

Terms and Conditions of Sale and Delivery of the German companies of the HARTING Technology Group ("Delivery Conditions")

1 Scope of application

- (1) These terms and conditions of delivery apply only to contractors pursuant to Art. § 14 BGB [Civil Code], legal entities under public law or special funds under public law ("customers").
- (2) These terms and conditions of delivery apply exclusively to the services of HARTING to the customer. General terms and conditions of the customer apply only to the extent that HARTING has expressly consented to them in writing.

2. HARTING's performance obligation

- (1) A binding performance obligation for HARTING only arises after explicit confirmation by HARTING in text form and only under the respective conditions stated therein.
- (2) In the event that the offer results in the concluding of a contract by HARTING, HARTING shall be bound to the conditions stated therein for a period of two weeks.
- (3) HARTING reserves the unrestricted use and exploitation rights under the ownership and copyright laws in terms of the content of offers, proposed solutions, drawings and other documents ("documents"). The documents may only be made accessible to third parties with the prior consent of HARTING and shall be returned immediately upon request if the order is not placed with HARTING. Sentences 1 and 2 shall apply mutatis mutandis to the customer's documents; however, these may be made accessible to third parties to whom HARTING has transferred or will transfer services and who have been placed under an obligation to maintain secrecy.

3 Delivery conditions

- (1) The INCOTERMS®, 2010 apply, as included in the respective order confirmation by HARTING. If no reference to INCOTERMS® 2010 is made and there is no other agreement between the parties, services by HARTING are exclusively FCA Espelkamp, INCOTERMS®, 2010.
- (2) The indication of readiness for shipment shall be equivalent to shipment.

4 Dates, arrears and force majeure

- (1) A fixed period commercial transaction is only valid if the customer indicates in his order the necessity of such a fixed delivery date and HARTING expressly confirms this.
- (2) Excess, partial and under-deliveries by HARTING, as well as adjustments to the packaging units, are permissible insofar as they are reasonable for the customer and/or customary. In the case of partial services, the legal consequences are calculated on the basis of the quota of non-performance.
- (3) Compliance with deadlines for services requires the timely receipt of all documents, necessary approvals and releases to be provided by the customer, in particular plans, as well as compliance with the agreed terms of payment and other obligations by the customer. If these conditions are not fulfilled in due time, the deadlines will be extended accordingly.
- (4) The customer may only withdraw from the contract within the scope of the statutory provisions insofar as HARTING is to blame for the delay in delivery. A change in the burden of proof to the detriment of the customer is not connected with the above regulations.
- (5) If, at the customer's request, shipment or delivery is delayed by more than one week after notification of readiness for shipment, the customer may be charged a storage fee for each additional week or part week, amounting to 0.5% of the price of the delivery items, but at maximum a total of 5%. Proof of higher or lower storage costs by the contracting parties shall remain unaffected.
- (6) Delays in performance due to force majeure entitle HARTING to postpone the services by the duration of the hindrance plus a reasonable start-up time, or to withdraw from the contract in full or in part if the performance of the part not yet fulfilled is permanently impossible or is no longer of interest for the customer.
- (7) If the hindrance pursuant to point 4 (6) lasts longer than one month, the customer is entitled, after setting a reasonable grace period, to withdraw from the contract with regard to the part not yet fulfilled. If the hindrance will obviously last a long time, the customer may declare withdrawal immediately. HARTING shall only be entitled to rely on the aforementioned circumstances if it notifies the customer immediately.

5 Reservation of title

- (1) The objects of the services ("reserved goods") shall remain the property of HARTING until the fulfilment of all HARTING's claims against the customer from the business connection. Insofar as the value of all security rights to which HARTING is entitled exceeds the amount of all secured claims by more than 10%,

HARTING shall, at the Customer's request, release a corresponding portion of the security rights; HARTING is entitled to choose between different security rights for release.

- (2) During the existence of the reservation of title, the customer is prohibited from pledging or transferring the property by way of security, and resale is only allowed to resellers in the ordinary course of business and only on condition that the reseller receives payment from its customer or makes the reservation that title will only pass over to the customer when it has fulfilled its payment obligations.
- (3) If the customer resells the reserved goods, it hereby assigns its future claims against his customers from the resale as security to HARTING, with all ancillary rights – including possible balance claims, without the need for any further special declarations; HARTING hereby accepts this assignment. The claim to release described in the preceding point 5 (2) applies accordingly in the case of excess security of more than 10%.
- (4) If the reserved goods are sold together with other items without an individual price being agreed for the reserved goods, the customer shall assign to HARTING the part of the total price claim which corresponds to the price of the reserved goods billed by HARTING. HARTING and the customer hereby agree that, when combined or mixed with other items not belonging to HARTING, HARTING is in any case entitled to co-ownership of the new item in proportion to the share resulting from the ratio of the value of the combined or mixed reserved goods to the value of the remaining goods at the time of the combining or mixing. In this respect, the new item shall be regarded as reserved goods. The regulation regarding the assignment of claims pursuant to point 5 (4) also applies to the new item. The assignment shall, however, only be valid up to the amount corresponding to the value invoiced by HARTING of the processed, combined or mixed reserved goods.
- (5) If the customer combines the reserved goods with real property or movable property, it shall also, without any further special declaration, assign to HARTING as security its claim to which it is entitled as remuneration for the combination, with all subsidiary rights, in the amount of the ratio of the value of the reserved goods to the remaining combined goods at the time of the combination. HARTING hereby accepts the assignment.
- (6) Until revocation, the customer is authorised to collect assigned receivables from resale. If there is a significant reason, in particular in the case of payment arrears, cessation of payment, opening of insolvency proceedings, and protest of bills of exchange or justified grounds to suspect overindebtedness or imminent insolvency on the part of the customer, HARTING shall be entitled to revoke the customer's authorisation to collect receivables. In addition, HARTING may, upon prior warning and observing an appropriate period of notice, disclose the assignment for security, realise the assigned claims, and demand from the customer disclosure of the assignment for security by the customer.
- (7) The customer shall notify HARTING immediately in the event of pledges, seizures or other orders or interventions by third parties. If a legitimate interest is substantiated, the customer shall immediately inform HARTING of the information required to assert its rights against the customer and hand over the necessary documents.
- (8) In the case of breaches of obligation by the customer, in particular in the event of payment arrears, as well as taking back the goods, HARTING shall also be entitled to withdraw from the contract after the unsuccessful expiry of a reasonable deadline set for performance by the customer; the statutory provisions on the dispensability of setting a deadline shall remain unaffected. The customer shall be obliged to surrender the goods. The taking back of the goods or the assertion of the retention of title or the pledging of reserved goods by HARTING shall not constitute a withdrawal from the contract, unless HARTING has expressly declared this.

6 Payment terms

- (1) Unless otherwise stated in the confirmation of order, HARTING'S claim shall be settled within 14 days from the date of invoice and delivery, purely net, without any deduction.
- (2) The customer is entitled to a right of retention only with regard to the claims arising from the same contractual relationship which are undisputed or have been legally established. In the latter case, it may only withhold payment of the remuneration in the case of defects in parts of the delivery or service to the amount corresponding to the value of the defective delivery or service. Counterclaims by the customer due to breaches of obligation by HARTING shall remain unaffected.

7 Software

- (1) Insofar as software including its documentation ("software"), is a component of the service, the customer has the non-exclusive right, without a time limit, to use it (including its documentation) in unchanged form within the scope of the agreed type of use on the equipment for which it is intended. If they are necessary for the intended use of the software, including error correction, the following actions (§ 69c No. 1 and 2 UrhG [Copyright Act]) do not require the consent of the copyright owner, irrespective of the further configuration of the usage right:
 - Reproduction as a whole or in part, permanently or temporarily, in particular during installation, loading, displaying and executing of the software, as well as translation, processing, arrangement and other revisions of the software,
 - As well as the reproduction of the results obtained.
- (2) In addition, the customer acquires the software as a creation within the meaning of copyright law, applying the principle of exhaustion.
- (3) If and to the extent that the customer is given open source software ("OSS") and if the copyright has not been exhausted with the transfer of the creation, the terms of use to which the OSS is subject shall additionally apply and take precedence over the terms of this clause. In this case, HARTING shall make over the source code to the customer on request, insofar as the OSS terms of use provide for the surrender of the source code. HARTING shall point out in the contract documents the existence and the conditions of use of the transferred third party software and OSS, and shall make the conditions of use available upon request. In case of violation of these conditions of use by the customer, HARTING's licensor, as well as HARTING, is also entitled to assert the resulting claims and rights in its own name.
- (4) The customer shall secure the software as well as the access data for online access by means of suitable measures from access by unauthorised third parties. In particular, all copies of the contractual software as well as the access data must be kept in a protected location.
- (5) If HARTING has reason to assume that the customer is not using the software in accordance with the contract, the customer shall allow a third party appointed by HARTING who is under a professional or contractual obligation to maintain secrecy to audit the lawful use of the contractual software. For this purpose, the customer shall provide the necessary information, allow access to relevant papers and documents, and enable the third party to verify the hardware and software environment used. The third party shall ensure that the customer's business operations are disturbed as little as possible by his on-site activities. If the audit reveals that the number of purchased licenses is exceeded by more than 5% (five percent) or any other non-contractual use, the customer shall bear the costs of the audit; otherwise, the costs shall be borne by HARTING.
- (6) In the case of deficiencies in the software, the provisions of points 8 and 9 shall apply.

8 Industrial property rights and copyrights, defects in title

- (1) HARTING guarantees that the services provided by it exclusively in the country of the place of delivery are provided without infringement of industrial property rights and copyrights of third parties ("protected rights"). The warranty period shall be the same as for material defects as specified in point 9 (5).
- (2) If a third party asserts justified claims pursuant to point 9 (2) against the customer due to an infringement of protected rights by services performed by HARTING used in conformity with the contract, within the period defined in point 9 (5), HARTING shall provide subsequent performance for the customer as follows: HARTING will, at its own discretion and at its own expense, either obtain a right of use for the services concerned, or modify them in such a way that no proprietary rights are infringed, or replace them.
- (3) If HARTING fails to fulfil its aforementioned subsequent performance obligations within a period of two months after assertion of the claim by the customer, the latter will be entitled to the statutory rights of withdrawal from the contract and reduction in the contract price.
- (4) The aforementioned obligations of HARTING exist only insofar as the customer immediately informs HARTING of the claims asserted by the third party, does not acknowledge an infringement, and if all defence measures and settlement negotiations within the legally permissible framework are reserved to HARTING.

- (5) If the customer ceases to use the goods for damage reduction or other significant reasons, it is obliged to point out to the third party that the cessation of use does not constitute an acknowledgment of an infringement of protected rights.
- (6) Claims of the customer are also excluded insofar as the infringement of protected rights is caused by special requirements of the customer, by an application purpose specified by him or by the fact that the delivery is used with products changed by the customer or together with products not supplied by HARTING.
- (7) Within the scope of his obligation to reduce the risk, the customer shall inform HARTING in good time of the loss-entailing event, so that HARTING is in a position to review the legal situation and effectively influence the proceedings. In this respect, HARTING is entitled, against assumption of the necessary costs, to require the customer to take legal action against the party claiming the infringement or, as far as legally possible, to conduct the proceedings itself.
- (8) Unless otherwise regulated in this point 8, and if there are other legal deficiencies which are not infringements of protected rights, the provisions of the following point 9 and point 10 shall apply correspondingly.
- (9) Further claims and/or claims of the customer other than those regulated in this point 8 against HARTING and its agents due to a defect are excluded.

9 Warranty

- (1) The services owed by HARTING shall be provided carefully and professionally.
- (2) Notification of defects in accordance with § 377 HGB [Commercial Code] must be made immediately in writing. In the case of justified complaints, HARTING will, at its discretion, carry out re-work, re-supply or re-perform all those parts or services which have a material defect for which it is responsible, free of charge. HARTING shall be given the opportunity to carry out two successive reworkings within a reasonable period. If the supplementary performance fails, the customer may - without prejudice to any claims for damages pursuant to the following point 10 (2) - withdraw from the contract or reduce the contractual remuneration.
- (3) The place of fulfilment for any subsequent performance claims is the original place of delivery according to the order confirmation.
- (4) HARTING shall bear the necessary and reasonable costs of the customer for subsequent performance at the respective original place of delivery in accordance with the order confirmation. Insofar as the last purchase in the supply chain is a purchase of consumer goods, the necessary and reasonable costs of subsequent performance as well as the assembly and disassembly costs shall be paid by HARTING to the extent that HARTING was the cause.
- (5) Claims for subsequent performance and warranty and reimbursement of expenses in accordance with § 445a para.1 BGB [Civil Code] shall expire 12 months from commencement of the statutory limitation period, unless the last purchase in the supply chain is a consumer goods purchase. The legal regulations, in particular regarding expiration, suspension and recommencement of the deadlines shall not be affected.
- (6) Claims for defects do not exist in the case of an insignificant deviation from the agreed quality or usability. HARTING is only liable for defects which occur under the contractually specified operating conditions and in the case of proper use of the delivery item. HARTING shall not be liable for defects due to materials provided by the customer or a design prescribed or specified by the customer.
- (7) Claims for damages on the part of the customer due to a material defect are otherwise governed by point 10 below. For defects in title, the foregoing provisions apply correspondingly, subject to the regulations of point 8.
- (8) For customer-specific products and production the following also applies:
 - a. The customer's specifications must be at least in text form (e.g. e-mail) and must be submitted to the contractor prior to conclusion of the contract.
 - b. If products are manufactured according to the customer's exclusive specifications, HARTING will not check them, but will only merge existing products into one unit according to customer requirements; however, HARTING will not examine the place of use, the intended use or the specific utilisation or application, or the functionality of the customer-specific products/solutions. The customer shall be liable for freedom from

defects, completeness and freedom from third party rights of the specifications passed over to HARTING.

- c. HARTING guarantees the characteristics according to the respective accompanying letter for test products, pre-production devices and/or prototypes which HARTING supplies to the customer, which are used by the customer during the development stage and have not yet been released. The use of prototypes in operative real-time operations must at all events be avoided by the customer. If the customer is guilty of a breach of this obligation, any liability on the part of HARTING shall be excluded. If a third party claims against HARTING for this breach of obligation, the customer shall indemnify HARTING for all claims and expenses.

10 Claims for damages

- (1) Unless otherwise stipulated in these terms and conditions of supply, claims for damages and claims for reimbursement of expenses by the customer, irrespective of the legal basis, are excluded, in particular due to a breach of obligation arising from the contractual obligation and from tort.
- (2) The provisions of the preceding point 10 (1) do not apply as far as liability exists:
 - a. According to the Product Liability Act
 - b. In the case of intent (fraudulent intent)
 - c. In the case of gross negligence on the part of owners, legal representatives or senior executives
 - d. In the event of non-compliance with an assumed guarantee
 - e. Due to culpable injury to life, body or health
 - f. In the case of claims by the customer pursuant to § 445 a BGB
 - g. Due to a culpable breach of major contractual obligations. Major contractual obligations are those the fulfilment of which makes the proper execution of the contract possible in the first place and on the observance of which the customer may regularly trust and rely. This expressly includes the performance obligations.
- (3) Claims for damages for a slightly negligent breach of major contractual obligations is limited to foreseeable damage typical of the contract.
- (4) The limitation according to point 10 (1) shall also apply if, instead of a claim for compensation for the damage, the customer demands compensation for futile expenses instead of performance.
- (5) Recourse by the customer in accordance with point 10 (2) is determined by HARTING in each individual case at its discretion, and in the event of dispute, the appropriateness of its amount is to be reviewed by the competent court as defined in point 12. This does not apply insofar as the claim is based on a sale of consumer goods and a corresponding transfer of claims.
- (6) A change in the burden of proof to the detriment of the customer is not connected with the above regulations.

11 Reservation of title

- (1) The customer must ensure strict observance of all relevant export regulations which are applicable nationally or internationally, obtain all the necessary permits and, if necessary, provide all information and documents needed for export, shipment or importation in the corresponding country of delivery. Delays due to export audits or approval procedures override agreed deadlines and delivery periods. In this case, HARTING and the customer shall agree on mutually acceptable new deadlines. If the necessary permits are not issued within 6 calendar weeks following the delays, the contract shall be deemed not to be concluded with respect to the affected parts. Claims for damages by the customer are excluded to this extent and because of the aforementioned failure to meet the deadline. HARTING will provide the customer with the relevant contact points for further information on request.
- (2) In the event of a culpable violation of point 11 (1) by the customer, the latter shall, on first demand, indemnify HARTING from claims and pay compensation for any damages asserted against HARTING by HARTING's supplier or licensor, third parties or governmental and/or international authorities or organisations.
- (3) The performance of the contract by HARTING is subject to the proviso that there are no obstacles due to German, US and other applicable national, EU or international regulations of foreign trade law, as well as no embargoes or other sanctions.
- (4) All obligations of HARTING are subject to proper delivery to itself. A corresponding declaration from the subcontractor shall be sufficient proof that HARTING is prevented from delivering and is not at fault.

In addition, HARTING reserves the right to make allocations at its own discretion in the event of delivery problems at upstream suppliers'.

- (5) HARTING shall inform the customer immediately as regards the unavailability and immediately reimburse any counter-consideration. The same applies if required export licenses are not issued or cannot be used.

12 Choice of law, place of jurisdiction

- (1) If the customer is a merchant, the sole place of jurisdiction shall be the place of HARTING's registered office for all disputes arising directly or indirectly from the contractual relationship. However, HARTING is also entitled to sue at the registered office of the customer.
- (2) Contracts which are or have been concluded under the conditions of these terms of delivery and their interpretation are subject to non-unified German law, excluding the United Nations Convention on the International Sale of Goods (CISG).

13 Binding nature of these terms and conditions of delivery

A contract concluded under the conditions of these terms of delivery shall also remain binding in the remaining parts of the contract in the event of the legal invalidity of individual provisions of the contract or these terms of delivery. This does not apply if adherence to the contract would constitute an unreasonable hardship for a party.