

I. General Provisions

1.)¹ These general terms of purchasing of Inductron® Inductive Electronic Components GmbH as well as of all Enterprises of Inductron® Group (purchaser) apply exclusively towards entrepreneurs within the meaning of § 14 I BGB [German Civil Code], legal persons under public law as well as public separate estates.² Contrary or deviating contractual provisions of the supplier are not accepted without express written consent; they are also not accepted by placing an order without contradiction or unreserved acceptance of the delivery while knowing of contrary or deviating conditions of the supplier.

2.)¹ All agreements to be made with the supplier must be made in writing.² A purchasing order of the purchaser to be qualified as offer within the meaning of § 145 BGB can be accepted by the supplier only within the period of time stated in the purchasing order, however at the latest within 2 weeks unless otherwise provided for.³ Offers of the supplier are free of costs for the purchaser.

3.)¹ The supplier has to notify any concerns against the service required by the purchaser immediately in writing.² Without written consent of the purchaser, the supplier is not entitled to have the owed service performed completely or in significant parts by third parties.³ In case of a violation, the purchaser shall be entitled to withdraw from the contract and to assert claims for damages in other respects.

II. Price and Payment

1.) Unless deviating agreements have been made in writing, the prices shall include VAT to the statutory amount as of the day of invoicing for a delivery "franco domicile" including all ancillary services and ancillary costs such as packaging, transport, customs clearance or insurance.

2.)¹ The invoices of the supplier with separately shown VAT as well as purchase order indicator and purchase order number for each individual item are either to be presented electronically by e-mail to buchhaltung@inductron.com or to be filed on paper in triplicate.² The invoices become due for payment after complete performance of the contract and due invoicing either within 14 days with 3 % cash discount, within 30 days with 2 % cash discount or within 45 days net.³ The assignment of claims of the supplier is excluded.

3.) A reservation of title of the supplier only is valid until the payment of the respective delivery item.⁴ Prolonged or extended reservations of title of the supplier as well as group or current account reservations are not acknowledged.

4.)¹ In case of payments prior to delivery of the delivery item, its transfer is deemed as agreed unless the supplier provided corresponding security.² Payments prior to maturity do not constitute an acknowledgement of complete performance of the contract by the supplier free of defects.

III. Delivery Time, Delay in Delivery

1.)¹ Agreed delivery dates are binding.² Unless otherwise agreed, the delivery time amounts to 14 days after conclusion of the contract.³ What is authoritative for the compliance with the delivery time is the arrival of the delivery item at the place of performance at the place named by the purchaser.⁴ If a formal acceptance has been agreed, the day when the acceptance has been carried out shall be authoritative.

2.)¹ The early delivery is effected at costs and risk of the supplier and is subject to the reservation of cost-free return shipment by the purchaser.² Any arising storage and other costs are charged to the supplier.

3.) The supplier shall be obliged to inform the purchaser immediately if circumstances occur or become recognisable from which results that the delivery time cannot be adhered to.

4.)¹ If the supplier does not perform an owed service or if its delivery is in default, the purchaser shall be entitled to the statutory claims.² The purchaser is especially entitled to claim damages instead of performance and to withdraw from the contract after futile expiry of a reasonable period of time.³ If the purchaser claims damages, the supplier shall be entitled to prove that the violation of duties is not at its fault.⁴ The supplier may only invoke the lack of a necessary cooperation of the purchaser if a written reminder regarding the cooperation was sent setting a period of grace.⁵ Circumstances of force majeure only shall discharge the supplier if these circumstances were notified to the purchaser immediately in writing together with the expected duration of the exceeding of the period of time.

5.)¹ If the supplier culpably exceeds the delivery time, a contractual penalty amounting to 0.15 % of the gross total order value, however not more than 5 % of the gross order value, shall be payable for each day of the default in delivery.² The contractual penalty may be claimed in addition to the performance.³ What remains unaffected is the right of the purchaser to assert damage in excess thereof setting off the contractual penalty.⁴ The contractual penalty can be claimed at the latest within 5 working days after acceptance of the delayed delivery of the supplier.

IV. Shipment and Passing of the Risk

1.)¹ Unless otherwise agreed in writing, the delivery has to be effected at the registered seat of the purchaser as place of performance.² The risk of accidental loss and the accidental

deterioration passes upon handover of the delivery item at the place of performance.⁴ To the extent that an acceptance has to be made, it shall be authoritative for the passing of the risk.

2.)¹ The shipment of each delivery is to be notified by the supplier immediately in writing by means of a dispatch note with the content of the delivery note.² A protection against damaging of the delivery is to be ensured by means of packaging; the shipment and packaging regulations of the purchaser are to be observed.³ The supplier has to take back packaging material upon purchaser's request.

3.)¹ Specific test reports, production test documents and safety data sheets together with the delivery note stating the date (of issue and shipment), content of the delivery (number, marks and numbers of the packages) as well as purchase order indication (date and number if required) of the purchaser are to be attached to the delivery.² In case of special approvals by the purchaser the supplier has to label that delivery clearly and unmistakable.³ If specific test reports, production test documents, a clear and unmistakable label of special approvals or the delivery note are missing, if these records are incomplete or otherwise incorrect, the purchaser shall not be responsible for arising delays of processing and payment.

V. Liability for Defects

1.)¹ The purchaser is obliged to examine the delivery within a reasonable period of time for defects unless a formal acceptance has been agreed.² A notification of defects shall be timely if it is sent to the supplier within a period of 5 working days after delivery or, in case of hidden defects, after their discovery.

2.)¹ The purchaser is entitled to the statutory claims based on defects without restriction.² A defect is especially also given if the service of the supplier deviates from the description of the service or other product description on which the contract is based.³ The purchaser is entitled to claim subsequent performance from the supplier, either by removal of the defect or delivery of an item free of defects.⁴ The purchaser's right to damages, especially instead of performance, remains reserved.⁵ In case of imminent danger or special urgency, the purchaser shall be authorised to carry out the removal of defects itself or have it carried out by third parties at supplier's costs.⁶ Claims of the purchaser towards the supplier from supplier's recourse pursuant to §§ 478, 479 BGB exist correspondingly in case of consequential damage of the purchaser with entrepreneurs within the meaning of § 14 I BGB, legal persons under public law as well as public separate estates.

3.) In case of a notification of defects the supplier shall deliver to the purchaser a 8D-report, if the order value is above 1.000 € net, if the notified defects cause more than 2 business days of delay or the purchaser demands a 8D-report expressly.

4.)¹ Limitation period after the passing of the risk is the respective statutory limitation period plus a prolongation by 12 months.

VI. Product Liability, Third-Party Liability

1.)¹ To the extent that the supplier is responsible for a product damage, it has to indemnify the purchaser from claims for damages of third parties including the costs of legal defence upon first request if the cause is within the domain and organisational area of the supplier and the supplier itself is liable vis-à-vis third parties.

2.)¹ Within the framework of the liability for cases of damage within the meaning of paragraph 1.), the supplier also is obliged to reimburse possible expenses pursuant to §§ 683, 670 BGB or pursuant to §§ 830, 840, 426 BGB resulting from or in connection with a product recall carried out by the purchaser.² Prior to carrying out a product recall, the supplier is to be given the opportunity to comment on this matter.³ The assertion of other statutory claims remains unaffected.

3.)¹ The supplier is obliged to maintain a product liability insurance with a blanket coverage amount of 10 € million per personal injury/damage to property and to prove it to the purchaser upon request.² Claims for damages of the purchaser remain unaffected.³ The supplier assigns already now possible claims for compensation under the insurance to the purchaser.⁴ The purchaser herewith accepts the assignment.

4.)¹ The supplier is obliged to carry out continuous quality assurance corresponding to the current state-of-the-art.² Content and extent of the quality assurance is to be proven to the purchaser upon request.

VII. Material Provisions

1.)¹ Provisions of material and tools remain the property of the purchaser and are to be marked by the supplier as such property of the purchaser. They are to be stored separately from its own material and tools and only to be used for purposes of the purchaser.² The liability for damage to or loss of the provisions is upon the supplier; the supplier has to ensure the sufficient insurance coverage at the reinstatement value and assigns the claims for compensation under the assurance to the purchaser already now.³ The purchaser herewith accepts the assignment.

2.)¹ Processings or mixtures of the provision by the supplier are carried out for the purchaser.² In case of processing of objects not owned by the purchaser, the purchaser shall acquire the co-ownership in the new item in the proportion of the value of the provision (purchasing prices plus sales tax) to the other processed

objects (purchasing prices plus sales tax) as of the time of processing.² In case of inseparable mixture with objects not owned by the purchaser, the purchaser shall acquire the co-ownership in the new item in the proportion of the value of the provision (purchasing prices plus sales tax) to the other mixed objects (purchasing prices plus sales tax) as of the time of mixture.³ If in case of processing of mixture the item of the supplier is to be considered as main item, the supplier shall transfer to the purchaser the proportionate co-ownership.⁴ The supplier holds in custody the sole or co-owned property for the purchaser with due care until the delivery.

3.)¹ The supplier is obliged to properly carry out the required maintenance and inspection works as well as all service and repair works of the provided tools at own costs.² Incidents are to be notified to the purchaser immediately.

4.) If the security interests to which the purchaser is entitled pursuant to paragraph 2.) exceed the price agreed under the contract but not yet paid by the purchaser including sales tax by more than 10 %, the purchaser has to declare a corresponding release at its discretion upon supplier's request.

VIII. Right of Control, Spare Parts, Licenses

1.) The purchaser is entitled at any time during the usual business or operating hours to visit or to let visit by a qualified third party the business premises of the supplier for quality inspection reasons.

2.)¹ The supplier guarantees the provisioning of spare parts.² The discontinuance of the spare parts supply has to be announced 12 months in advance.³ The discontinuance of the spare parts entitles the purchaser to the production of the needed spare parts.⁴ For this purpose the supplier has to deliver the necessary documents and information together with the know-how free of charge upon first demand.

3.)¹ To the extent that the use or other utilisation of the service of the supplier requires the granting of rights of use (licenses), they shall be transferred to the purchaser with the delivery without surcharge.² The rights of use can be transferred by the purchaser in case of resale.³ The supplier is liable towards the purchaser for the existence, the transferability and the enforceability of the rights of use regardless of fault.

4.)¹ The supplier has to guarantee to the purchaser regardless of fault that no rights of third parties are infringed by its service.² In case of claims against the purchaser being asserted by third parties due to an alleged infringement of a right, the supplier shall be obliged to indemnify the purchaser or its customers of the service in question from such claims upon first request.³ The supplier's duty to indemnify relates to all expenses which necessarily occur from or in connection with the assertion of a claim by a third party due to an alleged infringement of a right.⁴ The limitation period for the obligation to guarantee and indemnify of the supplier amounts to 10 years, calculated as of conclusion of the contract.

IX. Obligation to maintain Secrecy

1.)¹ The purchaser reserves the ownership and copyrights in all illustrations, drawings, samples, cost estimates as well as all other tangible and intangible documents and information – even in electronic form.² They may be used only for the purpose intended by the purchaser, may not be reproduced or made accessible to third parties without express written consent and are to be returned after handling of the purchaser order without request.

2.) All documents and information are to be kept secret even after complete settlement of the contract unless generally known, obvious information is concerned.

X. Applicable Law, Place of Performance, Place of Jurisdiction, Miscellaneous

1.) The supplier's right of retention is restricted to undisputed or finally determined counterclaims without further legal recourse, deriving directly from the same supply contract.

2.)¹ Even without approval of the supplier the purchaser is authorized to assign rights and/or duties of a supply contract to other enterprises associated in the Inductron® Group, in whole or in part.

3.) Exclusively the law of the Federal Republic of Germany under exclusion of the UN Sales Convention applies.

4.)¹ The registered seat of the purchaser shall be the place of performance, unless otherwise agreed in writing.² If the supplier is an entrepreneur within the meaning of § 14 BGB, a legal person under public law or a public separate estate, the registered seat of the purchaser shall also be exclusive place of jurisdiction.³ However, the purchaser is entitled to sue the supplier also at its registered seat.

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