

General Terms of Delivery

These terms of delivery are applicable exclusively to companies, legal entities under public law or special funds under public law according to § 310 paragraph 1 of the German Civil Code (BGB). Contractual partners in business transactions, and in particular those conducted through our online shop, can only be a natural person or legal entity or a partnership with legal capacity exercising its commercial or independent professional activity (entrepreneur in accordance with § 14 German Civil Code – (BGB)) in conducting a legal transaction.

1. General terms of delivery

1.1. Only the general terms of delivery below shall apply to the legal relationships between the company MURRELEKTRONIK GmbH – hereinafter, the “supplier” – and the customer in connection to deliveries and/or services of the supplier (hereinafter, “deliveries”). Conflicting or diverging conditions of the customer are not applicable and the supplier is not bound by them, unless the supplier specifically agrees to them in writing. Even if the supplier makes delivery in the knowledge that such conditions exist, this does not represent any type of agreement to the diverging conditions of the customer.

1.2. In cases of ongoing business relationships these general terms of delivery are also applicable to subsequent orders and replacement deliveries, without the need for a renewed indication thereof.

1.3. Supplementary agreements and assurances, and alterations or amendments to a contract concluded in writing or by telex must be made in writing.

1.4. In the event of legal ineffectiveness of individual provisions, all other sections of these terms of delivery remain binding. In this case the parties are obliged to replace the ineffective regulation with an effective one which comes as close as possible to the former regulation economically speaking.

2. Offer and confirmation of order

2.1. Offers are non-binding and only become binding when they state a term of acceptance. The order is only deemed to have been accepted if it is confirmed by the supplier in writing by means of an order confirmation.

2.2. Drawings and other documents forming part of offers must be returned immediately upon request if the order is not placed.

2.3. Offer and order confirmation in the online shop

The depiction and advertising of articles in MURRELEKTRONIK GmbH's online shop does not constitute a binding offer of sale of a particular article. When sending an order via the online shop by clicking on the “Order now” button, the user/customer places a legally-binding order. The supplier will confirm receipt of the order sent via the online shop without delay by e-mail. This type of e-mail does not constitute a binding acceptance of the order, unless it contains the order acceptance as well as confirmation of receipt of the order. A contract only comes into being when the order is accepted by the supplier by means of a declaration of acceptance or delivery of the ordered article.

3. Scope of deliveries and services

3.1. The scope of the delivery is determined by the supplier's written order confirmation for acquisition via the online shop, in accordance with point 2.3. If there is no order confirmation, the supplier's offer applies. All verbal arrangements, supplementary agreements or alterations concluded with employees of the supplier must be confirmed in writing by the supplier to be effective. An exception to this is the supplier's right to make technical alterations to the delivery object, provided such alterations have no influence on the technical function.

3.2. For the technical and other features of the ordered and delivered goods, the descriptions of the technical characteristics and circuitries in the catalogue or online shop of the supplier apply, in their latest version on the order date. This does not apply in cases of custom-made products outside of the regular delivery programme, if the technical features are specified accordingly in the order and confirmed in writing by the supplier. Moreover, the information in brochures, the online shop, catalogues or general technical documents is only binding if referred to in writing by the supplier. Measurements and other information in documents referred to in the offer (such as images and drawings, including in the online shop) do not claim to be 100% accurate, within standard industry tolerances, if they are not specifically described as binding.

3.3. If software is included in the scope of service, the customer will be granted a non-exclusive right to use of the software on the basis of the operator's manual. Provision of software is for use on the agreed hardware only. Using the software on more than one system is only permitted with written consent. The software included may not be modified without the supplier's written consent. The stipulations listed under “Terms of use for Internet page and Internet downloads” are applicable regarding the software, documentation and other product information provided, and are available to read or download on the supplier's website free of charge.

4. Prices and terms of payment

4.1. Unless otherwise agreed, all prices are understood as given in Euros. They are valid ex works including loading in the plant (EXW Incoterms 2010), and excluding packaging, transport, insurance, customs tax and unloading. Surcharges for raw materials such as copper or alloy are charged additionally. The amount for shipping costs, consisting of two components, packing costs and freight charges, are indicated in the price details in our online shop.

4.2. Value added tax is not included in the prices; the legally applicable rate on the day of invoicing will be indicated separately in the invoice.

4.3. Discount deductions require special written agreement. Such agreements shall only become effective if the customer is not in arrears on payments for other deliveries.

4.4. The purchase price for deliveries and/or services ordered in the online shop is due in accordance with the conditions stated in the online shop, and shall be paid according to the modes of payment indicated therein. The purchase price for deliveries and/or services not ordered in our online shop shall be due within 30 days from the invoice date, unless stated otherwise in the order confirmation.

4.5. If the customer fails to comply with the payment deadline and as a result falls into arrears without any further reminder, the customer must pay 8 percent above the basic interest rate of the European Central Bank (ECB) interest on arrears as from the date of maturity, in accordance with § 247 of the German Civil Code (BGB). The right to compensation for further damages is reserved.

4.6. The customer shall be entitled to a right of retention only when its counterclaim is based on the same contractual relationship.

4.7. If the customer fails to meet its payment obligations, suspends its payments or a check or bill of exchange of the customer is not honoured, or if the supplier obtains information regarding a significant deterioration in the relationships of the customer which may jeopardise the claim to the purchase price, the total outstanding amount shall be due. If the total outstanding amount owed is not paid, the customer shall lose the right to use the delivery object. The supplier is entitled either to take back the delivery object without renouncing its claim until full payment has been made, or to withdraw from the contract. In cases of justified cancellation of the contract on the part of the supplier, the customer must compensate the supplier both for damage due to use of the delivery object and for any involuntary depreciation in value and loss of profits incurred. In cases of repossession of the delivery object, all costs are payable by the customer.

4.8. If, because of the customer's lack of creditworthiness or for other reasons, the fulfilment of a significant part of its payment obligation is temporarily or definitively endangered after the conclusion of the contract, the supplier may suspend delivery or services, informing the customer at the same time, and subject continuation thereof to advance payment, bank surety or other sufficient guarantee for fulfilment of the contract.

4.9. In foreign business transactions, this right of suspension also applies in cases of currency fluctuations to the detriment of the supplier of at least 10%, the determining period for which is that between conclusion of the contract and the first delivery; the parties undertake to negotiate a solution thereafter.

4.10. The customer shall be entitled to withhold payments for alleged defects only if the defects are acknowledged as justified by the supplier.

5. Deadlines for deliveries or services

5.1. A prerequisite for observance of the deadline for suppliers shall be the timely receipt of all documents, customs formalities, necessary authorisations and releases, and in particular of plans, provided by the customer, as well as compliance with the agreed conditions of payment and other obligations of the customer. If these prerequisites are not met within good time, the delivery time shall be extended accordingly; this does not apply if the supplier is responsible for the delay. The stated delivery times are subject to the condition that the supplier's sub-suppliers deliver the basic products in a proper, timely fashion. If this is not the case, the supplier reserves the right to change the delivery date. The delivery time shall then be extended accordingly. If failure to observe the deadline is attributable to force majeure, e.g. sovereign measures such as mobilisation, war, riot, natural catastrophes or similar events, such as strike or lockout, the delivery period shall be extended accordingly. The same applies if such impediments affect sub-suppliers.

5.2. The deadline shall be considered to have been met when the operative consignment has been forwarded for dispatch or collected within the delivery period. If the delivery is delayed for reasons attributable to the customer, notification of readiness for shipment shall suffice for observance of the delivery deadline. Partial deliveries are permissible, provided they are reasonable for the customer.

5.3. The supplier shall be released from the obligation to deliver if it has, for its part, not been supplied by its pre-supplier in good time despite placing a proper order, or if, on the other hand, it is not supplied with the agreed quantities and qualities. For this eventuality, the same standards as those given under 5.1 shall apply.

5.4. If the customer is responsible for the failure to observe the deadline by more than one month, the supplier may claim up to 0.5% of the value of the delivery in question for every full week of delay as a contractual penalty. The right to prove a higher level of damages, and in particular higher storage costs, shall remain unaffected. However, the supplier is entitled to withdraw from the contract after a reasonable grace period stipulated by the supplier has passed without result, and to otherwise dispose of the delivery object. Further claims based on default of acceptance shall remain unaffected.

5.5. The customer's right of withdrawal from the contract after a grace period stipulated by the supplier has passed without result shall remain unaffected. The grace period must however be reasonable.

6. Transfer of risk; packaging

6.1. Unless otherwise agreed, benefit and risk shall be transferred to the customer at the latest when the deliveries are shipped EXW (ex works) according to Incoterms 2010. If the supplier has taken on consignment of the goods, the manner and form of dispatch may be determined by the supplier.

6.2. For deliveries with installation or assembly, risk shall be transferred at the takeover point or, if agreed upon, at the time of commissioning. If acceptance is required, it shall determine the transfer of risk. It must be carried out immediately on the acceptance date, or alternatively after the supplier notifies of readiness for acceptance. The customer may not refuse acceptance in the case of a minor defect.

6.3. Delivered objects must be accepted by the customer, even when they present minor defects, notwithstanding the rights as per § 9 (liability). 6.4. Partial deliveries are permitted.

6.5. If the shipment of goods is delayed for reasons not attributable to the supplier, the ex works dispatch risk shall be transferred to the customer at the envisaged time.

6.6. Generally speaking deliveries are made in the supplier's standard packaging. The supplier is entitled to choose the necessary special types of packaging at its own discretion. Any expenses resulting from this shall be payable by the customer.

7. Insurance

At the request and expense of the customer the consignment may be insured against breakage, transportation and fire damage. This shall also apply if freight paid delivery is agreed upon. If such insurance has been taken out, the supplier shall be informed immediately of any transportation damage.

8. Warranty

8.1. If the objects delivered by the supplier prove to be defective because they are not of the agreed kind or because they are not suitable for the agreed or customary usage and prove to be unusable or substantially limited in their usefulness within 12 months after setup as a consequence of circumstances that arose before the transfer of risk, the supplier shall choose to either repair the parts in question free of charge or deliver new parts, using equitable discretion. A pre-requisite to warranty claims is that the customer shall notify the supplier of the defect immediately after delivery, in accordance with § 377 of the German Commercial Code (HGB).

8.2. The customer shall grant the supplier a reasonable amount of time and the opportunity to rectify any defects. If the customer refuses to do so, the supplier shall be released from any liability for the defects. The customer is only entitled to repair a defect itself or have it repaired by third parties and demand reimbursement of the necessary expenses from the supplier in emergencies due to endangerment of operational security or in order to prevent disproportionate damage.

8.3. Of the direct costs arising from the repair or replacement delivery, under the conditions established in point 8.1, the costs of the replacement part shall be payable by the supplier, including domestic or delivered-at-frontier shipment and the costs of removal and reassembly up to a reasonable limit to be established in accordance with legal regulations. If this can be justifiably demanded in individual cases, the customer may also claim reimbursement for fitters and auxiliary personnel.

8.4. If only a minor defect is present, the customer is only entitled to claim a reduction of the price. The right to a reduction of the price stated in the contract is otherwise excluded.

8.5. If the rectification fails and the customer justifiably declares withdrawal from the contract, the supplier shall take back the article in return for the purchase price, minus the value of actual possible use.

8.6. The supplier's liability does not refer to natural wear and tear or damage caused after the transfer of benefits and risks by incorrect or negligent handling, by the use of the delivered objects or operation of the installations arising from conditions which are not foreseen according to the

contract. In particular, warranty claims may not be made for damages caused by unsuitable or insufficient documentation or calculations of the customer, unsuitable or insufficient operating materials or mechanical, chemical, electrochemical, electromagnetic or electrical influences which do not correspond to the intended use of the delivery object.

8.7. The supplier shall not bear additional expenses, in particular transportation, travel, labour and material costs, arising from the fact that the delivery object has subsequently been transferred to a place other than the customer's branch location or the original destination, unless such transfer corresponds to its intended use and this was indicated by the customer to the supplier.

8.8. In any case, the customer is obliged to take all possible and reasonable steps to ensure the expenditure for the purposes of subsequent performance is kept as low as possible.

8.9. The customer is obliged to return defective products to the supplier or keep them available for inspection and testing or destroy them, depending on the wishes of the supplier.

9. Duration of warranty

Warranty claims shall expire 12 months after successful delivery of the goods to the customer by the supplier. For claims for damages involving intent and gross negligence, and for injury to life, body and health based on deliberate or negligent breach of duty by the supplier, the legal limitation period shall apply. At the reasonable discretion of the supplier, the delivery object may be exchanged from 12 to a maximum of 24 months after the transfer of risk, on condition that it does not show signs of heavy wear and the customer assumes the cost of transport to and from the plant.

10. Defects of title

10.1. If use of the delivered item leads to a violation of industrial property rights or copyright according to the regulations of the agreed contract territory, the supplier is obliged to basically provide the customer with the possibility or the right of further use, or modify the delivery object in such a (reasonable) manner for the customer, that the property infringements no longer exist. If this cannot be achieved under economically reasonable conditions, both the customer and the supplier are entitled to withdraw from the contract. Moreover, the supplier shall release the customer from undisputed or legally established claims by third-party property right owners.

10.2. The obligations indicated in point 10.1. are only applicable if

- the customer immediately informs the supplier of the alleged legal infringements,
- the customer supports the supplier to a reasonable extent to defend the claims asserted,
- the defect of title is not based on an instruction given by the customer and
- the legal infringement was not caused because the customer changed the delivery object arbitrarily or used it in a manner other than in accordance with the contract.

11. Liability and compensation for damages

The supplier is liable for compensation for damages in the event of culpable injury to life, body or health or intent in accordance with legal regulations. The same applies to acts of gross negligence or liability under the product liability law. In the event of culpable violation of a so-called “cardinal obligation” which allows for the proper execution of the contract and on which the customer should be able to rely, and in the event of defects which have been fraudulently concealed or the absence of which was guaranteed, the supplier's liability is limited to the foreseeable and insurable damage types of the contract. The supplier shall assign to the customer any insurance claims from liability or product liability, and the customer shall release the supplier from any liability to the amount of such insurance cover. Further claims of the customer for damages and expenses are excluded, and in particular those relating to consequential damages such as loss of production, loss of use and loss of profit.

12. Impossibility, incapability, delay in delivery

12.1. The customer may withdraw from the contract without giving notice if the performance of the whole contract becomes impossible for the supplier before the transfer of risk. The customer may also withdraw from the contract if the execution of an order becomes partially impossible and if the customer has a legitimate interest in declining a partial delivery. If this is not the case, the customer must pay the contractual price due upon partial delivery. The same applies if the supplier is incapable of making the delivery. Moreover, the liability of the supplier is exclusively subject to point 11. If impossibility or incapability arises when there is default of acceptance, or the customer is solely or predominantly responsible for these circumstances, the customer is still obliged to pay.

12.2. If after the due date the customer establishes a reasonable deadline for the supplier for performance of the contract – taking statutory exceptions into account – and said deadline is not met, in accordance with legal regulations the customer may withdraw from the contract. Any further claims for delay in delivery are determined exclusively by points 5 and 11.

13. Statute of limitation

13.1. Unless a longer period is obligatory by law, all warranty claims expire 12 months after transfer of risk. Special legal regulations, e.g. for buildings (§438 paragraph 1 no. 2, §634 paragraph 1 no. 2 German Civil Code (BGB)) shall remain unaffected by this. 13.2. For repairs or replacement deliveries, the limitation period is 6 months, although it may not end before the initial limitation period lapses.

14. Retention of title

14.1. The supplier retains title and extended title of the delivery object until receiving all payments resulting from the business relationship with the customer. Foreign customers must secure the closest possible equivalent of retention of title according to local law and are obliged to inform the supplier about any necessary additional actions. In the event of conduct contrary to the terms of the contract on the part of the customer, in particular of default of payment, after establishing a reasonable period of grace, the supplier shall be entitled to take back the purchased object. Repossession of the purchased object by the supplier does not imply withdrawal from the contract by the supplier. Seizure of the purchased object by the supplier shall always constitute a withdrawal from the contract. After repossession of the purchased object by the supplier, the latter is entitled to use it, and income from its usage must be charged against the obligations of the customer – minus reasonable operational costs.

14.2. The customer is obliged to treat the purchased object with care; in particular the customer is obliged to insure it sufficiently to cover replacement value against damages for fire, water and theft, at its own expense. If maintenance and inspection work is necessary, the customer must carry such work out in due time at its own expense.

14.3. In the event of seizures or other interference by third parties, the customer must inform the supplier in writing without delay, so that the latter can file a complaint in accordance with § 771 of the German Code of Civil Procedure (ZPO). If the third party is not in a position to reimburse the cost and out-of-court costs of a complaint in accordance with § 771 of the German Code of Civil Procedure (ZPO) to the supplier, the customer shall be liable for the loss incurred by the supplier.

14.4. The customer is entitled to re-sell the purchased object in its ordinary course of business; in doing so, however, the customer immediately assigns to the supplier all claims accruing to it from the resale to its customers or third parties regarding the final invoice amount (including the legal rate of VAT) of accounts receivables, regardless of whether the purchased object has been resold without or after processing. The claim assigned in advance to the supplier by the customer shall also refer to the accepted balance and, in the event of insolvency of the purchaser, to the existing “causal” balance. The customer shall also be entitled to collect this claim even after the assignment of the claim.

The supplier's ability to collect the claim remains unaffected by this. The supplier does however undertake not to collect the claim as long as the customer meets its payment obligations from the proceeds collected, does not fall into arrears of payment and in particular, does not apply for the initiation of insolvency procedures or suspend payments. In this case, the supplier may demand that the customer inform it of all claims assigned to it and the debtors, provide all the information necessary for collection, deliver all documents pertaining thereto, and inform the debtors (third parties) of the assignment.

14.5. The processing or transformation of the purchased object by the customer shall always be undertaken on behalf of the supplier. If the purchased object is processed with other objects that do not belong to the supplier, the supplier shall acquire co-ownership of the new object in relation to the value of the purchased object (total final invoice, including VAT at the current legal rate) to the other objects processed at the time of processing. Moreover, the same shall apply for the object resulting from the processing as for the purchased object delivered under reservation.

14.6. If the purchased object is inseparably mixed with other objects that do not belong to the supplier, the supplier shall acquire co-ownership of the new object in relation to the value of the purchased object (total final invoice, including VAT at the current legal rate) to the other objects mixed with it at the time of mixing. If the mixing takes place in such a way that the customer's object is deemed to be the main object, it is agreed that the customer transfers proportional co-ownership to the supplier. The customer shall secure the established exclusive ownership or co-ownership for the supplier. Furthermore, the same shall apply to the mixed objects as for the purchased object delivered under reservation.

14.7. In order to secure the supplier's claims, the customer shall assign to the supplier those claims resulting from the connection of the purchased object to a plot of land towards a third party. The regulations under point 13.4 shall apply accordingly for such claims.

14.8. The supplier undertakes to release the securities due to the customer at the latter's request, when the realisable value of its securities exceed the claims to be secured by more than 10%; the choice of the securities to be released shall fall to the supplier.

15. Non-disclosure, industrial property rights

15.1. The supplier reserves all property rights and copyrights and any other industrial property rights as well as its know-how regarding all documents, drawings, plans, operating manuals, technical descriptions, cost estimates and other tangible, intangible or electronic information. Such documents may not be copied without written consent, or be used for any purposes other than those envisaged in the contract, nor be made available to third parties (not even upon request) or published. The same applies for any manufacturing, research and trade secrets of the supplier which the customer has access to or otherwise becomes aware of.

15.2. The customer acknowledges all patent rights, copyrights and other property rights of the supplier, including for any software provided, irrespective of whether such rights are governed by German or applicable foreign law. In the case of software, this protection extends to any copies provided. The awarding of sub-licenses is not permitted without the written consent of the supplier.

15.3. Any reproduction of the objects delivered by the supplier, such as components or parts of the same, is not permitted. The supplier will seek legal redress for any violations. Insofar as this is permitted by law, claims shall be asserted not only for actual damages but also for so-called punitive damages.

15.4. So-called reverse engineering, i.e. an analysis of the structure and function of the software provided by the supplier, is likewise not permitted in accordance with point 15.3.

15.5. These obligations shall only cease with regard to data that can be proven to have already been in the customer's possession before to the transmission by the supplier, to which the customer was given access by a duly authorised third party independent from the present sales and delivery process, or which were already in the public domain without culpability on the part of the customer.

16. Social responsibility and code of conduct

For Murrelektronik it is of the utmost importance that business activities reflect social responsibility towards its own employees and society as a whole. This applies to both Murrelektronik itself and its customers, suppliers and business partners. The customer and Murrelektronik must share the goal of observing the guidelines of the UN Initiative Global Compact (Davos, 01/99).

17. Data protection

All of the customer's data are treated confidentially. In accordance with § 33 of the German Federal Data Protection Law (BDSG), the customer is hereby advised that the supplier stores the contract data in a machine-readable form solely in the context of determining the purpose of the contractual relationship.

18. The environment

During the performance of a contract, the customer and Murrelektronik shall use the necessary resources (in particular materials, energy and water) effectively and minimise environmental impact (in particular regarding waste, wastewater, air and noise pollution). This also applies to the use of logistics and transport.

19. Place of performance and jurisdiction

19.1. The headquarters of the supplier is the place of performance for all deliveries and services.

19.2. Any written communications to the supplier envisaged in these general terms of delivery shall be sent directly to the headquarters of the supplier at DE – 71570 Oppenweiler, Germany.

19.3. For all disputes arising from the contractual relationship, the jurisdiction is the court competent for DE – 71570 Oppenweiler, Germany. The supplier is also entitled to file a suit at the registered address of the customer.

20. Applicable law

This contract and the entire legal relationship of the parties are subject to the law of the Federal Republic of Germany, to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG).