effort and expense when the product is installed or when it is put into operation and/or when the finished product is accepted/handed over, then the inspection can also take place later on one of these occasions.

1. b) If Supplier and E&E/EEB have entered into a special quality assurance agreement, then the obligation to inspect shall be restricted to transport damage, identity and quantity checks and - where reasonable – a check for correct functioning. The same applies if Supplier is certified according to ISO 9000 et seq. and if he has advertised with this certification and if, within one week of concluding the contract, he does not make clear to E&E/EEB in writing that this interpretation is not to be linked to the certification.

1. c) If, in the case of larger delivery quantities, E&E/EEB determine that the maximum permissible error rate in accordance with the static test procedure specified in the order has been exceeded, then E&E/EEB shall not be obliged to inspect and give notice of defects for all delivery items. In this case, E&E/EEB shall be entitled to make claims for defects with regard to the entire delivery or, after prior notification of Supplier, to inspect the entire delivery at Supplier's expense.

2. E&E/EEB shall give notice of any defects discovered within 5 working days.

3. Providing that E&E/EEB have fulfilled their obligations in respect of the aforementioned Clauses 1 and 2, Supplier shall waive his right to object on the grounds of a late inspection and or late complaint.

§ 7 Warranty

1. Unless any different rulings are agreed to the contrary below, Supplier shall provide compensation in the event of material defects and defects of title, including incorrect or short delivery, improper or inadequate assembly or mounting, defective assembly, the operating or instruction manual warranty, and is liable for any other violations of his obligations in accordance with legal provisions.

2. Within his warranty obligations Supplier is liable for the agreed quality on transfer of risk. E&E/EEB's product descriptions or those of the manufacturer / supplier are deemed to be an agreement on the quality.

3. E&E/EEB may also assert all warranty rights for defects if a defect remained unknown to them at the time of conclusion of the contract due to their own negligence. The same shall also apply in the case of installation or connection of defective delivery items with other items.

4. Supplier guarantees that all deliveries / performances correspond to the state of the art, all relevant national, European and international legal provisions and the regulations and guidelines of authorities, employer liability insurance associations, trade associations and to DIN standards. This applies regardless of whether these are expressly or completely named in the contract documents. Supplier also guarantees the environmental compatibility of the delivered products and packaging materials. If the products supplied do not conform to the agreed specifications and the aforementioned characteristics, then Supplier shall be liable for all damages resulting therefrom, including any consequential damages. E&E/EEB is entitled to demand that Supplier furnish certificates of quality of the delivered products free of charge.

5. a) In view of the fact that our customers also request a guarantee which extends beyond statutory warranty periods, the warranty period in the case of goods deliveries shall be two years from the time when E&E/EEB have noted the defect, at the most however, 4 years from the transfer of risk or, in the case where Supplier carries out work services on a product, from the time of acceptance.

5. b) If the delivered item is assembled unmodified on, or into, an E&E/EEB product, then the warranty period shall commence at the time when the end consumer commissions the product. It ends at the latest, however, three years after the product has been delivered to E&E/EEB or, in the case of work services, after acceptance of the service by E&E/EEB.

5. c) If Supplier has been asked to manufacture a building or large structure or a piece of work for E&E/EEB, the success of which consists in providing planning or monitoring or supervisory services, then the guarantee period shall be 5 years following the handover of

the work or the planning and supervisory services. The extended guarantee period also applies in the case of the delivery of items which, according to their customary use, have been used for a building or structure, with the proviso that the limitation period shall begin at the time of delivery of the item.

5. d) If warranty claims are made against E&E/EEB by their customer on account of a defect in the delivered item which is the fault of Supplier, then E&E/EEB is entitled to the unrestricted legal right of recourse in line with §§ 445a et seq. and/or 474 et seq. Civil Code (BGB). This applies irrespective of whether there is a consumer or a company at the end of the supply chain or not (§§ 445a (3), 445b (3), 478 (3) BGB).

6. If a material defect occurs in a delivery during the warranty period, then Supplier must provide supplementary performance, either by repair or replacement by a defect-free item, the choice to be made by E&E/EEB. Any claims for compensation or the reimbursement of unnecessary expenses on the part of E&E/EEB shall remain unaffected by this. Supplier shall bear all costs relating to supplementary performance, replacement delivery or repair in respect of personnel and materials, installation and removal, disposal, transport, increased costs of checks/tests on goods entry which go over and above the usual scope, recall, prosecution costs, etc. If Supplier replaces the defective item, the warranty obligations shall recommence with reference to the newly-supplied item in accordance with the aforementioned rulings.

7. If E&E/EEB's claim for supplementary performance is not fulfilled within a reasonably-set period, then the supplementary performance shall be considered as failed and E&E/EEB shall be entitled to correct the defect themselves or have the work carried out by a third party at the risk and expense of Supplier, without affecting Supplier's liability in respect of defects in any other respect. The same shall apply in case of imminent danger (exigent circumstances), especially if a particularly high damage is to be expected, as well as in cases of particular urgency, if it is not possible for E&E/EEB to inform the supplier about the defect and the imminent damages and/or to set a deadline for him to remedy the defect.

8. Supplier shall bear the costs and risk in respect of the return of defective items which he has supplied.

9. If E&E/EEB justifiably declares its withdrawal from the contract due to defects, Supplier shall reimburse E&E/EEB for payments already made for deliveries / services. The same shall apply to tooling costs already paid by E&E/EEB and not amortized, which Supplier shall refund to E&E/EEB, without recourse to any pleas or defences.

§ 8 Product Liability

1. Supplier is obliged to compensate E&E/EEB for such damages which E&E/EEB incur as a result of a defect. If, in accordance with domestic or foreign product liability regulations, claims are made against E&E/EEB due to the defectiveness of the product which is based on defects in the goods delivered by Supplier, then Supplier undertakes to indemnify E&E/EEB from all claims which are based on the defect in the components supplied. In addition to providing compensation to a third party, Supplier is also obliged to pay the legal costs of the defence, the costs of recall, installation and removal, disposal, transport and administrative and other expense incurred by E&E/EEB in processing the damages claim.

2. Supplier undertakes to take out and maintain, at his own cost, product liability insurance cover which also covers the risks involved in a recall - if and to what extent coverable - and to provide E&E/EEB with proof of insurance cover by submitting a copy of the insurance policy on request. The product liability insurance cover should provide worldwide cover and, as regards scope and duration, should correspond at least to the current liability limits contained in the German Product Liability Act, whereby an amount of EUR 10 million per claim is sufficient with regard to the amount covered.

§ 9 Confidentiality / Models / Tooling / Data Protection

1. Supplier is obliged to treat the conclusion of the order contract as confidential. He must maintain secrecy in respect of all commercial and technical details and operating procedures which he learns of as a result of his business relationship with E&E/EEB and must keep these as trade secrets until such a time as they become generally known. Supplier must contract his employees, sub-suppliers and other agents in the same way. The obligation to maintain secrecy in this way shall extend even after the contract has finished and for a period

of five years at most from the time when the secret became known. Insofar as the present contract does not impose higher requirements on these confidentiality obligations, the German Trade Secret Act of 26.04.2019 shall apply in addition.

2. E&E/EEB shall retain ownership of all objects such as in particular, tooling, moulds, jigs, models, matrices, templates, samples and other means of production which are made available to Supplier. If the aforementioned items are produced for E&E/EEB, then E&E/EEB shall become the owners as soon as they are created or produced, whereby Supplier merely functions as ownership intermediary (agent of possession). The same shall apply to all recipes, drawings, methods of analysis and to any procedural methods which E&E/EEB informs Supplier of, or makes available to him. The aforementioned items, documents and procedures can only be handed over or otherwise made available to a third party with the prior written approval of E&E/EEB. A pre-condition for this approval is that E&E/EEB know what the item is to be used for and the recipient of the information.

3. Supplier undertakes to use the tooling and supplies provided and owned by E&E/EEB exclusively for the production of the goods requested by E&E/EEB and to insure at his own cost the items owned in this way by E&E/EEB against theft, fire, water damage, storm, hail and other insurable damage caused by natural forces. Supplier must carry out any necessary repairs and servicing to the tooling at his own cost.

4. Supplier is aware that E&E/EEB store and process personalised data acquired in the course of the supply relationship. E&E/EEB do this solely for purposes of executing the supply order and shall comply with all valid data protection regulations.

§ 10 Industrial Property Rights

1. Supplier is liable for any damages arising from the infringement of any industrial property rights and/or applications for industrial property rights when the delivery items are used according to the contract.

2. If claims are made by a third party against E&E/EEB or their customers, Supplier shall indemnify these parties on request from all claims arising from the use of such trademark rights. This obligation to indemnify shall extend to all costs which E&E/EEB or their customers incur which arise out of, or in connection with, the claim of the third party. These include, in particular, the legal costs of the defence and the pressing of claims in court and all costs in connection with providing any necessary replacement.

3. Supplier shall not be obliged to indemnify if the delivery items have been manufactured according to recipes, drawings, models or other equivalent descriptions or information provided by E&E/EEB without knowledge of the property rights of third parties. This does not apply if Supplier has no knowledge of the trademark rights due to gross negligence. Inasmuch as Supplier is not liable pursuant to Paragraph 3, E&E/EEB shall indemnify him from the claims of a third party.

4. Supplier shall inform E&E/EEB in writing of any published, his own unpublished or the licensed property rights of third parties, or industrial property right applications, at the latest before the contract negotiations are concluded. Supplier has no additional claim for remuneration on account of the use of his own trademark rights/patent applications, or those of others, as a result of the use of the delivery goods.

5. The limitation period for the claims against Supplier named in § 10 shall be 10 years, calculated from the time when the contract was concluded.

6. If, as a result of joint developmental work (for example, during the production of special cables), E&E/EEB and Supplier obtain results which can be successfully used to apply for a patent, the parties, before they submit an application, shall agree on who is to be nominated as applicant and who, from the point of view of technical property rights, as inventor. Under no circumstances shall Supplier independently submit his own applications to the exclusion of E&E/EEB. Notwithstanding the aforementioned, E&E/EEB has, as a minimum and in any case, a cost-free right of joint use, unlimited in terms of space and time, even beyond the point when the supply contract has been terminated,

§ 11 Safety Provisions

1. In respect of his deliveries Supplier must comply with the recognised technical rules, the safety regulations and the agreed technical data or threshold values corresponding to the state of the art or going beyond them. He must observe, in particular, the following

standards: DIN, EN, ISO, VDE, EC-Directives (as an example, the EC Machinery Directive / the statutory environmental requirements such as RoHS, REACH, Conflict Minerals etc.) and any other pertinent regulations.

2. Supplier undertakes to use only such materials which comply with the currently-valid statutory safety restrictions and provisions, in particular those which apply to restricted, toxic and hazardous substances. The same thing applies to protective rulings designed to safeguard the environment and regulations relating to electricity and electromagnetic fields. The obligation extends to all the provisions applicable within the EU and the regulations applicable in other countries insofar as the delivery items are to be marketed there in accordance with their intended use.

3. If Supplier's products do not comply with the requirements given under Paragraphs 1-2, then E&E/EEB is entitled to withdraw from the contract. Any further claims for compensation shall remain unaffected.

4. Supplier must inform E&E/EEB of any intended changes to the products. These then require the written approval of E&E/EEB.

12. Quality and Documentation

1. Without any separate invoicing, the scope of delivery shall include the product-specific and/or technical documentation, the declaration of conformity and any other documentation and certificates required for the ordered item and its use (e.g. long-term supplier declarations etc.) as well as the required labelling of the parts (trademarks, manufacturer's markings, order ID, article numbers, serial ID, etc.) and/or their packaging.

2. Supplier shall bear the costs of the declarations of conformity. The declarations of conformity shall be submitted immediately upon request by E&E/EEB in German and in English.

3. Irrespective of the above, Supplier must continually check the quality of the delivery items. He must inform E&E/EEB immediately of any possible improvements to the products. This particularly applies in the case of safety-relevant components. Supplier is obliged to check the design for manufacturability and to carry out a plausibility check. Supplier shall immediately notify E&E/EEB of any recognisable errors in the specifications and foreseeable complications.

4. a) If, in respect of the order, E&E/EEB stipulate minimum and/or maximum values of parameters, then the given maximum values must not be exceeded in any area of the workpiece or product and the minimum values given must not be undercut under any circumstances and at any point.

4. b) The above shall be secured and documented by suitable testing and measuring procedures.

4. c) E&E/EEB may request the disclosure of the results of this inspection in writing at any time and at no additional cost.

5. If the type and scope of the test and the testing equipment and methods are not firmly agreed between Supplier and E&E/EEB, then E&E/EEB, at the request of Supplier, are willing, given their knowhow, experience and possibilities, to discuss the tests with Supplier in order to determine the required state of the art in testing technology in each case. Irrespective of this, the type and scope of the test must at least correspond to the state of the art.

6. Supplier must test all safety-relevant parts and must document the results. By means of separate records he must document when, in what way and by whom the supplied items were tested for these properties. The same thing applies to the test results. The test shall be made on all safety-relevant parts which are marked as such in the product-specific or technical documentation, or as a result of a separate agreement, or whose safety relevance is obvious. The test documents must be kept for 15 years and must be provided on request to E&E/EEB at no extra charge. Within what is legally possible, Supplier must oblige his pre-suppliers by means of a written agreement to do the same.

7. If any authorities responsible for production safety, production labelling, exhaust gas regulations or similar demand insight into the production process and the test documents of E&E/EEB in order to verify certain requirements, then Supplier agrees to grant E&E/EEB the same rights in his company and to provide reasonable support.

§ 13 Auditing

1. E&E/EEB are entitled to carry out an audit of Supplier themselves or to have it carried out by an expert of their choice. The audit shall include an inspection of Supplier's company and his quality assurance system, including a subsequent assessment. The insights gained thereby shall be used as the basis for the award of further orders and for the internal rating of the company by E&E/EEB.

2. a) Giving prior notice, E&E/EEB are entitled to check the current operations of Supplier in order to monitor the measures employed to safeguard the quality.

2. b) If, in the past there have been quality problems, E&E/EEB or a company or organisation commissioned by E&E/EEB (for example a specialist office or TÜV) are also entitled to carry out unannounced checks of the quality assurance measures. This right shall not apply if the most recent complaint regarding Supplier's quality assurance measures goes back further than one year or if no defects have been found in the case of two unannounced checks in succession.

2. c) E&E/EEB have a right of access to the supplier's documents, provided they can demonstrate a reasonable legitimate interest. Such a justified interest is present in particular if insights can be gained thereby which will enable the company to estimate the necessity and scope of a product recall.

§ 14 General Provisions

1. If Supplier suspends his payments, if insolvency proceedings are applied for or opened on his assets or if judicial or extrajudicial composition proceedings are applied for or opened, E&E/EEB shall be entitled to withdraw from the non-fulfilled part of the contract.

2. a) The invalidity of individual clauses shall not affect the validity of the remaining terms and conditions of purchase.

2. b) Any ineffective provision shall be replaced by a statutory provision.

2. c) The same shall apply in the event of any omissions.

3. a) The law of the Federal Republic of Germany shall apply to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CSIG).

3. b) The language in respect of all contracts, legal proceedings and court hearings shall be German.

4. The place of fulfilment and jurisdiction shall be the seat of the E&E/EEB company which has placed the order. At their choice however, E&E/EEB can also bring proceedings against Supplier at his seat or at the place of performance. If the legal regulations governing the dispute between the parties stipulate an exclusive place of jurisdiction, then this shall not be affected by the aforementioned agreement on the place of jurisdiction.

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