

**I. Scope**

These Purchasing Conditions of KE Elektronik GmbH, hereinafter referred to as "KE Elektronik", shall apply exclusively to all legal relationships of KE Elektronik GmbH and its affiliated companies pursuant to sections 15 et seq. of the German Stock Corporation Act (AktG) which have as their subject deliveries and services by the Seller to KE Elektronik, unless expressly agreed otherwise. Conflicting or deviating terms and conditions of sale of the Seller shall not apply even if KE Elektronik has not expressly objected to them, unless KE Elektronik has expressly agreed to their applicability in writing. KE Elektronik's Purchasing Conditions shall also apply if KE Elektronik accepts deliveries without reservation in the knowledge of conflicting or deviating terms and conditions of the Seller that depart from KE Elektronik's Purchasing Conditions, or if KE Elektronik refers to a letter which contains or refers to terms and conditions of the Seller or a third party. These Purchasing Conditions shall also apply to all future transactions with the Seller without any need for a separate renewed agreement. For the purposes of these Purchasing Conditions, the Seller is the legal entity from which KE Elektronik has requested deliveries (quantities, delivery terms, other services) or which has requested services from KE Elektronik, as well as its affiliated companies pursuant to sections 15 et seq. AktG involved in the supply relationship.

**II. Conclusion of Contract; Amendments**

Orders placed by KE Elektronik shall be binding only if issued by KE Elektronik in writing or by email/EDI. Oral or telephone orders, as well as supplements and amendments to an order (contract), shall be effective only if confirmed by KE Elektronik in writing or by email/EDI. Offers from the Seller must expressly indicate any deviations from KE Elektronik's enquiry. Offers shall be free of charge for KE Elektronik. At KE Elektronik's request, the Seller shall, prior to performance of the delivery, be obliged to make changes to the subject matter of the delivery, the quantity, the design and the delivery date, in particular with regard to construction and design, provided this is not unreasonable for the Seller. Any effects on costs or deadlines shall be agreed amicably between the parties.

**III. Acceptance**

1. A confirmation from the Seller deviating from the order shall constitute a new offer requiring KE Elektronik's renewed written consent. Amendments and additions shall require KE Elektronik's written consent.
2. KE Elektronik shall no longer be bound by the relevant order if it is not accepted by the Seller within 10 working days from the order date in accordance with the provision in para. 1.

**IV. Deliveries / Non-transferability / Delay**

1. Deliveries shall be made in accordance with the respectively agreed Incoterm, in its current version.
2. Timely performance is of the essence for KE Elektronik's orders. The Seller shall make deliveries in the quantities and at the times specified in the order or in the corresponding release declarations issued by KE Elektronik. Compliance with the delivery date shall be determined by receipt of the goods at the agreed place of destination pursuant to clause IV.1. The delivery period stated in the order shall be calculated from the order date and shall be binding.
3. If the Seller is in delay with its deliveries under the delivery schedule, KE Elektronik may, in addition to its other rights and after the unsuccessful expiry of a reasonable grace period, (i) order a faster mode of transport and demand reimbursement from the Seller of all additional costs thereby incurred, or (ii) withdraw from the contract by written declaration and claim damages in lieu of performance. Irrespective of this, in the event of delay in delivery KE Elektronik shall be entitled to demand a contractual penalty in the amount of 0.3% of the net value of the goods of the delivery affected by the delay for each working day of delay in delivery (for the purposes of these Purchasing Conditions, Saturdays shall not count as working days), up to a maximum of 5% of the net value of the goods of the delivery concerned. KE Elektronik shall be entitled to assert the contractual penalty in addition to performance; reservation of the contractual penalty shall be deemed timely if declared to the Seller no later than within 10 working days, calculated from receipt of the delayed delivery. The unconditional acceptance of a delayed delivery shall not constitute a waiver by KE Elektronik of any rights in respect of the delayed delivery. KE Elektronik shall be entitled to assert further claims and rights. The contractual penalty shall be set off against any claims for damages.
4. The Seller may invoke the absence of necessary documents, data or supplied items to be provided by KE Elektronik only if it has issued a written reminder to that effect and has not received them within a reasonable period.
5. KE Elektronik reserves the right to return bulky packaging material, empty containers, receptacles, crates, etc. used by the Seller for dispatching the goods to KE Elektronik to the Seller carriage paid in return for a corresponding credit note, notwithstanding any transport-related or other wear and tear. Any deviations by the Seller from the provisions of the applicable statutory regulations regarding packaging, including the Packaging Ordinance as amended from time to time, shall require KE Elektronik's prior written consent.
6. Each delivery shall be accompanied by a delivery note stating all details of the relevant order placed by KE Elektronik, in particular the order number and date, part number, batch number and item number. Partial deliveries and residual deliveries must likewise be marked as such.
7. KE Elektronik shall not be liable for accidental loss of or accidental deterioration in the case of excess deliveries or goods delivered prematurely. In the case of deliveries pursuant to sentence 1, KE Elektronik may return the goods to the Seller at the Seller's risk or store them on its own premises at the Seller's risk and expense. Payments shall not become due until the agreed time.
8. The Seller shall be liable for compliance by any subcontractors, upstream suppliers and/or sub-suppliers with all rights and obligations arising from the relevant order as if for its own fault.
9. Unless otherwise specified in the relevant order of KE Elektronik, all tools and all other items required for its performance shall be procured by the Seller, who shall keep these items in good condition and, if necessary, replace them at its own expense.

**V. Quality**

In addition, the quality assurance agreement (QAA) agreed between KE Elektronik and the Seller shall apply. Irrespective of whether such an agreement has been concluded, the Seller undertakes to maintain a certified quality management system (e.g. ISO 9001, IATF 16949), to carry out proper sampling and production process approval in accordance with VDA/AlAG requirements, to obtain prior written consent for changes in accordance with the VDA trigger matrix, to process quality deviations promptly in accordance with 8D, and to ensure product safety and traceability. The requirements set out in the QAA and, independently thereof, KE Elektronik's specifications and other agreements and requirements shall constitute a guarantee of the agreed quality and durability of the delivery items. They shall neither affect nor restrict KE Elektronik's statutory rights in respect of defects or its contractually agreed warranty or recourse claims. In developing and manufacturing the delivery item, the Seller shall observe the latest state of the art and shall comply during development and manufacture with all quality standards, all applicable statutory provisions, customer requirements, and the requirements of the "Quality Assurance Agreement for Suppliers QAA".

**VI. Compliance**

1. For all products supplied by it, the Seller must observe and comply with the national, European and international provisions applicable to the products at the time of delivery regarding substances, materials or sources of origin subject to declaration. This applies, for example, to the requirements of Regulation (EC) No. 1907/2006 (REACH), Directives 2011/65/EU and 2015/863/EU (RoHS II), and Regulation (EU) No. 528-2012 (BPR). If compliance with additional requirements has been agreed separately, these shall also form part of the respective supply contract. Should a constituent used, a material used or a source of origin become subject to declaration or prohibited, the Seller must notify KE Elektronik thereof without delay. The use of conflict minerals in accordance with the requirements of Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, as well as Regulation (EU) 2017/821 (3TG) and the applicable provisions issued thereunder, must be disclosed by the Seller, and the Seller must provide KE Elektronik with the corresponding documents and information in the required form free of charge. To the extent not compatible with statutory requirements, the delivered products must not contain any constituents that are hazardous to health or harmful to the environment. If the products contain hazardous substances or preparations, the Seller shall, without any express request from KE Elektronik, provide KE Elektronik with a fully completed safety data sheet in accordance with the applicable statutory requirements, free of charge.
2. The Seller shall ensure the traceability of all substances used in the delivered products, in parts of those products, or in the manufacture of those products or parts of those products and shall, upon request, provide KE Elektronik with the relevant documents and information in an appropriately suitable form. For products which, to the Seller's knowledge or following notification by KE Elektronik, are intended for use in the automotive industry, the Seller shall maintain the material data in IMDS (International Material Data System; www.mdssystem.com) and make it available to KE Elektronik free of charge.

**VII. Incoming Goods Inspection**

1. KE Elektronik reserves all rights even in the event of payment for the goods. Any failure by KE Elektronik to exercise rights shall not constitute a waiver thereof.
2. Upon receipt of goods, KE Elektronik shall only be obliged to inspect the Seller's deliveries on a sample basis for deviations in identity and quantity, transport damage externally visible on the packaging, and visibly apparent defects, and to notify defects identified in this way without undue delay after becoming aware of them. Defects in the delivery which were not recognisable during the incoming goods inspection but become recognisable only at a later point in time must be notified as soon as they are identified in KE Elektronik's ordinary course of business. In this respect, the Seller waives the objection of late notice of defects.

**VIII. Prices / Payment**

1. The prices stated in the order are binding and final, inclusive of all ancillary costs such as packaging and delivery, and are net prices excluding VAT. Price adjustments, whether in the form of increases or the addition of extra costs, shall require KE Elektronik's express written consent
2. At its option, KE Elektronik shall make payment either within 14 days with a 3% cash discount or within 60 days net after complete delivery and/or performance and receipt of a proper invoice in accordance with Article VIII. 3. The above payment terms shall legally result in a postponement of maturity. The payment period shall begin once the delivery or service has been performed in full and the properly issued invoice has been received. The invoice must comply with the applicable invoicing requirements under the law of the states whose VAT law applies to the deliveries or services invoiced. Payment shall be made subject to invoice verification.
3. All invoices addressed to KE Elektronik must comply with the applicable statutory requirements and, unless otherwise required by law, must be submitted in electronic form, separately stating the VAT applicable on the date of delivery and containing the quantity and type of the goods or services invoiced, the order number stated in the order, the Seller's tax number, the performance date, and the Seller's supplier number. Invoices must be sent by the electronic means specified in the order or otherwise agreed.
4. The Seller shall grant the same terms as those contained in the respective order, in particular price reductions or cash discounts, also to other companies affiliated with KE Elektronik, in particular subsidiaries.
5. All costs and expenses incurred by the Seller in connection with the respective order, in particular for cost estimates, site inspections, preparation of offers and projects, or necessary additional work, shall be covered by the agreed purchase price.
6. KE Elektronik shall be entitled to set off against the Seller's claims any due counterclaim that KE has against an affiliated company of the Seller. This right of set-off of KE Elektronik shall also extend to claims to which a company affiliated with KE Elektronik is entitled. The Seller shall only have a right of retention or set-off to the extent that its claims are undisputed, recognised or have been finally adjudicated.
7. In order to secure advance payments, KE Elektronik reserves the right, in the case of orders for tools, to make payment of the first instalment conditional upon the Seller providing a bank guarantee for that amount. Upon transfer of ownership of the ordered tools to KE Elektronik, KE Elektronik shall release the bank guarantee.

**IX. Seller's Retention of Title; Provision of Production Equipment**

1. If the Seller's general terms and conditions provide for delivery only subject to retention of title, then, even if the general terms and conditions are excluded pursuant to Article I, only a simple retention of title shall be deemed agreed; any more extensive forms of retention of title are excluded. In any event, however, KE Elektronik shall be entitled to process and resell the goods in the ordinary course of business. If the Seller retains title under this provision, such retention shall apply only until payment for the delivery items.
2. KE Elektronik retains title to all items supplied by KE Elektronik to the Seller or fully paid for by KE Elektronik, in particular packaging materials, models, tools, moulds, dies and other design, assembly or production equipment, as well as documents. The Seller shall clearly identify KE Elektronik's ownership accordingly.
3. Title to all contractual items manufactured by the Seller on behalf of KE Elektronik or its customers shall pass to KE Elektronik at the place of delivery in accordance with the agreed delivery conditions. Insofar as KE Elektronik supplies materials or KE Elektronik property is processed, KE Elektronik's title to the supplied items shall extend to the products thereby created in accordance with the statutory provisions; any rights of the Seller shall remain unaffected insofar as they are required for performance of the contract.
4. If KE Elektronik's property in the Seller's possession is lost or damaged, the Seller shall, at KE Elektronik's option, compensate KE Elektronik or replace such property at its own expense. KE Elektronik shall be granted access to the production equipment for inspection at any time upon prior notice. KE Elektronik shall be entitled to demand surrender of the production equipment at any time, after termination of the contract or at the point in time at which the Seller is unable to deliver other than only temporarily or on a permanent basis.
5. At KE Elektronik's request, the Seller shall surrender to KE Elektronik any documents, supplied items and other objects owned by KE Elektronik in the manner specified by KE Elektronik, including preparation, packaging and dispatch in accordance with instructions. The costs of preparation for dispatch shall be borne by the Seller; dispatch shall be DAP (Incoterms 2020) to the place of destination designated by KE Elektronik. The Seller shall be obliged to deliver KE Elektronik's property; the Seller shall have no rights of set-off or retention on account of a counterclaim arising from this or any other transaction with the Seller, unless the counterclaim is undisputed or has been finally adjudicated. The above provisions shall also apply to such items made available to the Seller that are owned by KE Elektronik's contracting partners, in particular KE Elektronik's customers.

**X. Warranty; Notice of Defects**

1. The Seller warrants that the goods (i) are suitable and sufficient for the purpose assumed under the supply contract, (ii) are of customary market quality and free from any defects, including material defects and manufacturing defects, and, provided and to the extent that KE Elektronik has not prescribed the design in writing and defective specifications were not recognisable to the Seller, are free from design defects, (iii) comply with all specifications and requirements of KE Elektronik, (iv) conform to all descriptions, samples, drawings, plans, specifications, designs and other particulars provided by the Seller and, where applicable, (v) comply with the requirements of European Regulation EC 1907/2006 (REACH) in conjunction with EC 1272/2008 (CLP Regulation), as amended from time to time, and (vi) comply with all statutory provisions and industry standards applicable to them.
2. The delivery items shall be inspected by KE Elektronik or third parties commissioned by it for obvious defects immediately after delivery. This shall include a sample visual inspection, a sample inspection for defects in identity and quantity, and an inspection for transport damage externally visible on the packaging. Upon receipt of goods, KE Elektronik shall only inspect the delivery items for transport damage and, on a sample basis, for proper quantity and identity on the basis of the delivery note to be handed over by the Seller upon delivery, provided that the Seller has undertaken to carry out an outgoing goods inspection. Defects discovered during such inspections shall be notified without delay. If the defect is one that was not recognisable during the aforementioned incoming inspection, such defect must be notified within two weeks of discovery. KE Elektronik shall have no inspection or notification obligations other than those stated above. In this respect, the Seller waives the objection of late notice of defects.
3. The Seller warrants that the goods, as well as systems and business processes connected with the goods, comply with the latest state of science and technology and the applicable industry standards, unless otherwise agreed. Any deviations from this shall require KE Elektronik's prior written consent; such consent shall neither replace nor restrict the Seller's warranty obligations. If KE Elektronik's specifications or requirements are recognisably inconsistent with industry standards for the Seller, the Seller shall notify KE Elektronik thereof in writing without delay.
4. In manufacturing goods, and in providing services, for KE Elektronik, the Seller shall use environmentally friendly materials and means and shall ensure, within reasonable limits, that all materials and services supplied by subcontractors, upstream suppliers and/or sub-suppliers meet the same requirements. By way of example, the Seller warrants compliance in this regard with DIN ISO 14001, as amended from time to time. At KE Elektronik's request, the Seller shall issue proof of procurement for delivered goods.
5. KE Elektronik's examination or approval of samples, drawings, specifications or other data developed by the Seller under the relevant order shall not limit the Seller's liability. All claims of KE Elektronik arising from the relevant order, including these Purchasing Conditions, shall continue to exist even after acceptance, use and/or payment by KE Elektronik.
6. KE Elektronik shall have statutory warranty rights in full. The warranty period shall be 36 months from delivery or acceptance by KE Elektronik, as applicable, for example in the case of machinery. For parts of the delivery repaired or restored within the warranty period, the warranty period shall recommence from the point in time at which the Seller has fully satisfied KE Elektronik's claims for subsequent performance. If the Seller fails to fulfil its warranty obligations within the period set by KE Elektronik, KE Elektronik may, without prejudice to its other claims, itself take the necessary measures at the Seller's cost and risk or have them carried out by third parties. The Seller's obligation to bear costs shall apply in particular to transport, travel, labour and material costs, as well as installation and removal costs or costs for an incoming inspection exceeding the usual scope. The Seller shall bear the costs and the risk of accidental loss of and accidental deterioration in defective goods upon return shipment. The right to claim damages shall remain unaffected. In the event of repeated defectiveness of the same goods, KE Elektronik shall, after issuing a written warning and upon a renewed defective delivery, be entitled also to withdraw from further contracts not yet performed and to claim damages for non-performance. The assertion of further claims by KE Elektronik shall remain unaffected by this
7. The Seller shall be responsible for fault on the part of subcontractors and upstream suppliers as for its own fault.
8. The Seller is aware that customers of KE Elektronik, in particular OEMs, assert and settle damages, costs and expenses arising from the supply of defective products, in some cases based on reference market models / samples / factors and lump-sum amounts of damages. Damages, costs and expenses of the respective customer determined in this way may be passed on by KE Elektronik to the Seller, unless the defect in the delivered products was not caused by the Seller or the amounts determined in this way are not customary in the industry, are not reasonable and do not correspond to the amounts customarily applicable

locally in each case.

9. If there is a consumer at the end of the supply chain, sections 478 and 479 BGB shall apply without restriction in the relationship between KE Elektronik and the Seller.

#### **XI. Product Liability Indemnity**

1. If KE Elektronik, its employees, agents, legal successors or contracting partners are held liable by a third party for personal injury or property damage by way of product liability and/or producer liability, and such damage is attributable to a product of the Seller, the Seller shall, to the extent that it is itself liable vis-à-vis third parties, indemnify KE Elektronik against such claims, the resulting damages, costs and expenses, including court costs and legal enforcement costs, as well as all other costs and liabilities incurred in defending against them, and shall support KE Elektronik free of charge. To the extent there is contributory causation, the indemnity shall apply in proportion to the share of causation.
2. If KE Elektronik is obliged, due to the defectiveness of a product of the Seller and the danger posed by that product to persons and/or property, to take measures to avert damage, for example a recall, the Seller shall be liable in accordance with its share of causation. KE Elektronik shall inform the Seller of the measures to avert damage as early as possible, insofar as this is possible and reasonable, and shall give it the opportunity to comment.
3. Further statutory or contractual claims of KE Elektronik shall remain unaffected.
4. If the Seller has indications that the recall of one of its products ordered by KE Elektronik may become necessary, it must inform KE Elektronik without delay and hand over the relevant documents. The Seller shall be informed by KE Elektronik of the content and scope of all claims asserted by third parties, as well as of other measures to avert damage, insofar as this is possible and reasonable, and shall be given the opportunity to comment. The Seller shall support KE Elektronik to a reasonable extent in investigating and defending against claims asserted by third parties, insofar as this is required by KE Elektronik.
5. Insofar as the cause of the damage lies within the Seller's sphere of responsibility, the Seller shall bear the burden of proof in this respect.
6. At KE Elektronik's request, the Seller shall without delay assume the defence against any action brought or impending against KE Elektronik or its affiliated companies by a third party.

#### **XII. Infringement of Intellectual Property Rights / Indemnification / Repair Licence**

1. The Seller shall ensure that no patents or other third-party intellectual property rights, including applications for intellectual property rights, collectively "IP Rights", are infringed anywhere in the world in connection with the delivery and performance, the manufacturing process, and the intended use of the delivery item by KE Elektronik, its affiliated companies and customers. The Seller shall indemnify KE Elektronik, its employees, agents, legal successors, contracting partners and other users of the goods against all third-party claims, as well as the costs of legal enforcement, arising as a consequence of an infringement by the Seller of a patent, utility model, registered design, copyright or other industrial property right in any country. At KE Elektronik's request, the Seller shall defend itself and/or the users referred to in sentence 1 against any such infringement action or infringement claim at its own expense. The Seller's obligations under the two preceding sentences shall also apply if KE Elektronik specifies part of the design of the goods or part of the manufacture of the goods, or if KE Elektronik specifies the entire design and/or manufacture, but the cause of the infringement lies within the Seller's sphere of control and organisation.
2. If the sale and/or use of the goods is prohibited or, in KE Elektronik's assessment, is likely to be prohibited, the Seller shall, at KE Elektronik's option and free of charge to KE Elektronik, either procure the necessary licences for the continued use of the goods by KE Elektronik or its customers, or replace the goods with equivalent goods that do not infringe third-party IP rights, or modify the goods in such a way that they no longer infringe third-party IP rights.
3. The claims under this Article XII.1 and XII.2 shall not exist if the Seller was not aware of the conflicting IP rights and would not have had to be aware of them even by exercising the diligence of a prudent businessman. Other statutory claims of KE Elektronik shall remain unaffected.
4. The Seller acknowledges KE Elektronik's ownership of and rights in the marks, logos, document designations and packaging designs used for the goods. It shall not use or permit the use of those marks, logos, designations or packaging designs, or similar marks, logos, designations and packaging designs. The Seller's obligations under these Purchasing Conditions shall continue to apply even after expiry or termination of the relevant order.
5. KE Elektronik shall be entitled, at its own discretion, to adapt, convert, redesign, repair, restore, modify or otherwise technically alter the goods supplied by the Seller, as well as the tools, devices, machines, moulds and other means of production provided, manufactured or intended by the Seller for KE Elektronik, insofar as this is necessary or expedient for the fulfilment of KE Elektronik's technical, qualitative or product-specific requirements. These measures may be carried out by KE Elektronik independently and without the Seller's involvement or prior consent. KE Elektronik shall have no obligation to inform the Seller of any changes made. No claims whatsoever of the Seller against KE Elektronik shall arise from the aforementioned measures. In particular, the changes shall not give rise to: (i) claims for remuneration, reimbursement or participation in conversion costs, (ii) claims for participation in development or modification processes, (iii) claims relating to warranty, intellectual property rights or ownership rights/positions. Mandatory statutory rights shall remain unaffected to the extent that derogation therefrom would not be permissible.

#### **XIII. Amendments**

1. KE Elektronik may at any time amend in writing drawings, drafts, specifications, materials, packaging, the delivery time and place, or the mode of transport in respect of the goods. If such amendments increase or reduce the costs or the time required for the Seller's performance in accordance with the order, an appropriate adjustment shall be agreed and the affected order shall be amended accordingly in writing. Any claim by the Seller for a corresponding adjustment must be asserted within 10 (ten) working days after the day on which the Seller was first notified of the amendment and must be substantiated as to amount. Until agreement has been reached on such an adjustment, the Seller shall continue performance of the amended order.
2. The Seller may not make any changes to the design, material, process, procedure or execution unless KE Elektronik has approved this in writing in advance.

#### **XIV. Audit Rights**

KE Elektronik may verify compliance with the terms of the supply contract at the Seller's premises and at the premises of its sub-suppliers and other vicarious agents by means of audits. Such audits shall take place during the Seller's regular business hours following timely prior notice. The requirement of advance notice shall not apply in emergencies. The Seller shall grant comprehensive access to its documentation and processes and shall grant access to its business premises. It shall furthermore use its influence vis-à-vis its subcontractors and other vicarious agents to ensure that they grant comparable rights.

#### **XV. Force Majeure**

1. Force majeure shall mean circumstances caused by natural events, official measures, fire, flooding, explosions, natural disasters, war, pandemics, court orders or injunctions, or other unavoidable events which, through no fault of the Seller, prevent performance and seriously affect the performance obligations and cannot be averted by reasonable, appropriate measures. In such cases, the affected party shall be released from its obligation to perform for the duration and to the extent of the effects. The other party must be informed in writing without delay of the occurrence of the force majeure event, which must be evidenced. KE Elektronik shall be entitled, without prejudice to its other rights, if the disruption to performance caused by the force majeure event lasts longer than two months, to withdraw from the contract in whole or in part and/or to procure the goods itself or through the Seller from other sources and/or to reduce the quantities to be accepted from the Seller without liability. Any obligation to provide a substitute or to accept goods vis-à-vis the Seller shall cease to that extent.
2. If KE Elektronik has to change its delivery schedule due to force majeure and delivery is postponed, the Seller shall hold back those delayed goods in accordance with KE Elektronik's instructions and shall deliver them on KE Elektronik's instructions after the cause of the delay has been eliminated.

#### **XVI. Termination of Contract**

1. Termination by the Seller may only take place by extraordinary termination for good cause, as supply in respect of the delivery items to be supplied must be ensured throughout the entire commissioned period.
2. KE Elektronik may terminate the relevant order or part thereof by written notice to the Seller, subject to a period of notice taking due account of the interests of both parties. Upon receipt of the notice of termination, the Seller shall immediately cease all work under the order and shall ensure that any subcontractors, upstream suppliers and/or sub-suppliers engaged by it cease their work. KE Elektronik shall pay for all goods which (1) were bindingly ordered and ready for dispatch in accordance with the delivery schedule under the relevant order of KE Elektronik before the notice of termination reaches the Seller, (2) comply with all requirements of that order, and (3) are free from all encumbrances.
3. If there is good cause, in particular in the event of delay in delivery, conduct by the Seller in breach of contract, a material deterioration in financial circumstances, insolvency, over-indebtedness, liquidation or dissolution of the Seller, KE Elektronik shall have the right to withdraw from the contract or terminate the contract in whole or in part.

## **XVII. Confidentiality**

During the term of the contract and for five years thereafter, the Seller shall keep confidential all information disclosed by KE Elektronik in connection with the relevant order, in particular product and process drawings, product specifications and KE Elektronik's tools, as well as all information including all documents prepared by the Seller for KE Elektronik in connection with the relevant order, and shall use such information solely for the purpose of performing the relevant order. This shall not apply where the Seller proves that the information was already publicly known at the time of disclosure or use, without its involvement. Without KE Elektronik's prior written consent, such information may not be reproduced, commercially used or made accessible to third parties. The Seller may make such information available, including within its own business, only to those persons who must necessarily be involved in performing the order and whom the Seller has likewise obliged to maintain confidentiality to the same extent. The confidentiality obligation shall also extend to the content of all contracts with KE Elektronik, in particular in the case of the development of new products and the further development of products. The Seller shall be liable for any breach of the confidentiality obligations by itself and for breaches by vicarious agents or other third parties to whom it has made the information accessible.

## **XVIII. Employee Matters**

1. Within the scope of application of the German Minimum Wage Act (MiLoG), the Seller guarantees the timely payment of the minimum wage within its own company and by the subcontractors, upstream suppliers and/or sub-suppliers engaged by the Seller; at a minimum, the requirements of the conventions of the International Labour Organization (ILO) must be complied with.
2. The Seller undertakes to carry out itself the delivery of the goods and the requested services, unless KE Elektronik has expressly approved in writing in advance the commissioning by the Seller of subcontractors, upstream suppliers and/or sub-suppliers.
3. At KE Elektronik's request, the Seller undertakes to submit monthly proof of payment of the minimum wage by itself and by the subcontractors, upstream suppliers and/or sub-suppliers commissioned by it. KE Elektronik shall be entitled to inspect anonymised wage and salary lists of the Seller at any time.
4. Should the Seller or one of its subcontractors, upstream suppliers and/or sub-suppliers breach the contractually assured and statutorily prescribed obligation to pay the statutory minimum wage pursuant to section 1 para. 1 MiLoG, the Seller undertakes to bear any and all costs incurred if KE Elektronik is held liable pursuant to section 13 MiLoG.
5. In order to secure its claims, KE Elektronik reserves the right to require the Seller at any time to provide security, for example a bank guarantee.

## **XIX. Compliance**

The Seller undertakes to comply with KE Elektronik's Code of Ethics as applicable from time to time, available at [<https://www.amphenol.com/docs/code-of-business-conduct-and-ethics>]. A breach by the Seller or its subcontractors or other vicarious agents of the principles contained in this clause shall entitle KE Elektronik, without prejudice to further rights, to terminate the relevant contract after the unsuccessful expiry of a reasonable grace period set for remedy. KE Elektronik and its affiliated companies shall furthermore be indemnified and held harmless against all claims, damages, costs and expenses, including reasonable legal enforcement costs, in connection with such a breach.

## **XX. Insurance**

1. The Seller shall maintain insurance cover customary in the automotive industry on a global basis, in particular public liability insurance, product liability insurance, recall insurance and property damage insurance, including contractual liability insurance in an amount sufficient to cover the Seller's obligations under the relevant order, in an amount appropriate in relation to its obligations and, if applicable, to be agreed with KE Elektronik, shall ensure and maintain such cover, and shall provide evidence thereof upon request. As evidence of such insurance cover, the Seller shall submit certificates without delay upon request.
2. Any items supplied by KE Elektronik shall be comprehensively insured against damage and destruction. Evidence of the insurance cover shall be provided to KE Elektronik upon request.

## **XXI. Final Provisions**

1. Exclusive jurisdiction for all disputes arising out of or in connection with the relevant order, including its existence, shall lie with the courts having jurisdiction at KE Elektronik's registered office. However, KE Elektronik shall also be entitled to sue the Seller at its registered office. The contract shall be governed by German law, excluding its conflict-of-laws provisions and the United Nations Convention on Contracts for the International Sale of Goods (CISG).
2. The place of performance (named place of destination) shall be the place at which, according to KE Elektronik's specifications, the goods are to be delivered or the service is to be performed. The place of payment shall be Kressberg-Marktlustenau or the respective registered office of the companies affiliated with KE Elektronik, insofar as these place orders with the Seller with reference to these Purchasing Conditions.
3. If any provision of these Purchasing Conditions is or becomes invalid, the validity of the remaining provisions of these Purchasing Conditions shall remain unaffected thereby. The parties are obliged to commence negotiations on replacing the invalid provision with another provision corresponding to the original objectives of the parties.