

TE Connectivity Solutions GmbH - TERMS AND CONDITIONS OF PURCHASE

Revised September 17, 2012

1. General

- 1.1 The following purchase conditions shall apply exclusively to all orders placed by TE Connectivity Solutions GmbH ("Buyer"). General standard terms and conditions of the Seller are hereby contradicted and are not applicable unless specifically countersigned by a legal representative of Buyer. The acceptance of deliveries and services of the Seller by the Buyer shall not constitute any acknowledgement of general standard terms and conditions of the Seller.
- 1.2 The purchase conditions of the Buyer shall apply to all future transactions with the Seller.
- 1.3 Oral agreements, modifications and ancillary agreements shall not be valid unless confirmed in writing by an authorized representative of the Buyer.

2. Conclusion of a contract

- 2.1 The Buyer shall only be bound by written orders from or on behalf of his Purchasing Department.
- 2.2 A sales and supply contract shall only be formed if the Seller issues an order confirmation in writing within 14 days of the date of receipt of the order.
- 2.3 If the Seller does not state the number and date of the order on confirmations, invoices, shipping documents and other documents, said documents shall not have any legal effect.
- 2.4 All correspondence shall be conducted with the Purchasing Department of the Buyer. Agreements with other departments shall not be valid unless expressly confirmed in writing by the Purchasing Department.

3. Delivery, passage of risk

- 3.1 Delivery shall be performed at the cost and risk of the Seller. Title and risk shall pass to the Buyer when the goods arrive at the destination specified in the order.
- 3.2 Partial deliveries shall only be permitted with the written consent of the Buyer.
- 3.3 The Seller shall be responsible for ensuring proper packaging. Unless otherwise agreed, the costs of packaging shall be included in the agreed price. If packaging is charged separately, this shall be done at cost prices.
- 3.4 Cover by transport insurance shall be provided exclusively by the Buyer. Insurance premiums paid by the Seller shall not be refunded.
- 3.5 If the Buyer demands that the Seller furnish evidence of origin (Seller declarations, movement certificates, etc.), the Seller shall be responsible for ensuring that said evidence complies with statutory regulations, is complete, has the correct contents and is provided to the Buyer forthwith. In default thereof, the Seller shall be obliged to compensate the Buyer for the damage incurred.

4. Delivery time

- 4.1 The delivery times specified in the order are fixed and relate to the day on which the goods arrive at their destination or to the day of acceptance of the service by the Buyer.
- 4.2 If goods are delivered prematurely, the Buyer shall have the right to refuse to take delivery of the goods at the cost and risk of the Seller or to take delivery of the goods and charge the Seller the extra costs resulting from premature delivery (such as storage costs).
- 4.3 If the Seller realizes that he cannot perform the delivery/service in full or in part on time, he shall notify the Buyer thereof forthwith, stating the anticipated duration of the delay.

- 4.4 If the Seller does not fulfill his delivery obligation at the prescribed time, the Buyer shall be entitled, following expiration of a period of grace at the Buyer's discretion and with the threat of refusal, to repudiate the contract, procure substitute goods from a third party and/or demand compensation for non-fulfillment. The Buyer shall also be entitled to compensation for all extra costs he incurs as a consequence of delayed deliveries. The acceptance of delayed deliveries shall not represent a waiver of claims for compensation.

5. Quality

- 5.1 The Seller warrants and pledges that the supplied goods comply with the agreed specifications or the specifications stipulated by the Buyer, and are of good workmanship and free of defects.
- 5.2 The Seller warrants that the quality of the supplied goods complies with the state of the art. He shall point out possibilities of improvement and technical modification to the Buyer. Clause 8 shall remain unaffected.
- 5.3 The Seller shall establish and maintain a suitable, state-of-the-art and documented quality assurance system, and comply or be certified according to ISO 9000 series. He shall create records in particular on his quality inspections and make them available to the Buyer upon request.
- 5.4 The Seller shall permit the Buyer to conduct quality audits at any time in order to assess the effectiveness of his quality assurance system.
- 5.5 Changes in the nature or composition of the ordered goods or processed material and changes to design, manufacture or dimensions that deviate from sampled, agreed or earlier identical orders/deliveries or services shall be reported in writing by the Seller to the Buyer forthwith, but at the latest before the start of production or shipment. They shall require the written consent of the Buyer. If said changes are not reported, the Seller shall be liable for all costs and damage, including consequential damage.

6. Warranty

- 6.1 The supplied goods shall be inspected for type, quantity and obvious deficiencies within a reasonable period of time after receipt of the goods together with a proper delivery note at the destination. Inspection by means of random sampling shall suffice. To the extent permitted under applicable law, the Buyer shall not be obliged to carry out a quality of goods entry inspection.
- 6.2 The Buyer shall usually give notice of deficiencies within one month of such deficiencies being discovered.
- 6.2 In the event of delivery of goods/performance of services that have faults or which lack a warranted quality, the Buyer shall have the right to assert the following rights at his discretion:
- a) He shall have the right to demand that the Seller supply him/perform for him faultless goods/service instead of the defective goods/service at the costs of the Seller within a reasonable period of time or render the defective goods/service faultless; in this, the Seller shall also bear all the costs required to rectify the deficiencies, in particular transportation, travel, working and material costs, regardless of where the goods are located;
 - b) In urgent cases or if the Seller is in delay with his obligation to rectify deficiencies, he shall have the right to perform the necessary measures himself or have them performed by a third party at the cost of the Seller irrespective of the continuing warranty obligation of the Seller;
 - c) He shall have the right to repudiate the purchase contract in full or in part and to return all the goods or the defective goods to the Seller at the latter's cost;
 - d) He shall have the right to reduce the purchase price for the defective goods/service in accordance with statutory provisions;
 - e) He shall have the right to demand compensation for non-fulfillment, including for consequential damages, such as loss of production. Said right shall exist for all types of deficiency in addition to the above-mentioned rights and shall not be excluded by the

fact that the Buyer exercises one of the above-mentioned rights.

- 6.4 In the event of justified complaints, the Seller shall reimburse the Buyer for the costs of calling in an expert.
- 6.5 The Seller shall be liable towards the Buyer for substitute deliveries and measures taken to rectify deficiencies to the same extent as for the original delivery/service.
- 6.6 The warranty period shall be 12 months unless a higher warranty term is provided by Seller or agreed between the Parties. It shall commence:
 - a) In the case of delivery of engines, machines and machine units: upon acceptance thereof;
 - b) In all other cases: upon arrival of the goods at their destination or acceptance of the service.
- 6.7 The warranty rights of the Buyer shall become statute-barred 6 months as from notification of defects, but at the earliest upon expiration of the warranty period.

7. Product liability

- 7.1 If claims are made by third parties against the Buyer pursuant to product liability, the Seller shall be obliged to indemnify him against such claims if and insofar as the damage has been caused by a deficiency in the goods supplied by the Seller or by the service performed by the Seller. In such cases, the Seller shall bear all the costs and expenses, including the costs of legal prosecution or a recall action.
- 7.2 The Seller shall be obliged to maintain a sufficient product liability insurance coverage to be demonstrated to Buyer by certificate.

8. Safety regulations. internal company regulations

- 8.1 The Seller warrants and pledges that he shall execute the order in such a way that the applicable accident prevention and industrial safety laws and regulations and all other safety and industrial medicine rules in their applicable valid version are observed and adhered to. If the Seller does not fulfill this obligation in full or in part, he shall be obliged to compensate the Buyer for the damage incurred.
- 8.2 Persons performing activities at the company of the Buyer in execution of a supply contract shall be subject to the provisions on conduct and safety as stipulated by the internal company regulations and shall observe the instructions existing or issued in connection therewith. The Buyer shall not be liable for damage to property and injury to persons that should occur on the company grounds of the Buyer, except in the case of intent and gross negligence.

9. Industrial property rights of third parties

- 9.1 The Seller shall be liable for ensuring that no rights of third parties are violated in connection with his deliveries and services.
- 9.2 The Seller shall ensure that it is possible for the Buyer to use the object delivered without restriction, including any repairs, modifications or supplements, in the Buyer's own country and abroad.
- 9.3 If a claim is asserted by a third party against the Buyer due to a claimed violation of industrial property rights, the Buyer shall have the following rights:
 - a) He shall have the right to demand that the Seller indemnify him immediately against the claims of the third party;
 - b) He shall have the right to repudiate the contract and demand compensation for non-fulfillment.

10. Secrecy

- 10.1 Procedural descriptions, drawings and other documents that the Buyer provides to the Seller for the purpose of executing the contract shall remain the property of the Buyer and may not be used for other purposes, copied or made accessible to third parties by the Seller. Upon request, they shall be surrendered forthwith to the Buyer along with all copies. This shall also apply to documents and materials (drawings, lithographs, plates, tools, models, moulds, etc.) that the Seller has produced for executing the order.

- 10.2 The Seller undertakes to maintain secrecy on all technical and commercial information of which he gains knowledge incident to the order and incident to execution of a contract, provided said information was not already in the public domain and has otherwise become known to the Seller by lawful means. The Seller shall protect said information against access by third parties and also obligate his employees handling it to maintain secrecy.
- 10.3 The Seller shall be liable for all damage incurred by the Buyer as a result of a violation of the obligations stipulated in Sections 1 and 2.
- 10.4 The Seller shall not be permitted to refer to the business relationship with the Buyer for advertising purposes and to name the Buyer as a reference without the written consent of the Buyer.

11. Prices, invoices, payment

- 11.1 All prices shall be free domicile and include packaging.
- 11.2 Seller shall indicate Buyer purchase order/scheduling agreements numbers, order date and any other information requested by Buyer in all invoices, shipping documents, delivery notes, etc. Any other parameter, guideline, instruction eventually additionally requested by Buyer (including, Buyer's request to comply with Buyer's guidelines on invoices to facilitate optical character recognition) shall also be followed and complied with by Seller as instructed.
- 11.3 Should Seller fail to comply with clause 11.2 above, Buyer will put everything on hold (including payment) until identification is made and the corrected invoice/other document is received. All penalty related claims originated from the delayed payments due to missing order parameters in Seller invoices/documents or due to failure from Seller to comply with the Buyer's instructions/guidelines will be refused by Buyer.
- 11.4 Periods for payment and cash discount periods shall only commence when both the goods and the invoice have been received by Buyer. In the case of premature deliveries/services, the periods for payment and cash discount periods shall only commence at the agreed delivery time. Periods for payment shall be regarded as having been observed upon sending of a means of payment or the issue of a payment order to the bank.
- 11.5 Unless explicitly agreed otherwise, the Buyer shall pay invoices within 14 days after delivery and receipt of the invoices minus a 3% cash discount or within 60 days after delivery and receipt of the invoices net. The acknowledgement of terms and prices of the Seller shall be applied exclusively to this part of the purchase contract and shall not represent any approval of supplied goods as conforming to the contract and being faultless.

12. Set Off

- 12.1 Seller may only assign claims against Buyer with the Buyer's written consent.
- 12.2 Any monies due to Seller by Buyer for any items furnished hereunder may at Buyer's option, be applied to the payment of any sums owing by Seller to Buyer.

13. Force Majeure

- 13.1 Neither party shall be held responsible for any delay or failure in performance of any part of the order to the extent such delay or failure is caused by fire, flood, strike, civil, governmental or military authority, act of God, or other similar causes beyond its reasonable control and without the fault or negligence of the delayed or non-performing party.
- 13.2 Events such as delays in transportation, inability to obtain goods or materials, or other forms of supply disruption shall not constitute Force Majeure and shall not be an excuse to performance. Seller's liability for loss or damage to Buyer's material in Seller's possession or control shall not be modified by this clause.
- 13.3 When Seller's delay or non-performance continues for a period of at least one (1) month, Buyer may terminate, at its discretion and at no cost, the order.

14. Order Assignment

14.1 Seller may not assign the orders (or part of the orders) placed hereunder without the prior written consent of Buyer. Should Buyer give his prior written consent, Seller shall remain responsible to Buyer for all work performed by Seller's subcontractors at any tier.

15. Information

15.1 Seller shall immediately inform the Buyer of all facts and/or circumstances which occur with Seller or third parties and which could be of an importance to the fulfillment of the Seller's obligations under these Conditions.

16. Compliance with law

16.1 The Seller guarantees that he complies with the legal regulations of the Country where his company is established, as well as any other applicable legal regulations. All machinery, equipment and products provided to the Buyer shall be fully compliant with the law (including local laws, EU laws and any other applicable law).

16.2 The Seller guarantees that he will provide the work or service such that the existing accident prevention and occupational health and safety provisions as well as all other safety and occupational health and safety rules and existing environmental protection provisions in their applicable version have been heeded and observed. If the Seller fails to satisfy the above guarantee commitments, he shall be liable to reimburse any resultant damage to the Buyer.

17. Liability

17.1 In no event shall Buyer be responsible or held liable to Seller for punitive, indirect, incidental or consequential damages, including, without limitation, liability for loss of use, loss of profits, capital investment, product development costs, unabsorbed overhead, or interest expenses.

18. Termination

18.1 Buyer may, by notice, immediately cancel the order or any unexecuted portion thereof without liability, in the event of any of the following by Seller:

- (i) a breach of any covenant, representation or warranty hereunder;
- (ii) in the event of
 - (a) any change in the active management or ownership of Seller or
 - (b) the sale, transfer or other disposition of all or substantially all of the assets of Seller or any affiliate, division or unit of Seller, either of which Buyer, in its sole discretion, believes may have an adverse effect on Seller's ability to fulfill its obligations under the order; or
- (iii)
 - (a) any proceeding in bankruptcy, reorganization or arrangement for the appointment of a receiver or trustee to take possession of Seller's assets or any other proceeding under any law for relief from creditors shall be instituted by or against Seller; or
 - (b) if Seller shall make an assignment for the benefit of its creditors.

19. Applicable law

19.1 The legal relationships between the Buyer and the Seller shall be governed and construed according to Swiss law. The applicability of the rules of the CCISG is hereby expressly excluded.

20. Place of performance, place of jurisdiction

20.1 The place of performance of the supply obligation shall be the destination specified by the Buyer and for all other obligations the place of the registered offices of the Buyer.

20.2 The courts at the place of the registered offices of the Buyer shall have jurisdiction and venue.

21. Value Added Tax

21.1 The Seller should be aware that the Buyer is registered for VAT in Switzerland, Norway, Finland, Sweden, Denmark, Germany, The Netherlands, Belgium, Luxembourg, Germany, Austria, France, Italy, Spain, Portugal, Hungary, Czech republic, Poland, Ireland and The United Kingdom. It is the Seller's responsibility to ensure that the Seller complies with local VAT Law and that VAT invoices are issued as appropriate. The Buyer will return invoices not in conformity with appropriate VAT Law.