

## General Terms and Conditions of Purchase of Tyco Electronics Belgium EC BVBA ('TE') for Deliveries and Services

### § 1 Validity of the terms and conditions

(1) All orders and inquiries of TE shall be executed exclusively on the basis of these General Terms and Conditions of Purchase. These therefore also apply to all future business relations with the Supplier even if they are not expressly agreed again. The General Terms and Conditions of Purchase of TE shall apply in this respect in their most current and updated version. General terms and conditions of the Supplier shall not form an integral part of the contractual agreement, even if TE does not expressly object to them; nor shall they become valid through receiving – even in knowledge of the Supplier's terms and conditions – the delivery or service without any reservation or – if a final inspection has to be carried out – accepting the delivery/service or making payments.

(2) Insofar as reference is made to the Incoterms in the contractual agreement, these shall apply in the version as published in 2010.

### § 2 Quotations by the Supplier

Quotations submitted by the Supplier shall be free of charge for TE and be binding on the Supplier. The Supplier shall adhere precisely to the request of TE in its quotation in relation to quantity and structure and expressly point out any variations there might be.

### § 3 Orders

(1) Orders shall only be binding on TE in accordance with § 3, paragraph 2 below if they have been made in writing. Verbal and telephone agreements, subsidiary agreements or modifications must be confirmed in writing by TE in order to be binding. This shall also apply to deliveries and services agreed additionally. Failure to respond to proposals, requirements etc. from the Supplier shall on no account be deemed to constitute approval of the Supplier's proposal by TE.

(2) Each of the orders of TE which the Supplier would like to accept is to be confirmed by the Supplier in writing. If TE does not receive a confirmation within two (2) working days from the date of the order of TE, the Supplier shall be considered to have accepted the order. However, TE shall be entitled to unreservedly cancel its orders up to the time TE receives the relevant order confirmation. In the case of informal initiation of business, the written order of TE shall be deemed as letter of confirmation for commercial purposes.

(3) TE shall not recognise any order confirmation varying from the original order of TE even if TE does not expressly object to this.

(4) TE shall be able to request changes to the item to be supplied or the content of the service as well as to the date of the delivery or service from the Supplier, even after the contractual agreement has been concluded, insofar as this is reasonable for the Supplier – with due and appropriate regard for the mutual interests concerned. In the case of such a change to the agreement, the effects on both sides, particularly with regard to additional or reduced costs as well as delivery and service deadlines, shall be taken into consideration appropriately.

(5) If the Supplier is in a position to recognise on account of its specialist knowledge that an order is incomplete or that the purpose pursued by TE with the order cannot be achieved through the delivery or service

in question, it shall inform TE of this without delay, stating the details in writing.

(6) The orders of TE are to be treated confidentially. The Supplier may only quote TE as a reference after obtaining prior approval of TE in writing.

### § 4 Delivery/service time

(1) The delivery/service times and dates stated in the order of TE are agreed in a binding manner insofar as the Supplier has not expressly objected to these or TE has agreed differing deadlines with the Supplier. If TE has not stated any delivery/services deadlines in the order of TE, the delivery/service dates stated by the Supplier shall be agreed as binding. Decisive for compliance with the agreed deadlines shall be the goods reaching TE at the place of use specified by TE or – if a final inspection is to take place – the time of successful final acceptance or otherwise the time of the service being provided.

(2) The Supplier shall only be entitled to provide partial deliveries or partial services with the written approval of TE. The acceptance of additional deliveries or additional services or - if a final inspection is to take place – the formal acceptance of the same shall be at the sole discretion of TE.

(3) Should the Supplier recognise that the agreed deadlines cannot be met, it shall notify TE of this in writing without delay, stating the reasons and the duration of the delay. The obligation of the Supplier to ensure timely delivery or service shall remain unaffected by this. Should the Supplier culpably fail to meet this duty to provide notification and this results in TE suffering harm, loss or damage, TE shall then be entitled to demand compensation. In this respect, the Supplier shall not be able to plead that it was not responsible for the delay.

(4) The acceptance of the late delivery or service or – if a final inspection is to take place – the formal acceptance of such delivery or service by TE shall not comprise any waiver of entitlements or rights.

(5) If the agreed deadlines are not met due to circumstances for which the Supplier is responsible, TE shall be entitled to demand from the Supplier, in addition to fulfilment of the agreement, the payment of a contractual penalty in the sum of 0.2% of the respective net value of the order per working day of the delay or part thereof as a minimum amount, though not exceeding a total amount of 5% of the respective net value of the order. The assertion of any further, more far-reaching claim for compensation shall remain unaffected by this; the contractual penalty shall be deducted from any possible compensation claim for default. Should TE accept the late delivery or service, TE must then claim the contractual penalty by the time of final payment at the latest. Furthermore, TE shall, in the case of default for which the Supplier is responsible after an additional period of time granted by TE, be entitled to demand compensation instead of performance or obtain replacement from a third part at the Supplier's expense and/or withdraw from the contractual agreement. In the case of repeated delay of delivery, TE shall also be entitled after issuing a written caution in advance to withdraw from the orders not yet fulfilled by the Supplier at that point of time as a whole and with immediate effect.

(6) If the Supplier is unable to meet the date or deadline due to force majeure (e.g. natural disasters, rebellion, uprising, war, fire, flooding) or other disruptions of production in its own plant that could not be foreseen or avoided by it, the delivery/service time shall be extended by the period of the disruption. This shall not apply in the case of a transaction for delivery by a fixed date. The Supplier shall only be able to invoke the aforementioned grounds if it informs TE of the



hindrance and the expected duration without delay. If the disruption is not just of temporary duration and final acceptance cannot reasonably be expected of TE as a result of the delay, TE shall be entitled to withdraw from the agreement with respect to the part not yet performed. In the case of partial fulfilment, TE shall be entitled to withdraw from the agreement as a whole if TE has no interest in the partial performance.

(7) The relevant statutory provisions shall otherwise apply with regard to the liability of the Supplier for delays.

(8) In the case of premature delivery or performance, TE shall be able to refuse acceptance of the delivery or service or – if a final inspection is to take place – the passing of such delivery or service at the expense and risk of the Supplier. If TE accepts the delivery or service or - if a final inspection is to take place – pass the same, the Supplier shall reimburse TE for any additional costs resulting from this (e.g. storage or insurance costs).

#### **§ 5 Prices, dispatch, packaging, passing of risk and transfer of ownership**

(1) The prices agreed shall be fixed prices; costs for packaging, freight and transport to the shipping address or place of use stated by TE shall be included in these prices. Insofar as TE is to bear the transport costs according to the contractual agreement, the cheapest form of transport for TE is to be chosen for the delivery.

(2) If the Supplier generally reduces the prices for the items or services to be provided up to the day of delivery or performance following confirmation of the order, the reduced prices valid at the time of delivery or performance shall apply instead of the prices originally agreed.

(3) Deliveries shall be carried out free of charge to the shipping address or place of use specified by TE. Dispatch shall ensue at the risk of the supplier. The risk of any deterioration, including accidental loss or destruction, shall continue to be borne by the Supplier until delivery has been carried out to the shipping address or place of use desired by TE. The Supplier shall observe stipulations made with regard to delivery at the business premises of TE.

(4) Ownership of the goods delivered shall pass to TE on being hand over. Any extended or expanded reservation of title shall not be recognised by TE.

(5) The Supplier shall be responsible for due and proper packaging. Stipulations made by TE with regard to packaging must be complied with. The Supplier shall otherwise be obliged to avoid superfluous packaging and thus minimise the cost to be incurred by TE for the disposal of packaging.

#### **§ 6 Warranty and liability**

Warranty and liability shall be in line with the relevant statutory provisions insofar as no other arrangements arise from these terms and conditions or any other written agreement exists between TE and the Supplier. In clarification, the liability of the Supplier under other provisions contained in these General Terms and Conditions of Purchase – e.g. under § 9, Par. 1/10, § 10, Par. 1/8 and § 11, Par. 5 – shall remain unaffected by the provisions under § 6 here.

(1) The Supplier shall ensure that all of the items supplied by it and all the services provided by it correspond to the state of the art in technology and comply with the relevant (national and European Union) legal provisions (especially, though not limited to, the requirements in force in relation to technical safety, industrial safety, health, accident, environmental and fire protection), the regulations and directives issued by public authorities, employers' liability insurance associations and relevant trade associations, as well as the stipulated functions and specifications. This shall

also apply accordingly to compliance with all the technical data and quality standards stated in the orders of TE, drawings and/or delivery conditions, by way of which the specified features of the service to be provided for by the Supplier are defined. Should derogation from such regulations or conditions be necessary in individual cases, the Supplier must obtain the approval in writing of TE in this regard. The Supplier's warranty obligation shall not be affected by such approval. Should the Supplier have any misgivings with regard to the type of execution desired by TE, it must notify TE of this accordingly without delay. This shall also apply to any improvement or modification suggestions by the Supplier regarding the delivery or service desired by TE.

Insofar as TE does not enter into any other agreements on the specified features of the products or work performance to be provided by it, the Supplier's product details (e.g., in catalogues) or details concerning the work performance to be provided by it shall otherwise be deemed to have been agreed. Irrespective of this, the Supplier shall be responsible for the item to be delivered or the work performance to be provided by it being suitable for the purpose specified in accordance with the contractual agreement.

(2) TE shall not be under any obligation to examine the goods delivered and give notification of defects until full delivery has been completed and then only with regard to possible deviations in relation to identity and quality as well as in relation to externally visible damage occurring during transport. TE shall otherwise only be obliged to conduct technical function tests and other tests in the form of random samples. Insofar as an obligation to give notification of a defect exists afterwards, such notification of defect shall be deemed to have taken place in a timely manner if it is received by the Supplier within 14 working days of the goods being delivered in the case of obvious defects or within 14 working days of a hidden defect actually being detected or being detectable in the case of a duly performed examination. Should TE reach differing agreements separately with the Supplier in this regard, e.g. under a quality assurance agreement, such provisions shall then take precedence.

(3) Defects in the goods delivered or in the work performed which are notified during the warranty period, also including non-compliance with guaranteed data and the absence of assured properties or agreed qualities shall, on request, be rectified by the Supplier without delay and free of charge, including all supplementary costs, through redelivery or repair of the defective products as TE sees fit. Defective goods shall be returned to the Supplier at its expense and risk. More far-reaching legal entitlements, particularly the right of withdrawal, reduction and/or compensation claims, shall remain unaffected by this.

(4) Should the Supplier culpably fail to meet its warranty obligation within a reasonable period of time set by TE, TE shall then be able to take the necessary measures itself or arrange for these to be initiated by third parties at the Supplier's expense and risk – notwithstanding the Supplier's warranty obligation. In urgent cases, TE shall be able, after consultation with the Supplier, to carry out the repair itself directly or arrange to have this done by a third party at the Supplier's expense. TE shall be able to rectify small defects itself in the interests of providing the customers of TE with a timely service without prior consultation and without this affecting the Supplier's warranty obligation. The same shall apply if there is an unusually high threat of loss or damage.

(5) The warranty period shall last 36 months unless expressly agreed otherwise between TE and the Supplier or unless the law concerning the product or work performance to be provided by the Supplier provides for a longer warranty period. The warranty period shall commence, at the earliest, when the goods have been handed over to TE or the third parties nominated by TE at the place of receipt or use specified by TE. Should final inspection and acceptance be



required, the warranty period shall commence on the date of final acceptance stated by TE in the declaration of final acceptance of TE. The warranty periods shall be extended by the length of time the defective item delivered or the faulty work cannot be used as intended. In the case of subsequent fulfilment, the original warranty period shall commence for the exchanged or re-delivered items or for the newly produced work.

(6) Acknowledgement of receipt of the items delivered or acceptance or final inspection of the same shall not relieve the Supplier of its warranty obligations, even in the case of the being aware of TE of a defect.

(7) Approval of drawings submitted to TE by the Supplier as well as clearance of samples provided to TE by the Supplier shall not relieve the latter of its warranty obligations.

(8) Should a claim be made against TE by any third party due to a defect or a product error in the item delivered by the Supplier which necessitates mandatory replacement of said item, the Supplier shall indemnify TE against all claims resulting from this and actively assist TE in averting such claims. For this purpose, the Supplier shall hold all paperwork and documentation concerning the delivery in safekeeping for a period of at least 15 years after the delivery has been received by TE and surrender the same to TE at the first request of TE. In addition, TE shall be entitled to demand reimbursement of the loss or damage incurred by TE from the Supplier, including reasonable legal costs. Such loss or damage shall also include a precautionary recall campaign insofar as this is appropriate in the interests of the customer of TE or for the protection of external third parties following the due assessment of the situation by TE. The Supplier shall also reimburse TE for the costs of such a recall after expiry of the warranty period if such recall is carried out by TE on the basis of an official order or in order to avert dangers to the life and health of product users or external third parties.

(9) The Supplier shall not be entitled to make any changes or modifications to the item to be supplied after conclusion of the contractual agreement or during the supply period without the express approval of TE. This shall also apply to the slightest changes, even where the individual specifications, dimensions, analyses, recipes, production procedures, etc. stipulated by TE remain unchanged. Changes or modifications to the product to be delivered by the Supplier shall only be permissible after the declaration of written approval of TE. Should the Supplier culpably fail to meet this obligation, it shall bear all costs incurred by TE or third parties as a result of such breach of obligation, e.g. for subsequent examinations and tests, expert reports, additional calculations, follow-up or secondary treatment, replacement deliveries, etc.

(10) If the Supplier intends to introduce changes to production procedures, the composition or properties of the products, the production location, primary suppliers of materials or source products, the procedure or equipment for testing the products, or any other changes for future deliveries that are relevant to TE or the customers of TE using the item to be supplied, the Supplier shall inform TE of this in writing in good time, though at least 3 months beforehand or possibly earlier insofar as longer periods of notice have been agreed on the basis of the relevant industry or quality standards or where TE has agreed this with the Supplier accordingly.

(11) The Supplier shall insure itself for a reasonable and appropriate amount against all risks arising from product liability and provide TE with proof of such insurance on request.

#### § 7 Rights of use; third-party rights

(1) If the delivery or service includes software, the Supplier shall grant TE – unless agreed otherwise – at least a

nonexclusive, assignable right with no restrictions on time and territory to use and edit the software and associated documentation, as well as any updates, upgrades or other further developments and also grant sub-licences to third parties, particularly companies affiliated to TE within the meaning of Art. 11, 1° of the Belgian Company Code (Wetboek van Vennootschappen), as well as sales agents and customers (while respecting the copyright interests of the Supplier).

(2) If licence fees have to be paid for the use of the item delivered in accordance with the contractual agreement, also in conjunction or interaction with other items, such costs shall be borne by the Supplier.

(3) The Supplier shall give an assurance that the items delivered by it are unencumbered by any third-party rights and that the supply or use of said items in accordance with the contractual agreement, also in conjunction or interaction with other items, shall not lead to the infringement of any patents or other industrial property rights of third parties within Belgium.

(4) If industrial property rights of third parties are violated by the delivery or service provided by the Supplier, the latter shall be obliged first of all to ensure by way of acquiring the rights or through modification of the item to be supplied – insofar as this is reasonable for TE – that infringements of rights are not continued.

(5) Notwithstanding Article 4 above, the Supplier shall be obliged to indemnify TE against any claims by third parties relating to the infringement of patents or other industrial property rights as well as with regard to expenses relating to such action being taken and bear all costs incurred by TE as a result of such action. This obligation shall not apply insofar as TE, without the approval of the Supplier, makes agreements with the third party which relate to its claims and, in particular reach a settlement. The Supplier shall provide TE, without delay and free of charge, with all information and documents required to defend such actions.

(6) Paragraphs 2 - 5 above shall also apply accordingly to those countries in relation to which the Supplier is aware on conclusion of the contractual agreement that TE sends the items delivered to those countries.

#### § 8 Invoices and payments

(1) Invoicing shall be carried out at the time of delivery of the product at the earliest, including all documentation relevant to the contractual agreement or – if a final inspection is to take place – at the time of final acceptance of the service or otherwise at the time of the service being provided. Invoices shall be sent by post or alternatively, at the request of TE, in electronic form; they are not to be enclosed with the goods.

(2) The wording and the sequence in the invoices shall correspond to the items of the order, also showing the respective order number and the Supplier number. Any additional deliveries or services are to be listed separately in the invoice, with reference to the corresponding written order preceding these.

(3) Unless agreed otherwise, payments shall be made, at our option, within 60 days net without any deduction or within 14 days with 3% discount insofar as we do not have any complaints regarding the delivery or service. Decisive for the payment period shall be the receipt of the due and proper invoice as well as all the required documents (e.g. material test certificates) by TE. Carrying out the payment transaction shall be decisive for the punctuality of such payment. Delays in payment on account of invoicing by the Supplier which does not meet the stipulations under this Article 8 shall be the responsibility of the Supplier.

(3) Even if TE was aware at the time of making the payment that the goods delivered or the work performance





provided was defective, the settlement of the invoice shall not be deemed to constitute any waiver of the entitlements or claims of TE relating to the defectiveness of the goods or work performance.

(4) TE shall also be entitled to offset claims by the Supplier against claims by companies affiliated to TE. The Supplier shall only be able to offset its own claims where its counterclaims are enforceable by way of declaratory judgement, are undisputed or have been recognised by TE.

The Supplier shall only be entitled to exercise a retention right if its counterclaim is based on the same contractual relationship and has become due.

(5) The Supplier shall not be entitled without the prior written approval of TE, which TE will not refuse unreasonably, to assign its claims against TE to third parties or have these collected by third parties. If the Supplier is, for its part, supplied under extended reservation of title, such approval shall be deemed to have been given. Should the Supplier assign its claims to a third party without the approval of TE contrary to the first clause above, such assignment shall nonetheless be valid. TE shall, however, have the option of making payment to the Supplier or the third party with the effect of discharging the obligation.

(6) In the case of advance payments, TE shall be entitled to demand appropriate security.

#### **§ 9 Goods provided; tools and other production equipment provided**

(1) The Supplier shall examine goods provided by TE immediately after being handed over by TE or the primary suppliers of TE and, should there be evidence of any defect, notify TE accordingly without delay. Should such a defect become evident subsequently, notification must be given immediately after being detected. Should the Supplier not meet these obligations, the Supplier shall be obliged to compensate TE for all loss or damage resulting from this (e.g. for the loss of warranty entitlements against the primary suppliers of TE). In addition, the Supplier shall, in the case of infringing the aforementioned obligations of examination and notification of defects, be responsible for faults and errors concerning the product it has delivered to TE, also where such faults or errors can be attributed to the goods provided by TE.

(2) We remain the sole owner of the Goods provided by us. The supplier shall mark and identify the goods provided by us as our property and keep them separately from other products so that the goods provided by us are protected against the unauthorized access of third parties and can be indisputably identified as such for the entire duration of the storage and – where technically possible and reasonable for the Supplier – also during the manufacturing process. The Supplier shall be liable to TE for the loss or damage of items provided. The Supplier shall insure the goods provided by TE for at least their current market value against fire, water, theft and comparable cases of damage at its own expense. TE is to be notified of any legal or actual harm to or impairment of the items provided by TE without delay.

(3) The materials provided by us may only be used for the manufacturing of the products to be supplied to us, respectively for the performance of services to be rendered to us. In particular they shall not be sold, pledged or assigned to third parties. In case of seizures or other interventions by third parties the supplier shall inform us without undue delay in writing and give all necessary information as well as notify the third party of our ownership.

(4) The goods provided by us shall be treated and processed on our behalf and shall remain our property while being worked and processed. It is commonly understood that we shall be co-owners of the products manufactured with the use of the materials or parts provided by us in the ratio of

value of the items provided by us to the value of the final product as a whole, even if – when our goods are inseparably combined with items of the supplier – the supplier's items form the main part of the final product. The same shall apply if we lose title to the goods supplied by us by way of mingling and mixing.

(5) The supplier undertakes to keep precise records of its stock of goods provided by us and to notify us thereof at any time in writing upon our request. The supplier shall inform us in writing in due time if the stock of goods provided by us need to be filled up.

(6) We are entitled to inspect the goods provided by us at any time in coordination with the supplier. In the event that the supplier no longer requires a remaining stock of such goods, the supplier undertakes to return these goods to us.

(7) Tools and other manufacturing equipment provided to the Supplier for the purpose of producing the goods to be supplied to TE shall remain the property of TE. Should the Supplier manufacture or acquire tools or other production equipment at the partial or entire expense of TE which are specifically needed for the production of the parts to be supplied to TE, such tools and equipment shall pass to the possession and ownership of TE on payment by TE. It shall be agreed in this respect that the Supplier shall be in possession of the tools and production equipment in the sense of borrowing the same from TE. The Supplier shall not be entitled to any retention right in this respect. The tools and other production equipment owned by TE are to be clearly marked and identified as the property of TE in an appropriate manner. The Supplier shall insure such tools and production equipment for their new value against fire, water, theft and comparable cases of damage at its own expense. The Supplier shall at this moment in time assign to TE all compensation rights arising from such insurance; TE herewith accepts this assignment. TE is to be notified of any legal or actual harm to or impairment of the tools or other manufacturing equipment provided by TE without delay.

(8) The Supplier shall be obliged to use the tools and other manufacturing equipment referred to under § 9, Par. 4 above exclusively for the production of the goods ordered by TE. They may only be scrapped or made available to third parties with the prior approval in writing of TE.

(9) The Supplier shall be obliged to handle and store the tools and other manufacturing equipment referred to under § 9, Par. 4 above with due care. The care and maintenance of such tools and other manufacturing equipment shall be in line with the respective agreements made between TE and the Supplier.

(10) Should TE incur any loss or damage through the Supplier infringing the aforementioned obligations under this § 9, Par. 2 - 6, the Supplier shall be obliged to compensate TE for such loss or damage unless the Supplier is not responsible for the same.

#### **10 Purchased Parts**

(1) If we sell parts/materials to the supplier for the production/manufacturing of parts for us ("Purchased Parts"), Sec. 377 of the German Commercial Code shall apply to such deliveries. Apart from that, § 9, Par. 1 applies *mutatis mutandis*.

(2) We reserve title to the purchased parts until any and all claims against the supplier arising from the business relationship have been settled, including future claims arising from agreements concluded concurrently or at a later time. This shall also apply if individual or all of our claims are included in a current account and the balance has been stricken and accepted. When so requested by the supplier, we shall release collateral if the realisable value of such,



taking into account usual bank reductions of valuation, exceeds the claims for which collateral have to be furnished by more than 20%.

(3) The supplier shall mark all purchased parts as such and store these parts separately from other products so that the purchased parts can be identified as such beyond any doubt for the entire duration of their storage and, where technically feasible and reasonable for the supplier, also during their processing. The supplier shall insure the purchased parts against fire, water, theft and similar causes of loss at its own expense at minimum at their market value. The supplier shall inform us without undue delay should any purchased parts be impaired in law or fact.

(4) The purchased parts shall only be used for the manufacturing of the products to be supplied to us, respectively for the performance of services to be rendered to us. In particular they shall not be pledged or assigned to third parties. In case of seizures or other interventions by third parties the supplier shall inform us without undue delay in writing and give all necessary information as well as notify the third party of the existing ownership situation.

(5) All processing of purchased parts shall be performed for us. All bought-in parts remain our property while being worked and processed. The supplier's expectant right to the purchased parts shall continue to apply to the processed or converted items. Apart from that, § 9 Par. 4 applies *mutatis mutandis*.

(6) The supplier undertakes to keep precise records of its stock of purchased parts and to notify us thereof at any time in writing upon our request. Apart from that, § 9, Par. 5 applies *mutatis mutandis*.

(7) We are entitled to inspect the purchased parts at any time in coordination with the supplier. In the event that the supplier no longer requires a remaining stock of purchased parts, we are entitled, but not obliged, to claim back such stock in return ("Zug-um-Zug") of the repayment of the purchase price paid by the supplier for such parts.

(8) If we incur any damage due to the supplier not complying with any of the above obligations of this § 10, the supplier shall compensate us for such damage unless it is not responsible therefore.

#### § 11 Drawings/documents, industrial property rights

(1) All documents, drawings, samples, etc. provided to the Supplier by TE for the submission of a quotation or for the production of the item to be delivered or the provision of the service shall remain the property of TE; TE reserves all rights concerning the copyright of TE as well as all other existing industrial property rights in this regard. The Supplier shall not be entitled to use information, ideas or other know-how contained therein for any purpose other than the drawing up of the quotation or fulfilling the contractual agreement for TE. The latter shall not apply in the case of the information, ideas or other know-how already being known to the Supplier before being received from TE or where the Supplier has obtained the same lawfully through other means at a later point in time. The documents, drawings, samples etc. shall be handed over to TE without delay together with all copies and duplications on request or without being requested if an order does not materialise or after completion of an order. The Supplier shall have no entitlement to a retention right in this regard. Clauses 1 and 2 above shall apply accordingly to the drawings and other documents produced by the Supplier according to the specific data of TE.

(2) The Supplier shall treat the documents referred to in paragraph 1 above as well as all other information received in relation to the order or the execution of the contract – also following completion of the order – as a business secret and,

accordingly, as confidential. Such information may not be made known to any third party without the prior written approval of TE. TE shall treat documents and information received by TE in relation to the order or the execution of the contract by the Supplier as a business secret insofar as the need for confidentiality is expressly pointed out to TE. The obligation to maintain confidentiality shall cease to apply where the contents of the documents concern facts that are publicly known or subsequently reach the public domain without this being caused by an infringement of duty on the part of the party under the obligation to maintain confidentiality.

(3) The Supplier shall submit all necessary drawings and documents required for discussion of the technical details, the item to be supplied or the service to be provided together with the quotation. Such discussion or other involvement by TE in the design work shall not, however, relieve the Supplier of its sole responsibility for the product or service or any warranty and other obligations arising from this.

(4) The Supplier shall be obliged to provide – together with delivery at the latest - all drawings and documents needed by TE or the customer of TE to set up, operate, maintain and repair the item to be supplied free of charge in both English and Dutch, in good time and without having to be asked.

(5) Should TE incur any loss or damage through the Supplier infringing the aforementioned obligations under § 10 here, the Supplier shall be obliged to compensate TE for such loss or damage unless the Supplier is not responsible for said infringement of duty.

#### § 12 Supply security

(1) Insofar as the items to be supplied concern goods specifically developed for TE, particularly where TE has shared directly or indirectly in the costs of development and/or manufacturing equipment, the Supplier undertakes to supply TE with the items to be delivered according to the needs of TE and accept orders from TE as long as TE requires the items to be supplied. The anticipated delivery volume according to the customer requirement forecasts of TE shall be made known to the Supplier at an early stage. The Supplier shall not, however, have any entitlement to insist on the purchasing particular quantities of TE, unless expressly agreed otherwise.

(2) The Supplier undertakes to guarantee the delivery of the necessary spare parts for a period of 15 years after delivery of the item to be supplied – also after completion of series production of the item to be supplied. Should it become evident to the Supplier within the period referred to above that it will no longer be able to guarantee such supply, it shall notify TE of the end of the supply possibility without delay and, insofar as the Supplier cannot offer TE any other possibilities that are reasonable for TE, give TE the opportunity to procure the long-term needs of TE 12 months prior to discontinuation of production.

#### § 13 Quality assurance and control

(1) The Supplier shall have a certified quality assurance management system of an appropriate type and scope corresponding to the state of the art in technology at its disposal and submit proof of this on request. The Supplier shall regularly keep records of the quality audits conducted by it and make such records available to TE at short notice when requested. The Supplier shall conclude a corresponding quality assurance agreement with TE insofar as TE deems this to be necessary.

(2) If the conducting of a special quality control is planned in the context of final acceptance, TE shall, unless agreed otherwise, bear the personnel-related costs and the Supplier the material/equipment costs.



(3) If a second visit by the quality official is required as a result of defects being established, the associated personnel costs shall then also be borne by the Supplier in this regard. The same shall apply if the item to be supplied is not presented to the quality official in accordance with the appointment referred to under paragraph 2 above.

(4) Following prior consultation with the Supplier, TE shall - unless agreed otherwise - be entitled to conduct quality audits on the Supplier's business premises at the own expense of TE.

#### **§ 14 Proof of origin and VAT certificates, export restrictions**

(1) The Supplier shall provide TE with all necessary proof of origin together with all the details required, signed and at its own expense, together with the delivery at the latest. This shall apply correspondingly to VAT certificates required in individual cases for deliveries abroad and within the European Union.

(2) The Supplier shall inform TE without delay if a delivery is, in part or in its totality, subject to export restrictions under Belgian or other applicable law. If the issuing of an export licence is required for delivery to TE, the Supplier shall be responsible for obtaining such licence.

#### **§ 15 General provisions**

(1) Insofar as these General Terms and Conditions of Purchase stipulate that declarations of intent or notifications have to be drawn up in writing, the written form shall also be deemed to be observed through use of the text form, i.e. via fax or email.

(2) If the Supplier is not in a position to meet its due obligations punctually, stops its payments or has (preliminary) insolvency proceedings initiated against it, TE shall be entitled to withdraw from the contractual agreement in relation to the part of the contract not yet fulfilled by the Supplier. This right of withdrawal is to be exercised by TE within a period of one month of obtaining knowledge of the aforementioned circumstances.

(3) These terms of business and the entire business relations between TE and the Supplier shall be subject to the laws of Belgium, with the exclusion of the Vienna Convention of the International Sales of Goods (CISG).

(4) Insofar as the Supplier is a business person within the meaning of the Belgian Commercial Code, the registered office of TE shall be the exclusive area of jurisdiction for all disputes arising directly or indirectly from this contractual relationship. TE shall, however, be entitled to take action against the Supplier in a different jurisdiction.

(5) The place of performance for all contractual obligations shall be the registered office of TE or the shipping address or place of use stated by TE.

(6) Should any provision contained in these terms of business or any provision under other agreements prove to be ineffective or unenforceable, this shall not affect the remaining provisions or agreements. The ineffective or unenforceable provision shall be replaced by a provision coming closest to the intention of the parties to the contractual agreement in economic terms. This shall apply accordingly to any loophole in the contractual agreement.