

**General Terms of Delivery (GTD) of Lacon Electronic GmbH and Lacon Embedded GmbH
(as of May 2018)**

With the exception of Sections II.1, 2 and 6, these General Terms of Delivery comply with the non-binding recommendation of ZVEI - "Zentralverband Elektrotechnik- und Elektronikindustrie e. V. " (German Electrical and Electronic Manufacturers' Association) (as of June 2011) for products and services of the electrical industry ("Green Terms of Delivery" - GDT) for use in business transactions with companies

I. General terms

1. These GTD shall apply exclusively to the legal relations between Supplier and Purchaser in connection with the Supplier's deliveries and/or performances (hereinafter referred to as "Deliveries"). General Terms and Conditions of the Purchaser shall only apply insofar as the Supplier has expressly agreed to them in writing. The mutually agreed written declarations shall be decisive for the scope of deliveries.
2. The Supplier reserves his property and copyright exploitation rights with regard to cost estimates, drawings and other documents (hereinafter referred to as "documents") without any restrictions. The documents may only be made accessible to third parties with the Supplier's prior consent and, if the order is not placed with the Supplier, they must be returned to him immediately upon request. Sentences 1 and 2 shall apply mutatis mutandis to the Purchaser's documents; however, these may be made accessible to third parties to whom the Supplier has permissibly transferred supplies.
3. The Purchaser has the non-exclusive right to use standard software and firmware with the agreed performance features in unchanged form on the agreed devices. The Purchaser may make a backup copy of the standard software without express agreement.
4. Partial deliveries are permissible insofar as they are reasonable for the Purchaser.
5. The term "claims for damages" in this GTD also includes claims for reimbursement of fruitless expenditures.

II. Prices, terms of payment, offsetting, assignment bid, and maturity of claims

1. The prices are EXW Karlsfeld (Incoterms 2010), plus packaging and transport/dispatch, as well as the applicable statutory value added tax.
2. The respective currently applicable Lacon Electronic Euroconnector price list for distribution items replaces all previous price lists with immediate effect. This applies exclusively to deliveries and services within the Federal Republic of Germany.
3. When the Supplier has assumed responsibility for installation or assembly and unless otherwise agreed, the Orderer shall bear all necessary incidental costs such as travel and transport costs as well as allowances, in addition to the agreed remuneration.
4. Payments are to be made free payment office of the Supplier.
5. The Purchaser may only set off claims that are undisputed or have been finally and conclusively established by a court of law.
7. The terms of payment are 30 days net.
8. When the Purchaser is in arrears with payment obligations of any kind, all of the Supplier's existing claims shall become due immediately.

III. Retention of title

1. The objects of the deliveries (reserved goods) shall remain the property of the Supplier until all claims against the Purchaser arising from the business relationship have been fulfilled. When the value of all security rights to which the Supplier is entitled exceeds the amount of all secured claims by more than 20 %, the Supplier shall release a corresponding part of the security rights at the request of the Purchaser; upon release, the Supplier shall be entitled to select between different security rights.
2. As long as the retention of title exists, the Purchaser is subject to a pledge or transfer by way of security, and resale is only permitted to resellers in the normal course of business and only subject to the condition that the reseller receives payment from his customer or makes the reservation that ownership is not transferred to the customer until the customer has fulfilled his payment obligations.
3. When the ordered goods subject to retention of title are resold, he hereby assigns his future claims from the resale against his customers as security to the Supplier, with all ancillary rights - including any balance claims - and without the need for further special declarations. When the reserved goods are resold together with other items without an individual price having been agreed for the reserved goods, the Purchaser assigns to the Supplier that part of the total price claim that corresponds to the price of the reserved goods invoiced by the Supplier.

4. a) The Purchaser is permitted to process the reserved goods or to mix or combine them with other objects. Processing takes place for the Supplier. The Purchaser shall store the new item created for the Supplier with the care of a prudent businessman. The new item shall be deemed to be reserved goods.
 - b) Supplier and Purchaser hereby agree that, in the event of combination or mixing with other objects not belonging to Supplier, the Supplier shall, in any case, be entitled to co-ownership of the new object in the amount of the share resulting from the ratio of the value of the combined or mixed reserved goods proportionate to the value of the other goods at the time of combination or mixing. In this respect, the new item shall be deemed to be reserved goods.
 - c) The regulation on the assignment of claims according to No. 3 shall also apply to the new item. However, the assignment shall only apply up to the amount corresponding to the value of the processed, combined or mixed reserved goods as invoiced by the Supplier.
 - d) If the Purchaser combines the goods subject to retention of title with real estate or moveable goods, he also assigns to the Supplier, with all rights as security and without the need for further special declarations, his claim to which he is entitled as remuneration for the combination, in the amount of the ratio of the value of the combined goods subject to retention of title to the other combined goods at the time of the combination.
5. Until revoked, the Purchaser is authorised to collect assigned claims from the resale. In the presence of an important reason, in particular default of payment, suspension of payments, opening of insolvency proceedings, protest of a bill, or justified indications of overindebtedness or imminent insolvency on the part of the Purchaser, the Supplier shall be entitled to revoke the Purchaser's collection authorisation. In addition, after prior warning and within a reasonable period of time, the Supplier may disclose the assignment of security, utilize the assigned receivables and demand disclosure of the assignment of security by the Purchaser to the customer.
 6. In the event of seizure, confiscation or other dispositions, or in the presence of interventions by third parties, the Purchaser must inform the Supplier without delay. If a legitimate interest is substantiated, the Purchaser shall immediately provide the Supplier with the information necessary to assert his rights against the customer and hand over the necessary documents.
 7. In the event of breaches of duty by the Purchaser, in particular with default in payment, the Supplier shall be entitled to withdraw from the contract, as well as to take back the goods if a reasonable deadline set by the Purchaser has expired without success; the statutory provisions on the dispensability of setting a deadline shall remain unaffected. The Purchaser is obliged to surrender the goods. Taking back the goods, asserting the retention of title or seizing the reserved goods by the Supplier does not constitute a withdrawal from the contract, unless the Supplier had expressly declared this.

IV. Time limits for deliveries; delay

1. Deadline compliance for deliveries presupposes the timely receipt of all documents to be supplied by the Purchaser, necessary approvals and releases, in particular of plans, as well as observance of the agreed terms of payment and other obligations on the part of the Purchaser. If these conditions are not fulfilled in time, the periods shall be extended accordingly; this shall not apply if the Supplier is responsible for the delay.
2. When deadline non-compliance is due to
 - a) force majeure, e.g. mobilization, war, acts of terrorism, riots, or similar events (e.g. strikes, lockouts),
 - b) virus and other attacks by third parties on the IT system of the Supplier, insofar as these were carried out despite compliance with the care customary for protective measures,
 - c) obstacles due to German, US-American or other applicable national, EU or international regulations of foreign trade law or due to other circumstances for which the Supplier is not responsible, or
 - d) when the Supplier is not supplied on time or in a proper manner

the deadlines shall be extended accordingly.

3. If the Supplier is in default, the Purchaser may - provided it can prove that it has suffered damage as a result - demand compensation of 0.5% for each completed week of delay, but no more than a total of 5% of the price for that part of the Supplies that could not be used for the intended purpose as a result of the delay.
4. Purchaser's claims for damages, due to the delayed delivery, as well as claims for damages in lieu of performance that exceed the limits specified in No. 3 shall be excluded in all cases of delayed delivery, even after expiry of any delivery deadline set to the Supplier. This does not apply in cases of intent, gross negligence or injury to life, body or health. The Purchaser may only withdraw from the contract within the scope of statutory provisions when the Supplier is responsible for the delivery delay. A shift in the onus of proof to the detriment of the Purchaser is not associated with the above provisions.
5. At the Supplier's request, the Purchaser is obliged to declare within a reasonable period of time whether it will withdraw from the contract due to the delay in delivery or insist on delivery.

6. If, after notification of readiness for dispatch, dispatch or delivery is delayed by more than one month at the request of the Purchaser, the Purchaser may be charged storage costs amounting to 0.5% of the price of the items of the deliveries for each further month or part thereof, but no more than a total of 5%. The contracting parties are free to prove higher or lower storage costs.

V. Transfer of risk

1. Risk shall pass to the Purchaser as follows, even in the case of paid shipment delivery:
 - a) in case of delivery without installation or assembly, when it has been taken to the shipment area or been collected. at the Purchaser's request and expense, the Supplier shall ensure delivery against the usual transport risks;
 - b) in case of delivery with installation or assembly, on the day of acceptance in the company's own premises or, if agreed, after successful trial operation.
2. if dispatch, delivery, the beginning or performance of installation or assembly, acceptance in the Purchaser's own works or trial operation is delayed for reasons for which the Purchaser is responsible, or if the Purchaser is in default of acceptance for other reasons, the risk shall pass to the Purchaser.

VI. Installation and assembly

Unless otherwise agreed in writing, the following provisions shall apply to installation and assembly:

1. The Purchaser has to take over and provide in a timely manner and at his own expense:
 - a) all earthwork, construction work and other ancillary work outside the industry, including the necessary skilled and unskilled workers, building materials and tools,
 - b) the items and materials required for assembly and commissioning, such as scaffolding, lifting equipment and devices, fuels and lubricants,
 - c) Energy and water at the point of use, including connections, heating and lighting,
 - d) in the case of the assembly parts for the storage of machine parts, apparatus, materials, tools, etc., sufficiently large, suitable, dry and lockable rooms and for the assembly personnel, adequate working and storage rooms including sanitary facilities appropriate to the circumstances; in all other respects, the Purchaser shall take the measures he would take to protect the property of the Supplier and the assembly personnel on the construction site,
 - e) Protective clothing and protective devices required due to special circumstances of the assembly parts.
2. Prior to commencement of the assembly work and without being requested to do so, the Purchaser shall provide the necessary information about the location of concealed power, gas, water and similar installations, as well as the necessary static data.
3. Prior to the start of installation or assembly, the materials and objects required for the commencing work must be available at the installation or assembly part and all preparatory work must have progressed to such an extent that installation or assembly can be started as agreed and carried out without interruption. Access roads and the installation or assembly site must be levelled and cleared.
4. If installation, assembly or commissioning is delayed due to circumstances for which the Supplier is not responsible, the Purchaser shall bear the reasonable costs for waiting time and any additional travel required by the Supplier or assembly personnel.
5. The Purchaser shall certify the Supplier the duration of the working hours of the assembly personnel as well as the completion of the installation, assembly or commissioning without delay and on a weekly basis.
6. When the Supplier demands acceptance of the delivery after completion, the Purchaser shall do so within two weeks. Acceptance shall be deemed to have taken place if the Purchaser allows the two-week period to lapse, or when the delivery has been put to use - if necessary, after completion of an agreed test phase.

VII. Receipt

The Purchaser may not refuse to accept deliveries because of insignificant defects.

VIII. Material defects

The Supplier shall be liable for material defects as follows:

1. All those parts or services that have a material defect must be repaired, replaced or provided again free of charge at the Supplier's discretion, provided that the cause of the defect already existed at the time of the transfer of risk.

2. Claims for subsequent performance shall become statute-barred 12 months after the start of the statutory limitation period; the same shall apply mutatis mutandis to withdrawal from the contract and reduction of the purchase price. This period shall not apply if longer periods are prescribed by law, pursuant to §§ 438 par. 1 no. 2 (buildings and objects for buildings), 479 par. 1 (right of recourse) and 634a par. 1 no. 2 (construction defects) German Civil Code, in the event of intent, malicious intent, or grossly negligent concealment of the defect and non-compliance with a quality guarantee. The statutory provisions on expiry suspension, suspension and recommencement of periods remain unaffected.
3. Notification of defects by the Purchaser must be made in writing without delay.
4. In the event of notices of defects, payments by the Purchaser may be withheld to an extent that is deemed in reasonable proportion to the material defects that have occurred. The Purchaser may withhold payments only when a notification of defects is asserted about the justification of which there can be no doubt. The Purchaser has no right of retention when its claims for defects have lapsed. If the notification of defects was unjustified, the Supplier shall be entitled to demand reimbursement from the Purchaser of the expenses incurred by the Supplier.
5. The Supplier is to be granted the opportunity for subsequent performance within a reasonable period of time.
6. If subsequent performance fails, the Purchaser may - without prejudice to any claims for damages pursuant to No. 10 - withdraw from the contract or reduce the remuneration.
7. Claims for defects shall not exist in the presence of only insignificant deviations from the agreed quality, only insignificant impairment of usability, in case of natural wear and tear or damage arising after the transfer of risk as a result of incorrect or negligent handling, excessive strain, unsuitable equipment, defective design, unsuitable building ground, or as a result of special external influences that are not assumed under the contract, or in the case of non-reproducible software errors. When improper modifications or repair work are carried out by the Purchaser or third parties, these and the resulting consequences shall also apply when no claims for defects are made.
8. Claims of the Purchaser for expenses needed for the providing subsequent performance, in particular transport, travel, labour and material costs, are excluded, insofar as the expenses increase because the object of the delivery was subsequently moved to a location other than the Purchaser's branch office, unless the transfer corresponds to its intended use.
9. Recourse claims of the Purchaser against the Supplier according to § 478 German Civil Code (recourse of the entrepreneur) exist only insofar as the Purchaser has not made any agreements with his customer that go beyond the statutory warranty claims. No. 8 shall also apply mutatis mutandis to the scope of the Purchaser's right of recourse against the Supplier, pursuant to § 478 par. 2 German Civil Code.
10. Claims for damages of the Purchaser, due to a material defect are excluded. This shall not apply in the event of fraudulent concealment of the defect, non-compliance with a quality guarantee, injury to life, body or health, and in the event of intentional or grossly negligent breach of duty by the Supplier. A change in the onus of proof to the detriment of the Purchaser is not associated with the above provisions. More extensive or other claims than in this Section VIII shall be excluded.

IX. Industrial property rights and copyrights; defects of title

1. Unless otherwise agreed, the Supplier is obliged to deliver the goods free of industrial property rights and copyrights of third parties (hereinafter referred to as property rights) only in the country of the place of delivery. If a third party asserts justified claims against the Purchaser on account of the infringement of industrial property rights through deliveries made by the Supplier and used in accordance with the contract, the Supplier shall be liable to the Purchaser within the period specified in Section VIII No. 2 as follows:
 - a) The Supplier shall, at its discretion and at its own expense, either acquire a right of use for the deliveries concerned, modify them in such a way that the property right is not infringed, or replace them. If this is not possible for the Supplier on the foundation of reasonable terms, the Purchaser shall be entitled to the statutory rights of withdrawal or reduction.
 - b) The Supplier's obligation to pay damages shall be governed by Section XII.
 - c) The above obligations of the Supplier shall only exist if the Purchaser immediately notifies the Supplier in writing of the claims asserted by the third party, does not acknowledge an infringement, and when all defensive measures and settlement negotiations remain reserved to the Supplier. If the Purchaser stops using the delivery with the purpose of damage mitigation or for other important reasons, he is obliged to point out to the third party that no acknowledgement of an infringement of property rights is connected with the suspension of use.
2. Claims of the Purchaser are excluded insofar as he is responsible for the infringement of property rights.
3. Claims of the Purchaser are also excluded when the infringement of industrial property rights is caused by special specifications of the Purchaser, by an application not foreseeable by the Supplier, or by the delivery being modified by the Purchaser or being used together with products not supplied by the Supplier.
4. In the event of infringements of property rights, the provisions of Section VIII Nos. 4, 5 and 9 shall apply mutatis mutandis to the Purchaser's claims regulated in No. 1 a).

5. In the event of other defects of title, the provisions of Section VIII shall apply accordingly.
6. Any further claims, or claims other than those regulated in this Section IX by the Purchaser against the Supplier and its vicarious agents, due to a defect in title, shall be excluded.

X. Reservation of performance

1. Fulfilment of the contract is subject to the proviso that there are no obstacles to this based on German, US-American or other applicable national, EU or international provisions of foreign trade law and no embargoes or other sanctions.
2. The Purchaser is obliged to provide all information and documents required for export, shipment or import.

XI. Impossibility of Performance; Adaptation of Contract

1. If delivery is impossible, the Purchaser is entitled to claim damages, unless the Supplier is not responsible for the impossibility. However, the Purchaser's claim for damages shall be limited to 10% of the value of that part of the delivery which cannot be used for its intended purpose due to the impossibility. This limitation shall not apply in cases of intent, gross negligence or injury to life, body or health; this shall not entail a change in the burden of proof to the detriment of the Purchaser. The Purchaser's right to withdraw from the contract remains unaffected.
2. When events within the meaning of Section IV No. 2 a) to c) significantly change the economic significance or the content of the delivery or have a significant effect on the Supplier's operation, the contract shall be adapted accordingly in good faith. If this is not economically justifiable, the Supplier shall be entitled to withdraw from the contract. The same applies if necessary export licences are not granted or cannot be used. When he wishes to make use of this right of withdrawal, he must inform the Purchaser immediately after recognising the scope of the event, even if an extension of the delivery period had initially been agreed with the Purchaser.

XII. Other claims for damages

1. Unless otherwise provided for in this GTD, claims for damages by the Purchaser for whatever legal reason, in particular for breach of duties arising from the contractual obligation and from tortious acts, are excluded.
2. This does not apply if the liability is as follows:
 - a) according to the Product Liability Act,
 - b) in cases of intent,
 - c) on the part of owners, legal representatives or executive employees,
 - d) in the presence of fraudulent intent,
 - e) or failure to comply with an assumed guarantee,
 - f) due to culpable injury to life, body or health, or
 - g) in the case of culpable breach of material contractual obligations.

However, the claim for damages for the violation of essential contractual obligations is limited to the contract-typical, foreseeable damage, in the absence of the existence of another one of the aforementioned cases.

3. A change in the onus of proof to the detriment of the Purchaser is not associated with the above provisions.

XIII. Place of jurisdiction and applicable law

1. When the Purchaser is a merchant, the sole place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship shall be the registered office of the Supplier. However, the Supplier shall also be entitled to sue at the Purchaser's registered office.
2. This contract, including its interpretation, shall be governed by German law to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).

XIV. Binding nature of the contract

The other parts of the contract shall remain binding even if individual provisions are legally invalid. This does not apply when adherence to the contract would constitute unreasonable hardship for one party.