

General Terms and Conditions of Sale

I. Scope of application

1. These General Terms and Conditions of Sale apply to all sales, deliveries and other services of **KOSTAL Kontakt Systeme GmbH & Co. KG and its affiliated companies of the business unit Connectors** ("KOSTAL"). However, they only apply if the customer ("CUSTOMER") is an entrepreneur, a legal entity under public law or a special fund under public law.
2. Insofar as deviating agreements have been made in writing, these shall take precedence and replace in whole or in part or supplement the following terms and conditions. The written form is also complied with in text form or digital form.
3. General terms and conditions of the CUSTOMER, which have not been expressly accepted shall not become part of the contract even if they have not been rejected in detail or delivery orders are processed in the knowledge of deviating conditions.
4. These General Terms and Conditions of Sale shall also apply to all future transactions, even if this is not expressly stated at the time of their conclusion.

II. Conclusion of contract

1. KOSTAL's quotations are always subject to change and non-binding, unless they are expressly marked as binding or contain a specific acceptance period.
2. An order comes into effect with the written order confirmation from KOSTAL, but at the latest with the delivery of the goods to the CUSTOMER.

III. Terms of delivery

1. Unless otherwise agreed, delivery shall be made "Free Carrier (FCA, Incoterms 2020) Zum Timberg 2, Lüdenscheid".
2. Pallets, containers or other reusable containers remain the property of KOSTAL and are to be returned to the place of delivery free of charge after consultation. Disposable packaging will not be taken back.
3. Delivery dates promised by KOSTAL are always only approximate. This does not apply if a fixed delivery date has been expressly promised or agreed. If KOSTAL undertakes to transport the goods in deviation from the aforementioned Incoterm and if part of the transport route is by sea freight, the delivery dates are always non-binding.
4. Delivery in parts is permissible, unless delivery in parts is unreasonable for the CUSTOMER, taking into account the interests of KOSTAL.
5. In the event of delays in delivery, KOSTAL will only be in default following a reminder from the CUSTOMER, unless a fixed delivery date has been expressly agreed.
6.
 - a. The CUSTOMER shall not directly or indirectly sell, export or re-export to the Russian Federation or for use in the Russian Federation any goods supplied under this contractual agreement which fall within the scope of Article 12g of Council Regulation (EU) No 833/2014.
 - b. The CUSTOMER shall use its best efforts to ensure that the purpose of section III. 6. a. is not frustrated by third parties or by other customers in its supply chain, including potential resellers.
 - c. The CUSTOMER shall establish and maintain an appropriate monitoring mechanism to detect conduct by third parties in the downstream supply chain, including potential resellers, that would frustrate the purpose of section 6. a..

- d. Any breach of section 6. a., b. or c. shall constitute a material breach of a material element of the contract and KOSTAL shall be entitled to seek appropriate remedies, including but not limited to:
- termination of the contract without notice; and
 - liquidated damages in the amount of 10 % of the total value of the contract or the price of the exported goods, whichever is greater.
- e. The CUSTOMER shall notify KOSTAL immediately of any problems in the application of section 6. a., b. or c., including any relevant third party activities, which may frustrate the purpose of section 6. a. The CUSTOMER shall provide KOSTAL with information on compliance with the obligations under section 6. a., b. and c. within two weeks of the simple request.

IV. Prices, Terms of payment

1. The prices valid at the time of delivery shall apply plus the statutory value added tax due in each case. Unless otherwise agreed, customs duty, freight, postage and insurance as well as packaging and material surcharges may be charged additionally.
2. KOSTAL reserves the right to adjust prices appropriately in the event of any cost reductions or cost increases occurring between order and delivery, e.g. due to collective wage agreements or changes in the price of materials.
3. Unless otherwise agreed, payments are due within 30 days of the invoice date without deduction.
4. The CUSTOMER shall only be entitled to withhold payments or offset them against counterclaims to the extent that his counterclaims are undisputed or have been legally established.

V. Retention of title

1. Until payment has been rendered in full, KOSTAL shall retain ownership of all goods it has supplied. All deliveries made shall be deemed to be a contiguous supply transaction. If the CUSTOMER has a current account, retention of ownership shall also be deemed to be collateral for the debit balance of all amounts owed in connection with the business relationship.
2. The CUSTOMER has the right to process and sell the goods supplied, within the normal course of business. Such processing and sale of goods shall be deemed to be on behalf of KOSTAL.
3. If the goods supplied are inseparably mixed or processed with other objects, which do not belong to KOSTAL, KOSTAL shall become a co-owner of the resultant goods in the ratio of the invoiced value of the goods to which title is reserved, to the value of the resultant goods. If the CUSTOMER sells the goods or the items made with the goods, then the receivables arising from such sales shall be assigned proportionately to KOSTAL as collateral. The CUSTOMER hereby assigns, as advance collateral to KOSTAL, the ownership of the goods, the right to recovery of such goods, and the claim to compensation for loss or damage, and KOSTAL hereby accepts such assignment. The CUSTOMER shall provide information in this regard at any time on request.
4. The CUSTOMER has the right to collect the receivables, which have been assigned to KOSTAL. He does not have the right to dispose of the receivables in any other way, e.g. in the form of assignment to third parties, pledge, gift, remission, etc.
5. If the CUSTOMER fails to honor his contractual obligations (in particular his obligation to make payments), KOSTAL may revoke the authorization to collect outstanding amounts and require the CUSTOMER to notify the debtors of the assignment of receivables.

6. If goods or rights included in KOSTAL's retention of title are attached by way of execution, or if an application is made for insolvency proceedings against the CUSTOMER's assets, or if composition or deferral proceedings are conducted due to the threat of inability to pay, KOSTAL shall be informed thereof without delay.

VI. Warranty

1. The CUSTOMER's warranty rights in the event of material defects and defects of title shall be governed by the statutory provisions, unless otherwise stipulated in these General Terms and Conditions of Sale.
2. The CUSTOMER shall notify KOSTAL within two working days at latest after receipt of goods of any obvious damage to packaging and goods, any inconsistencies between the items delivered and the delivery note, the article numbers or article descriptions in the order, as well as any differences in quantity. Otherwise, any defects in the items delivered shall be notified, with a clear description of the defects, as soon as such defects are discovered in the course of proper business procedures. The CUSTOMER must send any notification of defects to KOSTAL without delay and in the form of written text.
3. If a defect is discovered, KOSTAL must be given the opportunity, within the framework of the reasonable course of business, to sort out defective goods, remedy them or deliver faultless goods before the start of production (processing or installation). KOSTAL may determine the form of remediation of a defect at its own discretion.
4. Claims for defects expire 24 months after delivery, unless mandatory statutory regulations provide for a longer warranty period.

VII. Industrial property rights

1. All existing industrial property rights, copyrights, results or other intellectual property rights (know-how) or those arising in the course of order processing to the goods and services supplied by KOSTAL remain or arise with KOSTAL. This also applies if the goods are adapted to customer specifications or development services are provided by KOSTAL, irrespective of whether the CUSTOMER makes a corresponding reimbursement of expenses. Rights of use to development results are only granted to the CUSTOMER by express written agreement. A tacit granting or transfer of rights is excluded.
2. The right of the CUSTOMER to use the goods supplied by KOSTAL as intended remains unaffected by this.
3. KOSTAL reserves all property rights, copyrights and other industrial property rights to technical documentation (e.g. drawings, plans, calculations, costings), catalogs, other product descriptions and other documents.
4. Industrial property rights, technical information, specifications or other requirements, which the CUSTOMER makes available to KOSTAL for the execution of the order (CUSTOMER IP) remain the property of the CUSTOMER. The CUSTOMER shall be liable for any infringement of third-party rights by the CUSTOMER IP, insofar as KOSTAL is not solely or partly at fault in the form of intent or gross negligence. In such cases, the CUSTOMER is obliged to indemnify KOSTAL against all third-party claims.

VIII. Liability

1. In the event of a delay in delivery, KOSTAL's liability shall be determined in accordance with the statutory provisions. KOSTAL shall not be liable for damages arising from production or business interruptions, loss of profit or other indirect damages. In the case of slight negligence, compensation for damages is limited to additional freight costs, retrofitting costs and, after a grace period has been set to no avail or if interest in the delivery ceases to exist, to the additional expenses for covering purchases.
2. KOSTAL is liable without limitation for damages arising from the breach of a guarantee or from injury to life, limb or health. The same applies to intent and gross negligence or where KOSTAL has assumed a procurement risk. KOSTAL is only liable for slight negligence if essential obligations are breached which arise from the nature of the contract and which are of particular importance for achieving the purpose of the contract. In the event of a breach of such obligations, default and impossibility, KOSTAL's liability is limited to such damages as are typically to be expected within the scope of this contract. Mandatory statutory liability for product defects remains unaffected.
3. The obligation to pay compensation is excluded or limited insofar as the CUSTOMER has effectively excluded or limited his liability towards his customer. The CUSTOMER shall use best efforts to agree limitations of liability to the extent permitted by law, also in favor of KOSTAL. He is obliged to provide KOSTAL with information.
4. To the extent that KOSTAL's liability is excluded or limited, this shall also apply to the personal liability of KOSTAL's employees, representatives and vicarious agents.
5. In determining the amount of the claims, the economic circumstances of KOSTAL, the nature, scope and duration of the business relationship, any contributions to causation and/or fault on the part of the CUSTOMER in accordance with § 254 BGB and a particularly unfavorable installation situation of the supplied part shall be taken into account appropriately in favor of KOSTAL. In particular, the compensation, costs and expenses to be borne by KOSTAL must be in reasonable proportion to the value of the supplied part

IX. Force majeure

1. Force majeure, riots, epidemics, pandemics, official measures, prohibitions, expropriations or concessions by government agencies, embargoes, fire, natural disasters, labor disputes (caused by or involving employees of the defaulting party or its suppliers) and other unforeseeable, despite preventive risk and supplier management customary in the industry, beyond the reasonable control of the contracting parties or are otherwise unavoidable and serious events, shall release the contracting parties from their performance obligations for the duration of the disruption to the extent of their effect. This shall also apply, if these events occur at a time when the affected contracting party is in default.
2. If the disruption occurs, the affected contracting party is obliged to provide the other contracting party with all necessary information about the extent and expected duration of the disruption without undue delay. The contracting parties shall make every reasonable effort to avert or minimize the disruption.

X. Confidentiality

1. "Confidential Information" means all information and documents of a contracting party which are marked as confidential or which are to be regarded as confidential from the circumstances of the disclosure and disclosed in connection with the respective contract between the contracting parties, in particular but not limited to commercial, technical and business information and data, know-how, ideas, concepts, designs, specifications, notes, (protectable) inventions, software, drawings, plans, products, samples, objects, formulas, patterns, trade secrets, programs, methods, techniques, processes, compilation, manuals, personal data.
2. During the term of the respective contract and also thereafter for an unlimited period of time the contracting parties undertake to

- a. handle the Confidential Information with confidence as if it were its own Confidential Information, but not less than a reasonable degree of care as it is expected for information in the same kind in that specific branch,
 - b. take appropriate confidentiality measures to safeguard any Confidential Information from unauthorized disclosure or use and to store and save all Confidential Information in a secure manner, in particular not being accessible to others,
 - c. use the Confidential Information only for the purpose of the respective contract,
 - d. not disclose Confidential Information to any third party without the prior written consent of the contracting party disclosing the Confidential Information and
 - e. not reverse engineer Confidential Information, which is not publicly available.
3. Confidential Information shall be exempt from the obligations of confidentiality in clause X. 2.,
- a. which was demonstrably already lawfully known to the receiving contracting party at the time of conclusion of the respective contract without any duty of confidentiality or subsequently becomes known to it from a third party without violating a confidentiality agreement, statutory provisions or official orders,
 - b. which is already public knowledge at the time of conclusion of the contract or is made public thereafter, insofar as this is not based on a breach of these General Terms and Conditions of Sale or the respective contract between the contracting parties,
 - c. which is independently developed without knowledge of or access to the Confidential Information, or
 - d. which is required to be disclosed by law or by order of a court or public authority. To the extent permissible and possible, the receiving contracting party obliged to disclose shall inform the other contracting party in advance without undue delay and give it the opportunity to oppose the disclosure. In the event that this is not possible, disclosure shall only be made to the extent that this is legally required and confidential treatment of the Confidential Information has to be ensured. In case of doubt, the exemption from the obligations of confidentiality shall only apply towards the requesting institution.
4. Confidential Information can be disclosed to employees, consultants and advisors of the receiving contracting party, to Affiliates of the receiving contracting party including the Affiliates employees, consultants and advisors as well as to own contractors, but only if they
- a. have a need-to-know the Confidential Information to fulfil the purpose of the contract,
 - b. will be advised of the confidential nature of the Confidential Information,,
 - c. are bound to confidentiality obligations not less restrictive than in these General Terms and Conditions of Sales, and,
 - d. are not a competitor of the disclosing contracting party.
5. Confidential Information is and remains the property of the contracting party, which discloses it. Unless otherwise agreed, no rights or licenses with respect to Confidential Information are granted neither explicitly nor implicitly. The receiving contracting party is in particular not allowed to submit any applications for Confidential Information of the disclosing contracting party.
6. Confidential Information including all kind of copies or duplicates of the same shall be returned or destroyed upon respective request, unless it concerns routinely made back-up copies of electronic data transfer and one copy that has to be retained according to mandatory law.
7. Objects manufactured according to specifications, drawings or models or with the aid of tools and production equipment paid for by KOSTAL may not be offered, sampled or supplied to third parties without its approval.

8. KOSTAL reserves the right to register industrial property rights and to exploit rights of use to its objects and Confidential Information.
9. The CUSTOMER may not advertise his business relationship with KOSTAL without written consent.

XI. Final provisions

1. Unless otherwise agreed, the place of performance is the place from which KOSTAL delivers.
2. If the CUSTOMER is a merchant, a legal entity under public law or a special fund under public law, the exclusive - also international - place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship is Lüdenscheid, Germany. KOSTAL is, however, entitled to sue the CUSTOMER at any other permissible place of jurisdiction. Mandatory statutory provisions on exclusive places of jurisdiction remain unaffected.
3. German law shall apply exclusively. The applicability of the United Nations Convention on Contracts for the International Sale of Goods of April 11, 1980 (CISG) shall not apply.
4. Should any provision of these General Terms and Conditions of Sale be or become invalid or unenforceable, the contracting parties undertake to agree on a legally valid provision in its place, which comes closest to the recognizable intention of the contracting parties. If it is not possible to determine such a provision, the relevant provision of German law shall take its place. However, the overall validity of the remaining provisions shall remain unaffected by the invalidity of an individual provision.