

## ORDER TERMS AND CONDITIONS

### 1. ENTIRE AGREEMENT, ORDERS AND ACCEPTANCE

- 1.1. All shipments and services shall be subject to these terms and conditions as well as to the terms of the applicable purchase order ("Order"). Any deviations, amendments or contrary terms and conditions of Seller shall apply only if these are expressly marked as a "counter-offer" and if these are accepted in writing by LGI; this stipulation shall be revocable in writing only. This applies even if LGI executes the Order without reservation despite knowledge of contrary or different conditions of Seller.
- 1.2. All references in the Order to "LGI" shall mean only the LGI entity issuing the Order.
- 1.3. Place of Performance shall be LGI's "ship to" address as identified on the face of the Order.
- 1.4. Seller hereby consents to the storing of data required for the handling of the Order.
- 1.5. Only written orders signed by LGI are binding. This stipulation extends to any typed order placed by LGI even if the typed order expressly states that a signature is dispensable. Seller shall confirm acceptance of the Order in writing or by shipment of the ordered goods or by initial partial shipment. Orders placed orally, by telephone, by telex or by fax require written confirmation by LGI, e.g. by an order form marked "for confirmation only". Seller shall ensure that this does not result in double shipments. In the event of any double shipment, LGI reserves the right to return any surplus at the expense and at the risk of Seller.

### 2. PRICES AND PAYMENT

- 2.1 Seller shall sell to LGI the goods ("Goods") or services ("Services") shown on the face of the Order at the prices specified. Except as otherwise provided in the Order, such prices are inclusive of applicable freight charges and exclusive of duties. All agreed-upon prices are firm and net of Value-Added-Tax (VAT). Any VAT due is to be specified as a separate item on the invoice. All prices include packaging, unless agreed otherwise. All Goods with a non-European-Union (EU) origin are to be supplied duty-free. In the case of a duty-free (Art. 41a UStDV) or of an intra-Union (Art. 28 c, A, (a), VI. EU Directive) supply of Goods, the Seller's invoice shall be issued without VAT. LGI's Value-Added Tax Registration Number (VAT REG NO) is specified below the invoice address on the Order. The applicable VAT REG NO of LGI shall be specified on all invoices for intra-Union supplies of Goods made to LGI. Our VAT REG NO is hereby deemed to be duly communicated to Seller.
- 2.2 Unless indicated otherwise on the face of this purchase order, payments shall be rendered within fourteen (14) days at 3 % discount or net within thirty (30) days. The payment period shall commence upon receipt by LGI of an appropriate invoice from Seller but not prior to delivery or acceptance of the Goods or Services. The payment period will be extended accordingly if Section 3.5 is not fulfilled. Should defective delivery occur, the payment period commences with the Seller's rectification date thereof.
- 2.3 Payment by LGI will not constitute acceptance of Goods and/or Services, nor impair LGI's right to inspect Goods and/or Services, or invoke any of its remedies.

### 3. SHIPMENT AND DELIVERY

- 3.1 If the ordered Goods are not delivered or the Services not provided on the confirmed date, LGI is entitled - without further proof - to claim default damages of 3 % of the total amount of the Order. The enforcement of proven other delay damages as well as the right to withdraw the respective Order are not affected hereby. This does not apply if the delay results from events for which Seller is not responsible. If installation or assembly of Goods or if provision of Services is necessary or agreed upon, the delivery is considered to be on time when officially accepted by LGI; otherwise, when Goods arrive at the designated point of receipt. Seller is required to immediately report to LGI any possible circumstances which could have a detrimental impact on the fulfillment of the Order. If only a portion of Goods is available for shipment to meet the Delivery Date, Seller shall ship the available Goods unless directed by LGI to reschedule the delivery.
- 3.2 If due to Seller's failure to timely ship Goods the specified method of transportation would not permit Seller to meet the Delivery Date, the Goods affected shall be shipped by fastest method accepted by LGI. Seller shall pay for any resulting increase in the cost of freight incurred over that which would have been incurred by the specified method of transportation.
- 3.3 Shipments of Goods from a Member State of the European Union shall be DDP (Incoterms 2000), in all other cases CIP (Incoterms 2010) unless otherwise agreed. Risk of loss and damage shall pass as per the agreed Incoterm.. When a delivery includes installation by Seller, the risk of loss is transferred to LGI when the Goods are ready for first use. Section 5.4 shall remain unaffected thereby.
- 3.4 Seller undertakes to comply with all duties due to the German Law concerning minimum wages (Mindestlohngesetz - „MiLoG“) and guarantees, that its sub-contractors will also pay their employees in accordance with the MiLoG in the case that those employees are providing labor performances' in Germany and undertake to comply with the obligations due to the MiLoG. In addition the MiLoG terms and conditions for LGI Contractors ([www.lgi.de/online-services/](http://www.lgi.de/online-services/)) will apply.
- 3.5 Seller shall indemnify LGI from all and any claims asserted by third parties, including claims for compensation, fines and cost concerning the assertion of rights, because the contractor has violated its obligations agreed upon in these terms and conditions, especially with regard to its duties in accordance with the MiLoG or because contractor's sub-contractors violated their duties with regard to the MiLoG. Seller shall be obliged to pay a penalty in the amount of 5.000,00 EUR for any case of culpable violation of respective duties due to the MiLoG or due to these terms and conditions in relation to the MiLoG.
- 3.6 Seller shall package and handle the Goods so as to protect the Goods from loss or damage, in conformance with good commercial practice, LGI specifications, and government regulations. Until the Goods are delivered to the LGI "ship to" address, Seller shall be responsible for any loss or damage due to Seller's failure to properly package or handle the Goods.

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- 3.7 Each delivery of Goods to LGI shall include a detailed shipping notice or a delivery note at the Place of Performance. All shipping documents, delivery notes, packing lists and invoices shall contain at least the following: (i) the LGI-transaction number, (ii) the LGI part number and (iii) the quantity shipped. Failure to comply with these regulations may result in delayed acceptance and/or delayed payment. In such cases, LGI is entitled to refuse acceptance of delivery.
- 3.8 Only Goods that have been determined and tested for quantity and conditions by LGI's Incoming Inspection Department will be considered officially delivered and relevant for invoicing.

### 4. CHANGES

- 4.1 LGI may without charge change or cancel any portion of this Order if LGI gives Seller reasonable notice.
- 4.2 If LGI changes or cancels any portion of this Order, LGI shall pay, up to the Order value, the actual costs incurred by Seller as a direct result of such change or cancellation which are not recoverable by Seller through commercially reasonable mitigation measures. LGI is entitled to demand the surrender and the transfer of title in regard of the Goods paid for by LGI.
- 4.3 LGI may, effective upon notice to Seller, change LGI's designs or specifications at any time. If any such change directly affects the prices or delivery schedules of Goods or Services, an equitable adjustment shall be made provided that Seller makes a written claim for an adjustment prior to shipment of the Goods or provision of the Services. If the parties are unable to agree upon the amount of the adjustment, either party is entitled to terminate this Order as to all Goods and Services affected. Such cases shall be subject to Section 4.2.
- 4.4 Seller shall not, without the prior written consent of LGI, make any process or design changes affecting the Goods. Such consent is not required for changes that have no impact on the fitness of the Goods for the purpose intended by LGI or on the quality of the Goods. In this case it is sufficient if Seller informs LGI prior to any change.
- 4.5 Any forecasts provided by LGI are only an accommodation to Seller and shall not constitute a commitment of any type by LGI.

### 5. QUALITY AND RIGHTS DUE TO DEFECTS (WARRANTY)

- 5.1 Seller shall maintain an objective quality program for all Goods and Services, e.g. compliant to ISO 9000 or to Computer Industry Quality Conference (CIQC) Standard 0002. Seller shall, upon LGI's request, provide LGI with copies of Seller's program and supporting test documentation.
- 5.2 All Goods and Services shall conform strictly to the LGI specifications and LGI part descriptions and shall comply with the latest approved technical guidelines and pertinent safety recommendations (VDE, VDI, DIN, etc.) and regulatory codes.
- 5.3 The warranty period for Services and for delivered and/or installed Goods shall be twenty-four (24) months following receipt or acceptance of the Goods/Services.
- 5.4 Visible defects of the delivered Goods will be brought to Seller's attention by LGI within one (1) month after delivery to the LGI "ship to" address. Hidden defects of the delivered Goods will be brought to Seller's attention by LGI within two weeks (2) after discovery.
- 5.5 If Seller provides non-complying goods or services, seller provides, according to LGI's choice, rectification and/or supply of complying goods.
- 5.6 Seller can only refuse rectification and/or supply of complying goods in case of disproportional costs. In this case, it is to consider the value of the complying goods, the relevance of the defect and the question whether it is possible to come back to another kind of replacement without any disadvantage for LGI.
- 5.7 Seller shall bear all costs (i.e., for transportation, labor and materials) arising from the replacement of defective parts.
- 5.8 If the seller cannot fulfill replacement, LGI may set an adequate time limit. After expiration of that time limit, LGI may withdraw and return the goods at seller's risk and expenses. In urgent cases, LGI or a third party may undertake remedies of defects after seller's approval. The costs shall be born by the seller. In case of imminent danger, approval is not necessary.
- 5.9 A time limit according to 5.8. is not necessary, if seller refuses both kinds of replacement, or if both kinds of replacement fail or are not reasonable for LGI. A replacement is considered to have failed after the second unsuccessful attempt, if there is no other result, especially from kind of the defect or other circumstances. A claim for damage will be unaffected.
- 5.10 Seller is obliged to indicate a damage of the goods already delivered to LGI. It doesn't make any difference whether the warranty period has already expired or not.

### 6. Handing-over of tools, materials, etc.

- 6.1 Seller shall report immediately any defects which may occur regarding tools, material or parts provided by LGI to fulfil the Order. Defective material may only be processed in accordance with instructions of LGI. Seller is liable for the proper treatment of the material submitted to Seller for processing and refining. If LGI material becomes useless due to Seller's negligence, LGI will replace the damaged Goods at the expense of Seller.
- 6.2 All drawings, documents, models, devices, tools, equipment and material, provided by LGI for the fulfillment of the contract remain the sole property of LGI. They are to be clearly marked as being the property of LGI and are only allowed to be passed on to a third party with the prior written approval of LGI. Damages to this property have to be repaired by Seller at Seller's expense. These items may only be used for the performance of this contract and are to be returned immediately if requested by LGI. Any work performed on material supplied by LGI will be carried out for and on behalf of LGI. LGI shall be the sole owner of the products produced in this way. This also applies with regard to the merging and integration of products and materials.

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### 7. INTELLECTUAL PROPERTY AND CONFIDENTIAL INFORMATION

- 7.1 In case of any infringement of patents, copyrights, trademarks, or any other intellectual property rights of a third party, Seller will - at Seller's expense - procure the right for LGI and its affiliates, subsidiaries, assigns, subcontractors, and customers to continue using the infringing Goods/Services. If Seller is unable to do so, Seller shall - at Seller's expense - modify or replace the affected Goods/Services such that it is non-infringing; however, such measures shall have no impact on compliance with the specifications set forth in the Order. LGI is entitled to withhold due payments until such point in time. Seller will assume the liability under law in case of any infringement of all and any intellectual property rights.
- 7.2 Seller shall remove from all Goods rejected, returned or not purchased by LGI, LGI's marks prior to any other sale of such Goods by Seller.
- 7.3 In the course of the contractual relationship, Seller agrees to treat all confidential information obtained from LGI strictly confidential and will not pass it on to a third party, unless LGI officially releases that information or it becomes generally known to the public without breach of duty on the part of Seller. Seller will neither use this confidential information outside of the contractual relationship nor for his own benefit. This obligation on the part of Seller shall lapse 3 years after receipt of the last information from LGI.
- 7.4 Access to LGI's information systems is limited to those specific information systems, time periods, and personnel authorized by LGI. LGI may audit Seller to verify compliance. Seller warrants that each employee, agent or subcontractor who performs work under this Agreement has been informed of the obligations contained herein and has agreed to be bound by them.

### 8. LEGAL COMPLIANCE

- 8.1 Seller shall (i) comply with all national, European international, foreign, state, and local laws, rules, and regulations applicable to Seller's obligations under this Order as well as with the latest approved technical guidelines and the pertinent safety recommendations, and (ii) furnish to LGI any information required to enable LGI to comply with such laws, rules, and regulations in its use of the Goods and Services.
- 8.2 Seller warrants that all EU Material Safety Data Sheets required to be provided by Seller for Goods shall be provided to LGI prior to or together with shipment of the Goods and shall be complete and accurate.
- 8.3 In connection with providing Goods and Services to LGI, Seller shall comply with Customs-Trade Partnership Against Terrorism (C-TPAT) or equivalent supply chain security measures. When requested by LGI, Seller shall demonstrate compliance by providing certification thereof to LGI.
- 8.4 Supplier shall comply with LGI's code of conduct for suppliers of the LGI Group (<https://www.lgi.de/en/downloads/lgi-terms-of-service/>).
- 8.5 The supplier is committed to comply with the LGI House Regulations (<https://www.lgi.de/en/downloads/lgi-terms-of-service/>) at the respective Place of Performance.
- 8.6 Seller shall provide Goods' material chemical composition data upon request to verify compliance with applicable product chemical content restrictions.
- 8.7 The supplier endeavours to comply with ISO 9001 and ISO 14001.

### 9. EU SANCTIONS AND ANTI-TERRORISM LISTS

Seller represents and warrants to have no knowingly contact regarding the exchange of goods, rendering of services or providing financial resources to companies, entrepreneurs, persons and organizations, which are listed in the sanctions lists e.g. in accordance with European Community Regulations No. 2580/2001 ("Suspected Terrorists"), No. 881/2002 ("Al-Qaeda"), No. 753/2011 ("Afghanistan"), and No. 208/2014 ("Ukraine") or which are located in, resident in, incorporated or organized under the laws of, or owned or controlled (directly or indirectly) by, or acting on behalf of, any Sanctioned Country (at this time, including but not limited to, Crimea, Cuba, Iran, North Korea, South Sudan, Sudan and Syria), located in, domiciled in, incorporated or organized under the laws of, or doing business or operating from, any sanctioned country, or owned or controlled (directly or indirectly) by any person or entity specified in such regulations or sanctioned countries. If Seller intends to comply with any contractual or statutory obligation via third party-use, Seller has to ensure such third party is not listed within any current sanctions and anti-terrorism lists of the EU and to refrain from third party-use otherwise.

### 10. IMPORT REQUIREMENTS

- 10.1 Upon LGI's request, Seller shall provide LGI with appropriate certification stating the country of origin of the Goods.
- 11.1 Seller shall mark every Good (or the Good's container if there is no room on the Good itself) with the country of origin.

### 11. PRODUCT STEWARDSHIP

- 11.2 Seller shall accept back, free of charge, any material included in the products and packaging returned, with freight costs refunded by LGI, from any country that legally requires product take back.
- 11.3 Seller shall, upon request, provide available environmentally related information regarding all materials included in the products and packaging that Seller ships to LGI. All Goods and their packaging shall comply with all applicable environmental, health and safety (EHS) laws, rules and regulations, including The General Specification for the Environment (GSE) DWG A-5951-1745-1 which is available on request.

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### **12. Compliance with the requirements of the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz - LkSG)**

- 12.1 The Seller undertakes to comply with the prohibitions and requirements standardised in the LkSG both in its own operations and, within the framework of the provision of services, to work exclusively with suppliers who undertake to comply with the standards of the LkSG.
- 12.2 LGI is entitled to check the Seller's compliance with the above-mentioned obligations on site if there is sufficient cause to do so. Sufficient cause exists, among other things, if in the opinion of LGI a significantly changed or expanded risk situation must be expected at the Seller. The Seller must grant LGI reasonable access to the relevant areas and documents and ensure that the Seller's employees provide LGI with the necessary information completely and truthfully. An inspection is to be announced by LGI in good time in advance. Unless otherwise agreed, the inspection is to be carried out during the Seller's normal business hours and should not essentially impair the Seller's business processes. If the inspection shows that the obligations are not complied with by the Seller as intended, the Seller will comply with the obligations within a reasonable period and prove this to LGI.
- 12.3 In the event that the violation of a legal position protected in the LkSG is very serious, the remedial concept has remained ineffective, no milder means are available and further influence appears futile, LGI is entitled to terminate individual or all contracts not yet completely fulfilled without notice or to withdraw from them. LGI expressly reserves the right to assert claims for damages.

### **13. FORCE MAJEURE**

In case of non-compliance with deadlines due to an act of God or force majeure (e.g. pandemic, epidemic, cyber- or ransomware attacks, war, riot, strike) or other events for which LGI is not responsible, such deadlines are extended by a time period equal to the time period during which the aforementioned event or its effects persist. If an aforementioned event results in damage or additional expenses, the liability of LGI for such damage shall be excluded and any additional expenses shall be borne by the Seller.

### **14. MISCELLANEOUS**

- 14.1. Neither LGI nor Seller shall delegate any duties or assign any rights under this Order. This shall not apply for assignments within the LGI group of companies. Besides that the awarding of subcontracts by Seller shall be allowed subject to LGI's prior written approval.
- 14.2. This Agreement shall be governed by the laws of the country where the LGI entity issuing the Order is located as identified on the Order. Seller hereby consents to the jurisdiction and venue of such courts. The Uniform Laws of the United Nations Convention of Contracts for the International Sale of Goods shall not apply.
- 14.3. Seller shall provide LGI written advance notice of all Goods' discontinuances within a reasonable time frame in order to enable LGI to procure substitutes. At a minimum, such notice shall include: LGI part numbers, planned substitutions, and last order and shipment dates; this applies to Services *mutatis mutandis*.