

This document is a translation of the German version of the GCP (Allgemeine Einkaufsbedingungen, AEB). In case of any differences between the English and German version, the German version prevails. The following conditions of purchase apply to this order and all future orders of AlliedPanels Entwicklungs- und Produktions GmbH (hereinafter AP), even in case the supplier does not refer to the GCP in his correspondence or only refers to his own terms of delivery and sales. Other terms and conditions of any kind referred to by the supplier (e.g. in RFQ, acknowledgement of order etc) have no validity whatsoever.

Terms and conditions deviant or supplemental to the GCP are binding to AP only when confirmed explicitly and in written form by AP and are valid solely for the respective order.

Separately agreed framework contracts or other arrangements or contracts agreed upon by the parties prevail over the GCP. Issues not covered in the prevailing agreements/contracts are covered by the GCP.

## 1 Order Processing

In the event the supplier cannot execute order or in the event of deviations (e.g. changes in price), an objection to the AP order in written form has to be given to AP within 3 days. In the absence of such an objection, the order is considered to be fully accepted. The onus of proof of a timely objection is on the supplier.

For the timeliness of the objection, the date of receipt at AP is decisive.

## 2 Price

The price stated in the order is binding. Costs (for e.g. transport etc plus a processing fee of 100.00 €) for inaccurate deliveries (e.g. delivery to wrong address, incomplete or partial delivery etc) can be billed to the supplier and can be charged up against accounts payable prompt net. A handling fee of €100.00 for the costs incurred by AP is stipulated by all means.

For prices agreed upon in foreign currency: In case of a revaluation of more than 3% from the date of order, AP is entitled ex parte to either cancel the order or carry out a corresponding adjustment of the price. Retroactive changes in price or quantity are valid only if accepted by AP separately and in written form.

## 3 Time of delivery

Regarding time for delivery agreed upon by the parties, all orders from AP are considered to be firm orders where time is agreed to be of the essence as stated in the Austrian Commercial Code (term in Austrian law: "Bestellungen als Fixgeschäft im Sinne des UGB"). Times of delivery are binding and have to be met. Early deliveries and partial deliveries are only tolerated if explicitly accepted by AP in written form in advance; otherwise AP is entitled to reject the delivery.

In case of default in delivery, AP reserves itself the right - irrespective of the legal/statutory rights - to rescind the order without additional respite.

In any case of first signs indicating that a timely and duly delivery will not be possible, the supplier has to immediately inform AP about the matter, its reasons and the anticipated delay in writing.

For all kinds of possible damages (including damages on third parties) resulting from a default in delivery, the supplier fully compensates AP and indemnifies AP from third-party claims. In any case, AP reserves its right to claim compensation for damages. The onus of proof is on the supplier. Costs of any kind can be charged up against accounts payable by AP.

## 4 Shipping Instructions

All goods have to be directly shipped to the shipping address indicated in the order. For any consequences arising from incorrect declaration as well as tariff regulations, liability lies with the supplier. Encumbered shipments (e.g. C.O.D, cash advance etc) will not be

accepted by AP. AP reserves itself the right to apply special shipping instructions. Costs for nonobservance are at the expense of the supplier.

Shipments with wrong shipping address and that are delivered crabwise to the shipping address indicated in the order are regarded as not delivered. For such shipments, AP does not have the obligation to make a complaint in respect of a defect immediately on receipt of goods (term in Austrian law: "Rügeobliegenheit")

## 5 Product-specific packaging

The supplier pledges himself to pack and ship all electronic components according to the guidelines of ESD Norm 61340-5-1, point 6, table 2 in the latest version. The latest version can be looked into at AP. In addition, the following requirements have to be met by the supplier:

The supplier bears full responsibility for the packaging of materials that need special protection, such as:

- Printed circuit board assembly in ESD-protected pallets and repositories
- Materials prone to corrosion in appropriate repositories
- Materials with treated surfaces in surface-protecting packaging (with intermediate layers)

Further on, it is the supplier's responsibility that all packaging and transport equipment is designed and made to suit its purpose. The supplier bears full responsibility that the goods are protected from all harmful environmental stress, such as dirt or damage (of components/assemblies or the transported unit).

The supplier pledges himself to abiding all legal guidelines in respect to packaging materials used.

## 6 Acceptance of delivery

The receipt of shipments takes place - unless otherwise expressly agreed in written form - at the shipment address indicated in the order. AP warehouse exclusively accepts deliveries on working days from Monday - Thursday 08.00-15.00 and Friday 08.00-12.00.

Possible changes (notice at incoming goods department or on [www.alliedpanels.com](http://www.alliedpanels.com)) have to be observed by the supplier.

AP is entitled to refuse shipments which are delivered outside the above mentioned times and charge costs against accounts payable. A signed note of receipt of the delivery or payment of the invoice do not constitute an acknowledgement of a duly delivery.

The receipt of delivery has to be confirmed in writing; otherwise the shipments are not considered as shipped. The onus of proof is on the supplier.

## 7 Quality

The supplier is liable to organize and realize the production and/or service process(es) to guarantee comprehensive quality control and quality supervision. In addition, the supplier is liable to adhere to all relevant quality and security requirements. This applies to all products and services, regardless if the supplier creates/produces, works on, processes, finishes or refines them or obtains the goods from third parties / subcontracts to a third party.

The supplier is liable to develop, maintain and support a management system (preferably ISO 9001 or a comparable system) which guarantees his products and services to be free of defects. The supplier entitles AP and respectively the customers of AP to check the management system by carrying out audits.

In case of any irregularities/problems in the production of AP which are directly or indirectly caused by the supplier, when demanded by AP, the supplier has to immediately send a representative in order to undertake corrective action to maintain ability to supply. In case of non-compliance, AP reserves itself the right to bill the supplier with all accumulated cost for reworking and charge them up against accounts payable.

The supplier agrees to audits after adequate advance notice and within 2 weeks proposes a possible appointment for the audit. Within

the scope of the audit, the supplier has to provide an insight into the following, AP-related aspects:

- Manufacturing processes
- Arrangements, actions and organizational units for quality assurance
- Documentation
- Production and Warehousing
- Tools/Tooling

The supplier is liable for keeping all records which have to be kept according to agreements with AP or norms/standards.

For products subject to possible damage through electrostatic discharge, the supplier guarantees to install safety measures (according to EN 61340-5-1).

Further on, the supplier guarantees to comply with all relevant on-the-job safety as well as environmental regulations. Examination of compliance with these guidelines can be part of the above mentioned audit.

## 8 Pre-suppliers

In case the supplier uses pre-suppliers for manufacturing his products/services, the supplier takes full responsibility for these products/services for his own suppliers as well as for suppliers that have been chosen by AP or AP-customers.

AP does not assume a direct relationship with one of the pre-suppliers; the supplier guarantees that all quality standards and guidelines are met by him and all his pre-suppliers; For all damages resulting from pre-suppliers respectively their performance the supplier agrees to take full responsibility and fully compensates AP as well as indemnifies AP from third-party claims.

## 9 Warranty

The supplier assumes full responsibility for flawless material, correct and faultless construction and execution. Regarding products/services which do not comply with the requirements, AP reserves itself the right to make the respective products/services available respectively demand fulfillment of the warranty deed and free of charge replacement at the place of usage or demand full compensation for damages.

For all orders, the supplier is liable under the conditions of Austrian law with the following adjustments: the warranty period for all types of defects, be it movable goods or immovable goods is 3 years. Throughout the whole warranty period, defects are assumed to have occurred at the date of delivery. Any other time of cause for the defect the onus of proof is on the supplier. AP can freely choose between betterment, replacement, reduction of price or redhibitory action. Independent from the nature and weight of the defect, AP is free to choose between the above mentioned options. In case the supplier does not carry out the chosen option within the time limit, AP is free to organize a substitute performance at the expense of the supplier.

The supplier is obliged to pick up the defect goods at AP within 3 days and carry out the chosen (by AP) option of warranty. In case the supplier fails to do so, AP is entitled to send the ordered goods back at the supplier's expense and charge administrative costs of € 100.00.

In general, goods subject to complaint are charged to the account of the supplier. After notification by AP, the supplier has to pick up the defect goods within 3 working days. After 3 working days, AP is entitled to organize the transport at the supplier's expense.

In the course of the complaint process, AP issues a replacement-order, returns shipment and issues a debit note with a 21 day payment term. The supplier and AP agree that the debit notes can be charged up against the accounts payable of AP and deducted from the payments.

When delivering the replacement to AP, the supplier has to state the replacement-order-number and quality message number on the delivery note. This replacement delivery has to be invoiced with the same amount and terms of delivery and payment as the debit note. The warranty period and payment term starts with the date of the replacement delivery.

For each order, the supplier has the duty to warn for all materials and goods made available to him by AP. In case AP orders goods

from the supplier or makes available goods for processing/finishing/etc, the supplier has the duty to warn AP before delivery respectively further processing in case of risk to breach legal requirements (e.g. RoHS-conformity, WEEE, health protection etc). AP reserves itself the right of claim for compensation due to a breach of duty to warn. The duty to warn has to be carried out in written form. The onus for the fulfillment of the duty to warn in written form is on the supplier.

## 10 Guarantee:

The supplier guarantees (real guarantee according to Austrian law: "echte Garantie") the compliance to all technical specifications, correct identification of the goods as well as the conformity of quantity mentioned on the delivery note.

The supplier guarantees (real guarantee = "echte Garantie" according to § 880 a of the General Austrian Civil Code of Law, ABGB) that all goods are free of defects in material or construction/execution. The supplier guarantees the fulfillment of all required as well as generally accepted features and qualities. The guarantee period is 26 months.

Regarding the amount of loss due to nonconformity, the parties agree the following: All additional time spent by AP-personnel detecting the defect (e.g. repair, additional testing, cost of idleness, work for sorting etc) and subsequent time/costs are evaluated with an hourly rate of EUR 45.00 (gross). For R&D/engineering hours, the rate is EUR 85.00 (gross). These hourly rates are applicable vice versa.

All legal regulations regarding the supplier's product liability remain without limitation. Insofar, the supplier indemnifies AP from third party claims.

Payment or partial payment does not have any effect on the guarantee and guarantee period. Payment or partial payment does by no means state a confirmation of a conclusive acceptance of delivery. The right to complain/object is not affected by any reason whatsoever and fully remains.

## 11 Notification of defect

The period for a notification of defect is 8 weeks. AP is not obliged to check incoming goods instantly upon receipt. For latent defects, which are e.g. detected during or after use/intended use, the supplier is fully liable for the defects and all costs resulting thereof.

## 12 Payment

Payment will be made (after proper acceptance of the goods and invoice and unless otherwise agreed) only according to the terms indicated on the order. In case of delayed billing the date of invoice is decisive for the start of the payment term. All assignments of any accounts receivable are prohibited unless explicitly approved by AP in written form.

AP reserves itself the right to charge up any own accounts receivable against accounts payable at the supplier.

## 13 Data and Information

Models, Drawings, Samples or any other documentation, data and information as well as their copies stay property of AP and upon request of AP either have to be fully returned or destroyed without keeping any copies. To circulate or use data for third parties is explicitly forbidden.

## 14 Trademark Rights / Industrial Property Rights

With the acceptance of the order, the supplier explicitly confirms to indemnify AP from any third party claims for infringements of trademark rights, industrial property rights or similar rights.

## 15 Retention of title

Any retention of title of the supplier is not and will not be accepted by AP and has no validity.

## 16 General Rules

Without exception, inquiries and correspondence has to go through the contact person indicated on the order. For inquiries, correspondence and all documentation related to the order (e.g. order confirmation, delivery note, letter of consignment, invoice, etc) the supplier has to indicate: AP order number, AP framework agreement number, number of acknowledgement of order, date, shipping address, AP

article number, article number, article description, quantity, price per unit, currency, delivery date and agreed delivery and payment terms.

#### **17 Place of fulfillment**

Place of fulfillment is the shipping address indicated in the order. Court of jurisdiction for shipments and payments is the competent and responsible court for AP in Austria under exclusion of the UN conventions relating to a uniform law on the international sale of goods from 1980 (= "UN-Kaufrechtsübereinkommens 1980"); solely Austrian Law will apply.

#### **18 Billing**

Payment terms for Invoices of early shipments will start with the delivery date on the order. Invoicing has to be done straight after shipment.

Invoices can only be processed by AP when – as indicated on the order – they include: order number, article numbers and descriptions, quantities, prices, currency and terms and conditions. The supplier is liable for all consequences of non-conformity to these regulations. Invoices which do not conform to these regulations will not be processed and subsequently returned to the supplier. These invoices are considered as not issued until received by AP in due form. The date of receipt of the correct invoice is the reference for the payment term.

Additionally, for each invoice not corresponding to the above guidelines an administrative fee of € 100.00 will be charged and can immediately be charged up against accounts payable.

In principle, invoices must not be sent with the shipments but sent separately and solely to the invoicing address indicated on the order. Invoices sent to any other destination are considered not to be sent at all.

All costs, charges and expenditures resulting from non-conformity to the GPC are for the suppliers account and will be invoiced to the supplier by AP and charged against accounts payable.