

General Terms

of ESCHA GmbH & Co. KG in 58553 Halver/Germany

Section 1 Scope of validity

1. The following terms and conditions of sale and delivery apply to all business with our customers even if they are not cited during subsequent processes or contracts. The inclusion of general conditions of purchase or other general terms of the customer is hereby expressly excluded. This is also the case if the customer refers to their own general terms, even if these contain protective or exclusive clauses, and we do not expressly oppose them, irrespective of the chronology of the competing conditions coming to the attention of the contractual partners, unless they have been agreed to in writing. Accepting goods or services does not render other conditions valid or enforceable.
2. Our terms and conditions of sale and delivery also apply - without this being expressly stated - to all future business with the customer unless an alternative written agreement on this has been agreed with the supplier.

Section 2 Quotes and contract conclusion

1. The quotes of the seller are non-binding.
2. Acceptance declarations and all orders require written confirmation from the seller to be legally valid. Order confirmations sent by remote data transmission and IT print-outs are also valid even if they are not signed.

The same applies to deviations from these general terms and any amendments, revisions or supplementary agreements.

3. The written order confirmation from the seller including the contractual content it contains is definitive in terms of the content and scope of deliveries and services.
4. Our obligation to give notification of changes applies to the customer-specific elements (items or components) of contractual products ordered by the customer (design authority - customer). We reserve the right to make technical alterations to ESCHA standard items or components (design authority-ESCHA) without giving notification as well as to produce these products in series at any location. Through this design authority for standard components ESCHA ensures that the products or elements can be further developed in accordance with the state of the art without compromising promised characteristics.

The contractual parties expressly agree that all production documents, drawings, samples, data carriers and information in all order processes which are exchanged in writing or personally as part of the arranged business cooperation shall be treated with the utmost confidentiality. Following the end or cancellation of the contract or at the end of the business cooperation, if one contractual partner requests it in writing, all documents, data carriers and documents including copies shall be verifiably destroyed or, at their discretion, returned in full and chronologically. There is no general

right of retention. Essential procedures to furnish proof in the instance of official orders or legal obligations of a contractual party are an exception.

5. The declarations on the ordered contractual products in written documents exchanged in our order confirmations, catalogues and/or other brochures on the condition of the contractual products ordered do not represent a guarantee in accordance with Section 276, Para. 1 German Civil Code, unless we informed you of the like expressly in our written order confirmation and also cited the specifications and product requirements we guarantee.

ESCHA standard connectors (catalogue goods) have been designed for typical applications in the automation industry. Other uses have to be validated by the user and do not fall under our area of responsibility (exclusion of liability) unless we provide prior written approval. Essentially, ESCHA only guarantees for its products production and delivery which is in accordance with the general state of the art. This includes compliance with any relevant DIN standards for the products manufactured. ESCHA expressly does not guarantee additional characteristics unless this has been arranged explicitly between the parties.

Special cases are where ESCHA produces and supplies products with other goods or with goods of prescribed suppliers. An additional agreement would be required in such cases.

Section 3 Prices

1. Our prices in all quotes and order confirmations are in euros (€) EXW / INCOTERMS® 2010 (ex works) and do not include applicable VAT, packaging, shipping costs and transport insurance.
2. However, ESCHA reserves the right to change prices and state them in any currency (e.g. USD and RMB) in special cases for a specific order.
3. All prices stated in our quotations are valid for six (6) weeks.
The subsequent reduction of the order quantity and/or the reduction in the agreed call-off orders entitle us to appropriate increases in the unit prices agreed and also in the arranged tool cost proportions.
4. In the case of cost increases which occur after the order confirmation (e.g. due to increases in material, wage and other costs to be borne by the purchaser), the seller is entitled to carry out appropriate price increases provided they are not already late in their delivery. If the seller takes into consideration alteration requests of the purchaser, then the additional costs thus incurred are charged to the purchaser.

Section 4 Payment

1. The invoices of the seller must be paid within 10 days of the invoice being issued (in accordance with the invoice date) to receive a 2% early payment discount, or within thirty days at the full amount given. If the purchaser does not pay within 30 days of the invoice date, then they are in arrears without a warning having to be issued to this effect. If the point in time of receipt of the invoice or payment schedule is uncertain or if there is uncertainty as to whether it has been

received at all, then the purchaser, who is not a consumer, shall be in arrears at the latest thirty days following the due date and receipt of the return service.

2. A payment shall be deemed as made if the seller has the amount at their disposal. In the case of bills of exchange or checks, then the payment shall be deemed as having been made once the check or bill of exchanged has been cashed.
3. If the purchaser, who is a consumer, falls into arrears, then the seller can charge interest of 5% above the respective base rate of interest in accordance with Section 247 German Civil Code. If the purchaser is not a consumer, then the interest on arrears is 8% above the respective base rate of interest in accordance with Section 247 German Civil Code. However, the purchaser cannot object to this by claiming that the seller incurred no or minimal interest damage. However, the seller remains at liberty to calculate the damage for the delay on the basis of the costs which can be verified as having being incurred. The seller is entitled to charge EUR 25 for every warning they issue.
4. The seller is not obliged to accept bills of exchange. If bills of exchange are accepted as performance in individual instances due to special arrangements, then the discount and collection charges on the due date of the claim shall be borne by the drawer and must be paid in cash immediately.
5. Irrespective of special payment agreements made in individual cases, outstanding claims to the seller are due immediately if circumstances in the person of the seller now make keeping to the payment arrangements unreasonable. This is the case if there are verified signs of a considerable worsening in the financial position of the purchaser, in particular in the case of a cease in payments, cheque and bill of exchange protests or arrears if this suggests that the claim of the seller to the payment is endangered by an insufficient ability of the purchaser to pay. In this case the seller is also entitled to set the purchaser a deadline by which time the purchaser, at the discretion of the seller, can make payments concurrently with performance or provide additional securities. After the deadline set by the seller has expired without payment, then they are entitled to withdraw from the contract.
6. As part of the warranty against defects, the purchaser is only permitted to withhold payment after making a justified defect complaint and only proportionately in relation to the deficiency. Otherwise the purchaser has no right of retention.
7. The purchaser is only entitled to offset claims if the counter-claim is uncontested, legally enforceable or ready for judgement or if it is a counter-claim from the same contractual relationship.
8. The seller is entitled to transfer the claims from the business relationship with the purchaser.

Section 5 Delivery and performance term, arrears

1. The compliance with deadlines for deliveries requires the punctual receipt of all the following from the purchaser: information required, documents to be delivered, clearances required (including any import licences necessary) and approvals, in particular of plans as well as compliance with the payment conditions arranged, including the punctual settlement of advance payments arranged in

individual cases as well as other obligations of the purchaser. If these pre-requisites are not fulfilled on time, then these delivery deadlines are extended accordingly, providing the delay was not caused by the seller.

2. Fixed date transactions require express written confirmation.
3. The deliveries are subject to delivery availability.
4. Delays to delivery and performance due to force majeure, unforeseen disruptions to operations, industrial disputes (in particular strikes and lock-outs) or scarcity of raw materials or other events for which the seller was not responsible (e.g. delivery delays by a subcontractor) entitle them to delay the delivery date for the duration of the disruption even if this date had been a binding agreement. If delivery by the seller is made impossible or unreasonable due to such a situation, then they are permitted to withdraw from the contract in part or in full. Alterations of the goods requested by the purchaser shall also result in an appropriate extension to the delivery date.

Force majeure in case of Corona-Pandemic:

The seller is able to deliver under the current conditions despite the Corona-Pandemic. In view of the hardly foreseeable effects of the Corona-Pandemic the sellers order confirmation is expressly subject to a case of force majeure due to and in connection with the Corona-Pandemic. In these cases of force majeure, the seller shall be released from its delivery- and service-obligations for the duration and to the extent of the effect of the force majeure, without liability and recourse obligation under the contract or law. Force Majeure is in particular any malfunction for which the seller is not responsible, official business closure or disruption of the supply chain or in the transport route due to and in connection with Corona-Pandemic. The seller shall, of course, notify the purchaser of the occurrence and the cessation of force majeure, if and as soon as it becomes aware of it, and shall use its best efforts to remedy the respective malfunction and limit its effects as much as possible.

5. If the disruption continues for more than two months, then - after an appropriate subsequent deadline has been set - the purchaser is entitled to withdraw from the contract in respect of the part unfulfilled. **In cases of force majeure due to and in connection with Corona-Pandemic, this period is extended to six months.**
6. The delivery deadline shall be considered to have been met if by the delivery deadline arranged the good has been dispatched or its readiness for delivery has been announced.
7. If the delivery date or deadline has not been met by the seller, then the purchaser is obliged to set an appropriate subsequent date for performance in writing. If the seller does not deliver by the subsequent deadline and is culpable for this, the purchaser is entitled to withdraw from the contract.
8. If the seller is responsible for not meeting binding agreements regarding deadlines, then after a subsequent deadline set by the purchaser has expired without result, then their damages claim for the delay - providing they make a credible case that they suffered damage due to the delay - is limited to 5% of the net invoice value of the delivery or performance affected by the delay. Additional claims are excluded unless the delay is due to at least gross negligence or the culpable

breach of a major contractual obligation. In this case the damages are limited to foreseeable, typical damage.

9. Upon the request of the seller, the purchaser must declare - within an appropriate time - whether, due to the delay to the delivery, they are withdrawing from the contract and/or whether they are requesting damages rather than performance and/or whether they are demanding delivery.
10. If dispatch or delivery is delayed by the purchaser beyond the date in the contract, then the seller can - at the earliest ten working days following the announcement that the goods are ready for dispatch - charge the purchaser for storage at a rate of 0.5% of the invoice value for every month commenced, though no more than 5%. The contractual parties have the right to provide evidence of higher or lower storage costs.
11. The seller is entitled to part deliveries to a reasonable extent. Part deliveries are transactions in themselves. They are invoiced as such and are to be paid separately.
12. Customary over or under delivery caused by production of up to 10% of the quantity ordered is permissible unless deviation from the contractual amount would be unreasonable for the purchaser in a individual case.
13. Our regulations on dispatch and packaging also apply.

Section 6 Transfer of risk

1. The risk of accidental destruction and/or loss is passed to the purchaser as soon as the delivery has been passed to the person performing the delivery or has left the warehouse of the seller for dispatch. This also applies if the delivery is performed in part or in full by the seller's own staff.
2. In addition, risk passes to the purchaser as soon as the seller is in default of acceptance following receipt of the notification by the seller that the goods are ready for dispatch.
3. If in an individual instance the good is taken back for reasons for which the seller is not responsible and due to a special written arrangement, then the seller shall bear all risks until receipt of the good by the seller.

Section 7 Duty to object, warranty and liability

Referring to the fact that none of our declarations are a guarantee in accordance with Section 276 Para. 1 German Civil Code, we cannot guarantee or be held liable for our delivery and performance according to the following agreements which supplement legal regulations.

You must carefully and comprehensively inspect the products supplied to you by us - even if samples have been sent beforehand - without delay upon receipt to ensure they are complete and correct. This includes checking they are in accordance with the contract. The delivery is considered to have been accepted if you do not give notice of a defect immediately in writing and no later than

10 (ten) working days following receipt and requires that the parts supplied are still in their delivered condition. The notice of a deficiency must be in writing, detailed and article-specific.

If the deficiency cannot be discovered during a normal inspection, then it must be reported to us in writing or by fax at the latest 5 (five) working days after its discovery. However, the purchaser must inspect the material parameters required for the further processing they have planned before they use the materials (subject of the contract) for the planned production. The materials must be separated from comparable products of other manufacturers so that it is quite clear than the goods about which the purchaser has complained were delivered by us.

However, the purchaser must, upon delivery, immediately inform the forwarding agent or carrier in writing about recognisable, open transport damage (transfer of risk). In this respect the obligations to give notice apply following the acceptance of goods in accordance with General German Forwarders' Conditions (ADSp).

If there is a justified notice of defects, then we are obliged to subsequent performance through improvement or providing a replacement delivery. We are however justified in crediting the purchaser the value of the separated parts.

If it would make sense to have any subsequent work carried out at the purchaser's, then following our written approval, you can decide whether you perform the work yourself and produce proof of the actual expenditure or have a third party perform it and charge us the costs.

If the end consumer of the good in the delivery chain is a consumer, then you - under the additional pre-requisites of Section 377 German Civil Code - are entitled to withdraw in accordance with the statutory provisions of sections 478, 479 of the German Civil Code. However, you are only entitled to damages and the reimbursement of expenses in accordance with the following rules regarding liability.

We can only be held liable for any damage - including any claims for the reimbursement of expenses - for whatever legal reason in the case of:

- intent;
- in the case of our own gross negligence, likewise in the case of gross negligence by managing employees or the organs of our company;
- in the case of the culpable loss of life, limb or health of third parties;
- in the case of deficiencies which we maliciously conceal or whose absence we have guaranteed in writing;
- in the case of deficiencies in our performance if we can be held liable for injury to persons or property in accordance with the Product Liability Act;

we can be held liable if there is a culpable breach of significant contractual obligations in the case of gross negligence of non-managerial staff and in the case of slight negligence. In the instance of the latter however, our liability is limited to reasonable, foreseeable damage which is typical of the contract.

In the case of the delivery of products with goods provided by the customer or the processing of goods of specified suppliers, we can only be held liable for errors or deficiencies in connection with

services and work carried out by us, though not for deficiencies or errors based on the good provided or the good from specified suppliers.

ESCHA has the right in the case of deficiencies which are due to the supplier or the supplied good to oblige the customer to assert claims against the supplier themselves and must transfer all claims here to the customer if this right is exercised.

Section 8 Expanded and extended retention of title

1. The seller retains title to the goods they have supplied until payment in full of the purchasing price and until all existing and future claims of the seller against the purchaser from the business relationship have been settled.
2. The purchaser must properly store and keep the supplied good separately from similar goods of other companies and mark it as originating from the delivery of the seller.
3. The purchaser is entitled to sell, install or process the retained good in the ordinary course of business. Ordinary course of business does not include the processing, installation or sale to buyers who have arranged an assignment prohibition with the purchaser. This authorisation can otherwise only be revoked if the purchaser does not properly meet their payment obligations.
4. With immediate effect the purchaser shall assign the claims arising from the resale or another legal reason (processing, installation, unlawful act, insurance, etc.) in respect of the retained goods to the seller as collateral to the sum of the invoice amount of the supplied goods. If the purchaser accepts into his current account the claim from a resale or another legal reason, then the outstanding balance to the sum of the invoice amount has been assigned.
5. The purchaser is authorised to process the good subject to the retention of title providing they are not in arrears. Processing is carried out by the purchaser for the seller. As a manufacturer in accordance with Section 950 of the German Civil Code, the seller acquires the title of the new good whilst the purchaser looks after the good for the seller. In the case of processing with other goods not supplied by the seller, then the seller is entitled to joint title of the new good. This title is in proportion to the value of the retained good in relation to the other processed goods upon processing. In terms of the good created out of this processing, the same applies as for the retained good.
6. The seller authorises the purchaser to collect the claim assigned to the seller for their own account and in their own name. This collection authorisation can only be revoked if the purchaser does not properly meet their payment obligations.
7. In the case of action by the purchaser which is contrary to the contract - in particular payment arrears - then the seller is entitled to notify the debtor of the assignment of the preceding claims. The seller is then also entitled to take back the retained good or if required to request the assignment of surrender claims against third parties.
8. Taking back the retained good does not signify withdrawal from the contract. Section 449 Para. 2 German Civil Code is excluded.

9. Upon request by the purchaser, the seller must release the securities in part if their value exceeds the claims by more than 20% over a sustained period.

Section 9 Confidentiality / Data protection

1. The seller shall retain unrestricted title and copyrights to cost estimates, drawings and other documents (hereinafter "documents"). The publication or transfer of the documents to third parties or service providers, contractors and subcontractors who have not been authorised by us is only permitted with our express written approval. We provide our assurance that to the best of our knowledge all the products we produce are free of the copyright of third parties. If breaches to licences or patents become known, you must inform us of this without delay. We then reserve the right to investigate and decide whether to recognise the claim or contend it.
2. The data of the purchaser which becomes known directly or through third parties during the business relationship is saved by the seller in an automatic file and processed for business purposes (note in accordance with the Federal Data Protection Act).
3. The purchaser agrees to the processing of their personal data which became known directly or through third parties.
4. If we have manufactured and delivered the good in a specific way that you have stipulated - in accordance with a drawing, sample or other specific information - then you must guarantee that it does not violate in particular patents, registered designs and other protective and copyrights. You must indemnify us from all claims by third parties which could arise from such a violation.

Section 10 Place of performance, applicable law, place of jurisdiction and final provisions

The place of performance for the principal and secondary obligations of both parties from the contractual relationship as well as all rights and obligations from the contractual relationship is Halver.

1. The place of jurisdiction for all disputes arising directly and indirectly from the contractual relationship is Halver if the purchaser is a business person, legal entity under public law or a special fund under public law.
2. If a provision in these business terms or within the scope of other agreements is or becomes ineffective or unenforceable, then the effectiveness of all other provisions or agreements shall remain unaffected hereby.
3. The laws of the Federal Republic of Germany apply. UN Sales Law (CISG) and other international purchasing and trade agreements are excluded.
4. ESCHA refers to its commitment to comply with a Code of Conduct within the scope of our membership of the German Association for Materials Management, Purchasing and Logistics (BME) which can currently be viewed in the portal: www.escha.net.

Last modification of this General Terms on March 20, 2020.