

## **DELTEC Group GmbH**

### **Terms and Conditions of Purchase**

The legal relationship between the supplier on the one hand and DELTEC Group GmbH – hereinafter referred to as the “Purchaser” – is governed by these terms and any other written agreements. Amendments and additions must be made in writing. Changes to individual conditions do not affect the validity of the other conditions. Only the Purchaser’s Terms and Conditions of Purchase shall apply to the contract. Other conditions do not become part of the contract, even if the Purchaser has not expressly objected to them.

#### **I. CONFIDENTIALITY**

Unless otherwise agreed, the supplier undertakes the following obligations of confidentiality:

1. All technical and commercial details that become known through the business relationship shall be treated as trade secrets. This includes, but is not limited to, models, drawings, templates, samples, data sheets, software, and factory standards. They may only be shared within the scope of the purposes provided for in the contract. Reproduction and disclosure to third parties are prohibited without the express written consent of the Purchaser.
2. The disclosure of any type of information by the Purchaser shall not entitle the supplier to derive any license, reproduction, usage, or other rights. All rights, especially the right to apply for protective rights (e.g. patents), remain reserved by the Purchaser.
3. The supplier shall oblige its employees and subcontractors to maintain confidentiality.
4. The Purchaser and its representatives undertake to maintain confidentiality in the same manner when visiting or auditing the supplier.

#### **II. FRAMEWORK AGREEMENTS, LONG-TERM SUPPLY AGREEMENTS**

1. Upon initiation of a business relationship where supply is intended beyond a one-time order, a framework agreement is automatically established between the Purchaser and the supplier. These General Terms and Conditions of Purchase constitute the framework agreement and the basis for all future business activities. The purpose of framework agreements is to regulate the provisions of future individual agreements (e.g. orders, delivery schedules) in advance.
2. The framework agreement alone does not obligate the Purchaser to place orders or make any payments.
3. The supplier is obliged to enter into individual agreements with the Purchaser under the terms specified in the framework agreement for the duration of the agreement.
4. For the delivery of series production material, the supplier agrees, if required, to maintain a consignment warehouse at the Purchaser’s site or that of its logistics provider. The details will be agreed upon in a separate consignment warehouse contract.
5. Long-term supply agreements ensure the binding supply of a specifically designated article/material throughout the entire duration of the customer’s product series, including the spare parts supply period. The essential contractual terms are governed by the framework agreement.
6. By accepting the first order, the supplier guarantees delivery throughout the entire supply period, at a minimum under the mutually agreed terms.

### **III. Purchase**

1. Orders/delivery schedules not issued by the purchasing department must be approved in writing by the Purchaser's purchasing department to be valid.
2. Orders, delivery schedules, call-offs, and confirmations or approvals are only binding if made in writing, either by letter, fax, or electronic data transmission.
3. If the supplier does not accept the order or delivery schedule within two weeks of receipt, the Purchaser is entitled to withdraw.
4. The initial order preceding delivery call-offs must be confirmed in writing by the supplier. Delivery call-offs are binding unless the supplier expressly objects in writing within five (5) working days of receipt. Otherwise, a written confirmation is waived.
5. Within reasonable limits, the Purchaser may request changes to the delivery item in terms of design, execution, quantity, and schedule. The resulting effects, particularly in terms of cost increases or reductions, shall be reasonably and mutually agreed upon.
6. The Purchaser reserves the right to adjust dates and quantities to its actual needs at any time.
7. If a contracting party ceases payments or bankruptcy proceedings or judicial/non-judicial insolvency proceedings are initiated over its assets, the other party is entitled to withdraw from the contract regarding the unfulfilled portion.

### **IV. CERTIFICATES OF ORIGIN, EXPORT RESTRICTIONS**

1. Upon request by the Purchaser, the supplier must at any time indicate the origin of the goods delivered, their manufacturer, or their own suppliers. The supplier shall provide requested certificates of origin fully completed and signed without delay.
2. The supplier shall inform the Purchaser without being asked if its deliveries are wholly or partially subject to import or export restrictions.

### **V. PAYMENT**

1. Agreed prices are fixed prices.
2. Payments are made subject to price and arithmetic correctness and proper delivery. All order confirmations and delivery documents must include at minimum the Purchaser's order number and item number, delivery address, and quantity. Invoices must also include the VAT identification number. If any of these details are missing and the Purchaser's normal business process is delayed as a result, payment deadlines shall be extended by the duration of the delay.  
Unless otherwise agreed, invoices are paid either within 14 days with a 3% discount or within 60 days without deduction. The period begins once both the invoice and the goods have been received, or services have been rendered.
3. In the case of early delivery, the due date is based on the agreed delivery date.

4. In the event of defective delivery, the Purchaser is entitled to withhold payment proportionally until proper fulfillment.
5. The Purchaser is entitled to offset its due counterclaims.
6. The supplier shall not assert any right of retention regarding the delivery of goods, services, or rights of use.
7. The supplier has a right to offset only for undisputed or legally established claims.

## **VI. ACCEPTANCE**

1. The issued delivery schedules, call-offs, and orders obligate the Purchaser to accept only the scheduled quantities for a period of four (4) weeks. Deviations are binding for the Purchaser only if agreed upon in writing.
2. Material dispositions by the supplier beyond a continuous period of eight (8) weeks are made at the supplier's own risk unless otherwise agreed in writing.
3. The Purchaser is entitled to refuse acceptance of goods delivered before the specified dates or to return them at the supplier's expense and risk, or to store them at third-party premises at the supplier's cost. The same applies to over-deliveries.
4. Over- or under-deliveries (including partial deliveries) are permitted only with the express approval of the Purchaser.

## **VII. DELIVERY READINESS, RETENTION OF TITLE, SAFETY STOCK**

1. The supplier undertakes to produce and deliver the agreed quantities in the required quality so they can be used immediately in serial production. Based on the known and agreed demand, the supplier commits to ensuring supply security that allows flexible and short-term responses by the Purchaser.
2. The supplier waives any retention of title to the delivered goods. Ownership passes unconditionally to the Purchaser upon handover. Any retention of title clauses in the supplier's general terms are expressly excluded and considered not agreed.
3. Unless otherwise agreed, the supplier shall maintain a safety stock of one (1) week's production requirement for production materials. The safety stock must comply with current technical standards and be managed on a FIFO (first in, first out) basis to ensure further processability. Upon request, proof of the safety stock must be provided.

## **VIII. PACKAGING, SHIPPING, LABELING**

1. Unless otherwise agreed, goods must be packed in a commercially customary and proper manner. Packaging for electronic components must be ESD-conductive. The supplier is liable for any damage resulting from improper packaging.
2. Delivery is made in disposable or reusable packaging. Reusable packaging is used when required and coordinated with the Purchaser.
3. The place of performance is the delivery point named by the Purchaser. Delivery must be executed DDP (Delivered Duty Paid) to the designated delivery point, including packaging. The agreed INCOTERMS 2010 with the supplier apply. If no agreement is in place, INCOTERM DDP applies by default.

4. Deliveries for which the Purchaser assumes all or part of the freight costs must be shipped using the most economical rates and shipping methods unless otherwise specified by the Purchaser.
5. For deliveries ex works (INCOTERM EXW), goods must be insured for transport unless the Purchaser provides contrary instructions.
6. Delivery documents must include the Purchaser's order and material numbers, revision level, gross and net weight, delivery quantity, number of packages, packaging material number, number of packaging materials used, and delivery note number.
7. All delivered production materials must be labeled with the DELTEC part number.

## **IX MATERIAL PROVISION**

1. Materials, assemblies, tools, and other production equipment provided remain the property of the Customer. Insofar as these are sold to the Supplier, ownership shall remain with the Customer until full payment has been made. Provided items also include tools and production equipment that are wholly or partially paid for by the Customer. For partially paid items, including necessary accessories, the Customer shall acquire co-ownership in proportion to the price agreed upon with the Supplier.
2. The provided items may only be used for the purposes specified by the Customer.
3. The Supplier is obliged to handle the items with care and to maintain and, if necessary, renew them at its own expense. The Supplier must insure the items provided to him, at his own cost, at least against the risks of fire, water, environmental influences, burglary, vandalism, and general liability, at their replacement value.
4. Tools and other production equipment must always be kept in an operational condition. This also includes precautions against damaging influences during storage.

## **X DELIVERY DATES, DEADLINES, DELIVERY DELAY**

1. Agreed dates and deadlines are binding.
2. Delivery delays must be reported to the Customer immediately upon recognition, with justification and indication of the expected duration.
3. If agreed delivery dates are not met, the Customer has the right to withdraw from the contract or to terminate it extraordinarily. The Supplier is obligated to reimburse the Customer for the additional costs incurred from substitute procurement.
4. The Supplier is liable to the Customer for damages due to delay. This includes, in particular, additional costs for freight, production (e.g., additional setup costs, overtime surcharges), cover purchases, etc., as well as recourse for damage claims from the Customer's clients.

## **XI DELIVERY RELIABILITY, SPARE PARTS OBLIGATION**

1. The Supplier is obliged to inform the Customer in due time if materials or components are changed or discontinued. The notice period must be at least one (1) year plus delivery time. Receipt of this information must be confirmed by the Customer's purchasing department.
2. The Supplier guarantees the supply of spare parts for fifteen (15) years after the end of series production (final product). Deviations are valid only if expressly agreed.

3. Tools must be maintained in a usable condition. Storage and operational readiness are at the Supplier's own risk and expense.
4. Scrapping of tools and equipment requires the express approval of the Customer, even after this period.

## **XII SAFETY DATA SHEET, ENVIRONMENTAL PROTECTION**

1. The Supplier must comply with all legal environmental protection regulations and DIN ISO EN14001. Proof of corresponding certification must be provided upon request.
2. For hazardous or health-threatening substances within the meaning of legal provisions, the Supplier must provide a safety data sheet unprompted before the first delivery and update it in due time (at least every two (2) years).
3. The Supplier guarantees that the delivered products do not contain substances prohibited by law or exceed legally permissible concentration levels.
4. The Supplier is obliged to independently enter and update material data related to the delivery scope in the IMDS (International Material Data System). The IMDS number must be provided to the Customer without request.
5. The Supplier is responsible for the disposal of the components/materials supplied in accordance with legal regulations. Upon the Customer's request, a coherent concept for disassembly, recycling, and safe disposal of the delivery scope must be presented.

## **XIII QUALITY, DOCUMENTATION OBLIGATION**

1. The Supplier is fully responsible for the quality of the delivery in all respects. A batch traceability system must be maintained and proven upon request.
2. Unless otherwise agreed, the Supplier complies with the requirements of ISO/TS16949 and the underlying ISO 9000 series. Additionally, the Customer's known quality assurance guidelines or individually agreed quality standards apply. The Supplier must inform the Customer of any changes in processes (including relocations) prior to implementation. The Customer has the right to object to such changes if its interests may be adversely affected. In such cases, the change may not be carried out.
3. The Supplier grants the Customer and/or the Customer's client the right to conduct an audit within two (2) weeks of prior arrangement.
4. The Supplier is particularly obligated to documentation if requested by the Customer, or if the need arises from legal requirements or significant risks to persons, property, or assets. Critical characteristics must be labeled with a "D" in drawings and documents and these documents must be retained for at least fifteen (15) years after the last delivery. Upon request, the Supplier must allow the Customer access to or provide copies of these documents. In the event of legal disputes, the Supplier shall support the Customer with expertise and provide the original documents for evidentiary purposes. The Supplier must impose the same obligations on its subcontractors.
5. For initial sample inspection, reference is made to VDA Volume 2 "Quality Assurance for Deliveries – Production Process and Product Approval (PPF)", in the current version.

#### **XIV INSPECTION AND COMPLAINT OBLIGATION**

The Customer is only obliged to carry out an incoming goods inspection to the extent of identifying obvious defects, such as transport damage, quantity discrepancies, or discrepancies between the order and the accompanying documents. Defects must be reported to the Supplier immediately upon discovery in the course of proper business operations. To this extent, the Supplier waives the objection of late notification of defects.

#### **XV WARRANTY**

1. The Supplier guarantees that the goods are free of defects according to the agreed specifications (as per drawing, data sheet, specification, or other specified data) and suitable for the known purpose. If the intended use is not known to the Supplier, he must inform the Customer and request the relevant information. The Supplier further guarantees that the delivery complies with legal regulations and recognized technical standards.
2. The potential warranty agreement concluded with the Supplier applies. Otherwise, the following provisions shall apply:
3. All statutory warranty claims, including claims for damages, shall remain fully available to the Customer.
4. The Customer has the right to demand from the Supplier, within a reasonable period set by the Customer, the delivery of defect-free goods or rectification of the defect (repair). The Customer will give the Supplier the opportunity, prior to installation, to sort out the defective goods and to repair or replace them with flawless goods, provided this is reasonable. If this is not reasonable, or the Supplier refuses or fails to remedy the defect within the deadline, or is unable to do so, the Customer has the right to carry out the remedy itself or have it done by third parties or to procure a replacement. In urgent cases, the Customer may do so without prior notification or setting of a deadline.
5. All costs incurred due to defect rectification, including consequential costs from third-party claims, must be borne or reimbursed by the Supplier. This includes, in particular, costs for removal and installation, transport, fault analysis, compensation for expenses, additional costs for cover purchases, material, scrapping, etc., as well as third-party damage claims.
6. If a product recall (including silent recall) requires the replacement of an entire series of products or components in which defective Supplier products have been installed, the Supplier shall also bear the costs for the affected series parts that do not exhibit defects.
7. Upon the Supplier's request, the Customer will return defective goods that are still in its possession. It is noted, however, that due to cost constraints, the Customer's customers usually only return samples of defective goods for analysis. The Supplier hereby waives full return of all defective goods. The costs for return shipping of defective goods, including all ancillary costs, are borne by the Supplier.
8. The warranty period ends thirty-six (36) months after product delivery or commissioning/acceptance by the end user, unless longer legal or contractual warranty periods apply, which shall then prevail.
9. Warranty claims shall not arise if the defect is due to non-compliance with operating and installation instructions, inappropriate or improper use, faulty or negligent handling, natural wear and tear, or interventions in the delivered item by the Customer or third parties that caused the defect.

10. If a complaint arises that cannot be resolved within the warranty period, the Supplier shall not invoke the expiration of the limitation period in this respect.

## **XVI LIABILITY**

1. Unless otherwise stipulated elsewhere, the Customer is entitled to compensation for all costs (direct or indirect) resulting from defective delivery or other breaches of contract attributable to the Supplier. This includes, in particular, damage prevention costs, precautionary measures, recall campaigns, etc.

2. In the event of damage or precautionary damage prevention measures, the Customer shall inform the Supplier to the best of its ability and advise on the necessary measures, coordinating them within the scope of its possibilities.

3. If other parties in addition to the Supplier have contributed to the damage, the Supplier shall be liable proportionally to the extent that he, his agents, or his subcontractors have contributed to the damage.

4. Upon first request, the Supplier shall indemnify the Customer from third-party claims—particularly in cases of product liability or infringement of intellectual property rights—including all costs, such as legal defense expenses.

5. At the Customer's request, the Supplier shall, at his own expense, join legal proceedings with the third party. In all legal disputes related to its deliveries, as well as in the event of official orders and investigations, the Supplier shall actively support the Customer at his own expense and provide all necessary documents, witness statements, etc.

## **XVII FORCE MAJEURE**

1. Labor disputes, civil unrest, official measures, and other unforeseeable and serious events of force majeure shall release the contracting parties from their performance obligations for the duration and scope of the disruption. This also applies if such events occur when the affected party is already in default. The contracting parties are obligated to promptly provide the necessary information and adjust their obligations in good faith to the changed circumstances as far as reasonably possible.

2. If it becomes apparent that the disruption due to force majeure at the Supplier will last longer than four (4) weeks, the Customer is entitled to withdraw from the contract in whole or in part. The same applies if waiting would be unreasonable for the Customer.

## **XVIII INSURANCE**

1. Risks arising from warranty or general liability due to removal, installation, or product recalls must be covered by insurance.

2. The Supplier agrees to maintain both general liability and product liability insurance, with coverage amounts of at least EUR 5 million per claim and a minimum of EUR 10 million for all claims per year. This does not affect the Customer's entitlement to compensation from the Supplier.

## **XIX TRANSFER OF RIGHTS**

1. The Customer has the right to assign existing orders to subcontractors under unchanged conditions.

2. The Supplier is not permitted to have the order fulfilled by third parties or to relocate the production site without the Customer's prior written approval. A prerequisite for such approval is adequate notice prior to relocation and the Supplier's assumption of all related costs.
3. The Supplier may not assign claims against the Customer or have them collected by third parties without the Customer's prior written consent, which shall not be unreasonably withheld.
4. The Supplier may not advertise the fact that he is a contracting partner of the Customer or the Customer's clients without prior written consent. In particular, he may not use names, trademarks, logos, product names, product depictions, etc., without the Customer's permission.
5. The Supplier is prohibited from selling products, which were specifically developed or set up by the Customer, to other buyers without the Customer's authorization.
6. The Supplier guarantees and shall take all necessary precautions to ensure that no patents, licenses, or other third-party intellectual property rights are infringed by the delivery and use of the supplied goods and/or services.
7. If an infringement of the intellectual property rights mentioned in paragraph 6 occurs, the Supplier is obliged to indemnify the Customer against all third-party claims resulting from such infringement, and to reimburse the Customer for all necessary and especially chargeable expenses incurred in the course of such claims.

## **XX SUPPLIER MANAGEMENT**

1. The Supplier is solely responsible for its subcontractors and for ensuring compliance with all requirements arising from the contractual relationship with the Customer.
2. The Supplier shall allow the Customer or a third party appointed by the Customer to audit compliance with all contractual obligations at the Supplier's subcontractors' premises, following prior notice and during normal business hours.

## **XXI JURISDICTION, APPLICABLE LAW, SEVERABILITY CLAUSE**

1. The exclusive place of jurisdiction for all disputes arising from the contractual relationship shall be the Customer's place of business.
2. Unless otherwise agreed, the laws of the Federal Republic of Germany shall apply; the application of the UN Convention on Contracts for the International Sale of Goods (CISG) is excluded.
3. If individual provisions of the contract, including these General Terms and Conditions of Purchase, are or become wholly or partially invalid, the validity of the remaining provisions shall not be affected. The wholly or partially invalid provision shall be replaced by a provision whose economic effect comes as close as possible to that of the invalid one.