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1. Area of applicability

- 1.1 The GTSDs apply for the delivery of products and services "Supplies" of HEITEC AG Geschäftsgebiet Elektronik, Dr.-Otto-Leich-Straße 16, 90542 Eckental, Germany ("HEITEC"), which are provided as a result of a contract with a company ("the customer").
- 1.2 Any conditions which differ from these GTSDs shall not apply unless HEITEC has expressly agreed to the differing conditions.

2. Offers

- 2.1 HEITEC shall be bound by its offer for a period of 45 calendar days with effect from the date of the offer.
- 2.2 Any services which are provided by HEITEC in advance, as part of an offer and at the wish of the customer, shall be charged by HEITEC, even if a contract is not concluded.
- 2.4 HEITEC shall retain the right of property and copyright to any CAD files, design documents, outlines, illustrations, plans, diagrams, calculations etc. ("documents") which form part of the offer.
- 2.5 Details of the quality of shipments from HEITEC shall be exclusively and conclusively determined by the product information contained by HEITEC in its catalogue: Electronic Packaging Systems ("[EPS catalogue](#)") and in the internet at www.heitec.de/de/produkte ("Quality details").

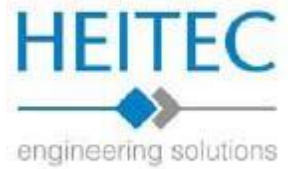
3. Customer orders

- 3.1 The customer shall provide HEITEC with all necessary documents in good time.
- 3.2 The customer shall bear the responsibility that the rights of no third party are violated by the use and passing on of the documents provided by him, irrespective of the data medium used. The customer shall indemnify HEITEC without delay from any claims arising from third parties.

4. Delivery conditions, transfer of risk

- 4.1 Prices are valid EXW (ex-works) (HEITEC AG, Dr.-Otto-Leich-Straße 16, 90542 Eckental, Germany) as defined by Incoterms® 2010 ("place of performance"), plus packaging costs.
- 4.2 Prices are net prices in euros, plus the Value Added Tax applicable at the time of delivery and without any further discounts.
- 4.3 The goods supplied shall be packed by HEITEC in the manner common in the trade.
- 4.4 Any shipping costs shall be borne by the customer. Transport insurance may be separately arranged at the wish and cost of the customer.
- 4.5 The minimum net order value shall be 50.00 euros.
- 4.6 Partial deliveries by HEITEC are permitted where they are deemed reasonable by the customer.
- 4.7 The transfer of risk to the customer shall take place on provision of the shipment for supply at the place of performance. This shall also apply for deliveries supplies free domicile or where the goods supplied are shipped or collected by the customer.

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5. Payment conditions

- 5.1 Unless otherwise agreed, invoices shall be due for payment immediately without deductions.
- 5.2 The customer may only offset such claims which are uncontested or have been legally established. This shall not apply in cases of claims on HEITEC for the cost of elimination of faults arising from the contract..

6. Delivery time

- 6.1 Adherence to the agreed delivery time shall assume a timely receipt from the customer of those complete documents, required approvals, release declarations which are required to be supplied as well as compliance with the agreed terms of payment and other obligations on the part of the customer. Should these conditions not be fulfilled in good time, the delivery time shall be appropriately extended. This shall not apply if HEITEC is solely responsible for the delay.
- 6.2 If the non-adherence to the agreed delivery time is due to incidents such as natural disasters, mobilisation, war, acts of terrorism, virus and other attacks by third parties on the IT system of HEITEC despite compliance with the necessary protective measures, riots, strikes or lockouts, hindrances caused by German, US-American or other applicable national, EU or international foreign trade legislation, operational disruptions or interruptions to operations, traffic difficulties or comparable incidents for which HEITEC is not shown to be responsible ("Force majeure"), the delivery time shall be appropriately extended. Should the incidents of force majeure last longer than 60 calendar days, HEITEC or the customer shall have the right to completely or partially withdraw from the contract without one party to the contract having, as a result, the right to any claim to damages against the other party to the contract. This shall also apply if the above-mentioned incidents of force majeure occur at a point in time at which HEITEC is behind schedule in its supplies.
- 6.3 If HEITEC falls behind schedule with its supplies, the customer may, where he can credibly establish that he has incurred damage as a result, demand compensation for each complete calendar week of the delay of 0.5 %, however for a maximum total of 5 % of the net price of the part of the supplies which cannot be utilised by the customer as a result of the delay either in time or in accordance with the contract. The obligation for payment of the lump-sum damages assumes that it is proven by the customer that damage has occurred at all but not its extent. HEITEC shall be allowed to produce evidence that a lower amount of or even no damage at all has been incurred by the customer.
- 6.4 Any claims by the customer for damages due to a delay in delivery or for damages in lieu of performance in excess of the limits given in 6.3 shall be also excluded after expiry of any deadline for delivery set by the customer.
- 6.5 Further claims and remedies on the part of the customer due to a delay, in particular due to indirect or consequential damage, loss of profit or interruption to production, shall be excluded. This shall not apply where mandatory liability is due as a result of intent, gross negligence on the part of owners, legal representatives or executives or as a result of culpable damage to life, body and health.
- 6.6 The customer may only withdraw from the contract in cases where HEITEC is responsible for the delay to supplies and the customer has set a reasonable deadline on HEITEC for carrying out the shipments after the maximum level of compensation for delay as given by 6.3 has been reached and the deadline has expired without any success. A change to the burden of proof to the disadvantage of the customer shall not be implied by this.
- 6.7 The customer shall declare on request within a reasonable period of notice whether he will withdraw from the contract as a result of the delay to the shipments or if he will insist on the delivery.

7. Reservation for the obtaining of supplies

If shipments are not available because HEITEC was not supplied by its own suppliers or because stocks for shipment at HEITEC are exhausted, HEITEC shall have the right to supply goods which are equal in terms of quality and price. If this is not possible for HEITEC, HEITEC may withdraw from the contract.

8. Assignment of debt, right of retention

- 8.1 An assignment of claims or other rights arising from the contract concluded with HEITEC shall only be permitted with the written agreement of HEITEC. This shall not apply to claims for money as defined by § 354a of the German Commercial Code (HGB).
- 8.2 The customer may only exercise a right of retention with regard to claims from the same contractual relationship.

9. Reservation of title

- 9.1 HEITEC shall retain the right of ownership of the goods supplied up to the complete fulfilment of the claims arising from of the existing business arrangement with the customer ("goods under retention"). The customer may not damage, amend, remove or conceal any seals, type plates, serial numbers and other markings which are applied by HEITEC, (e.g. CE labels, copyright marks).
- 9.2 Should the value of the secured rights assigned to HEITEC exceed the amount of the secured claims by more than 20 %, HEITEC shall release a corresponding part of the secured rights to the goods under retention at the customer's request; HEITEC shall have the right to choose between various secured rights for release.
- 9.3 The reservation of proprietary rights shall remain in force if individual claims by HEITEC against the customer have been included in a current invoice and the balance has been drawn and acknowledged, unless the balance has been cleared.

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- 9.4 In the event of any breaches of obligation on the part of the customer, in particular in relation to delays in payment, HEITEC shall have the right to demand the surrender of the goods supplied within notification of a reasonable time limit, to withdraw from the contract and to take back the goods under retention; the customer shall be obliged to surrender the goods under retention. The statutory provisions on the dispensability of setting a deadline shall remain unaffected by this.
- 9.5 In the event of any breaches of obligation on the part of the customer, in particular in relation to delays in payment, the enforcement of the retention of title and the associated recovery of the goods under retention by HEITEC does not require a withdrawal from the contract; neither these actions nor a pledging of the goods under retention represent a withdrawal from the contract unless this has explicitly been declared by HEITEC.
- 9.6 The customer is forbidden to carry out either pledging or transfer of security of the goods under retention as long as the reservation of title is in existence. Pledging, confiscation or other dispositions and interventions by third parties must be communicated by the customer to HEITEC in writing without delay. Should the customer breach this obligation, he shall be liable to HEITEC for damages. In the event of a substantiated legitimate interest, the customer must provide the required information to HEITEC without delay for the enforcement of the rights of HEITEC against the third party and issue the required documents.
- 9.7 The customer shall have the right to resell the goods supplied in the regular course of business with the proviso that the customer either receives payment from its client or includes the provision that the property is not transferred to the client until he has fulfilled his payment obligations to the customer.
- 9.8 Should the customer resell the goods under retention, he shall thus assign with immediate effect his future claims from the resale to his client together with all subsidiary rights, including any claims relating to the payment of the balance, as a security to HEITEC without the need for any further special declarations. If the goods under retention are resold together with other items without any agreement on an individual price for the goods under retention, the customer shall thus assign that portion of the total price to HEITEC which is equivalent to the amount invoiced by HEITEC for the goods under retention. HEITEC shall accept such an assignment with immediate effect. The obligation for approval on the part of HEITEC as given in 9.2 shall remain unaffected by this.
- 9.9 The customer shall be permitted to process the goods under retention or to mix them with or combine them with other objects. The processing, mixing or combination of the goods supplied by the customer shall be carried out in all cases on behalf of HEITEC. The customer shall retain the new object thus created for HEITEC with the due care of a prudent businessman. The new object shall be regarded as goods under retention.
- 9.10 The customer and HEITEC shall agree that, on combination or mixing with other items not belonging to HEITEC, HEITEC shall in all cases have the right to common ownership of the new item on the basis of the share which results from the proportion of the value of the combined or mixed goods under retention to the value of the remaining goods at the time of the combination or mixing. The new object shall be regarded in this respect as goods under retention.
- 9.11 The clause regarding the assignment of claims in accordance with 9.8 shall also apply to the new object. However, the assignment shall only apply up to the amount of the sum that corresponds to the value invoiced by HEITEC for the processed, combined or mixed goods under retention.
- 9.12 Until revoked, the customer shall be entitled to collect assigned claims arising from the resale. Where good cause exists, in particular in relation to delays in payment, commencement of insolvency proceedings, bill protest or justified indications for over-indebtedness or the threat of insolvency / inability to pay on the part of the customer, HEITEC shall have the right to revoke the customer's authorisation to collect. In addition, HEITEC shall have the right, after previously imposing a threat and complying with a reasonable deadline, to disclose the security assignment, to liquidate the assigned claims and to demand the disclosure of the security assignment by the customer to the client. The obligation for approval on the part of HEITEC as given in 9.2 shall remain unaffected by this.
- 9.13 Should the customer be in default with payment and if this indicates an endangering of the capability to realise a not inconsiderable amount of the claim of HEITEC, HEITEC shall have the right to prohibit the further processing of the shipment, to recover the shipment and, where necessary, to enter the customer's premises for this purpose. The recovery shall not represent a withdrawal from the contract.
- 10. Legal rights in a case of a material defect**
- 10.1 The shipment shall be considered as defective ("a material defect") if it does not exhibit the quality specifications (2.5) at the point in time of the transfer of risk (4.7). The properties not given at this time do not form part of our liability for material defects. It shall essentially be the customer's own responsibility to inspect the shipment for its suitability for the intended purpose.
- 10.2 Liability for a material defect shall not be considered to exist merely for an insignificant deviation for the quality specifications (2.5), for merely an insignificant impairment to the usability, to natural wear or damage which occurs after the transfer of risk (4.7) as a consequence of disregard of the instructions for use, improper or careless handling, excessive stress, unsuitable operating equipment or as a result of particular external influences which are not provided for in accordance with the contract. Changes to the colour of plastic or component parts shall not be considered to represent a material defect.
- 10.3 The customer must submit a complaint for any material defect without delay in writing. The complaint must include information on the data of the shipment concerned, in particular information in the fault report shall include details of on-site and environmental conditions and the last entries and details of registration marks and numbers (e.g. order number, invoice number).

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- 10.4 HEITEC shall repair a material defect (10.1) free-of-charge at its discretion within the period of limitation (10.6) or supply the customer with a replacement ("rectification"). The faulty shipment must be provided to HEITEC on demand. Ownership of the faulty shipment which has been replaced in the form of a rectification shall be transferred to HEITEC. The customer must grant HEITEC the necessary and required time to carry out the rectification. Where the customer does not grant HEITEC an opportunity for rectification within a reasonable time, HEITEC shall be released from a liability for material defects.
- 10.5 Should a rectification be impossible or if the rectification fails, the customer may withdraw from or reduce the contract irrespective of any right to assert damage claims.
- 10.6 Claims for material defects expire 12 months after the transfer of risk (4.7). This shall not apply where the law prescribes longer periods and in cases of injury to life, body and health, in cases of an intentional or grossly negligent breach of duty, in cases where a defect is fraudulently concealed and in cases of non-compliance with a quality guarantee. The statutory provisions on the suspension, interruption and recommencement of notice periods shall remain unaffected by this.
- 10.7 The limitation period for rectification (10.4) shall be 6 months commencing from the ending of the rectification, should the limitation period in accordance with 10.6 expire earlier. In any case, the limitation period shall end 18 months after commencement of the limitation period given in 10.4. Irrespective of the commencement and ending of the limitation periods, mandatory legally prescribed deadlines and longer periods in cases of injury to life, body or health shall remain in effect in the case of an intentional or grossly negligent breach of duty, of the fraudulent concealing of a defect and of non-compliance with a quality guarantee.
- 10.8 Claims from the customer for necessary costs incurred for the purpose of rectification, in particular transportation costs, travel costs, labour costs and the cost of materials, shall be excluded where the expense has increased because the shipment was later carried out at a location other than the original place of performance (4.1).
- 10.9 Recourse claims by the customer against HEITEC shall only be deemed to apply to the extent that the customer has not made any agreement with his client which goes beyond the statutory claims for defects. 10.7 shall define as appropriate the extent of recourse claims by the customer against HEITEC.
- 10.10 Claims for damages on the part of the customer as a result of a material defect shall be excluded. The exclusion shall not apply in a case of fraudulent concealment of the material defect, non-compliance with a quality guarantee, injury to life, body or health and in a case of an intentional or grossly negligent breach of duty by HEITEC. A change to the burden of proof to the disadvantage of the customer shall not be implied by the above provisions. Any claims due to a material defect on the part of the customer against HEITEC which are in excess of or other than given in 10. shall be excluded. The right of the customer to withdraw from the contract or to reduce the price shall remain unaffected by this.
- 11. Trademark right infringements, other defects of title**
- 11.1 The provisions arising from 10. shall apply as appropriate in cases of any other defect of title.
- 11.2 Claims for damages on the part of the customer as a result of the existence of a defect of title shall be excluded. The exclusion shall not apply in cases of fraudulent concealment of the defect, non-compliance with a quality guarantee, injury to life, body or health and in cases of an intentional or grossly negligent breach of duty by HEITEC. A change to the burden of proof to the disadvantage of the customer shall not be implied by the above provision. Any claims due to a defect of title on the part of the customer which are in excess of or other than given in 11. shall be excluded.
- 11.3 HEITEC shall carry out shipments within its domestic territory free of industrial property rights (e.g. patents, utility models, design patents) and copyrights of third parties ("property rights"). Where a third party raises justified claims against the customers of HEITEC as a result of a breach of property rights brought about by the shipments performed by HEITEC and which are used in accordance with the contract, HEITEC shall be liable within the period of notice determined in 10.7 as follows:
- 11.3.1 HEITEC shall, at its discretion and at the cost of HEITEC, obtain a right of use for the shipments concerned, modify them in such a way that the property right is not infringed or replace them. If this intention is not possible to reasonable conditions, the customer shall be entitled to the statutory rights of rescission or reduction. The provisions in 10.5 and 10.10 shall apply as appropriate.
- 11.3.2 A condition for the fulfilment of the obligations given above shall be that the customer communicates the claims asserted by the third party on HEITEC in writing without delay, it does not concede the existence of an infringement and that it leaves any protective measures and settlement negotiations to the discretion of HEITEC. Should the customer cease to use the goods supplied on the grounds of loss mitigation or for other good reason, it shall advise the third party that the suspension of use does not imply any acknowledgement of an infringement of a property right.
- 11.4 Any claims on the part of the customer against HEITEC are excluded where the customer is accountable for the infringement of property rights.
- 11.5 Any claims on the part of the customer against HEITEC are additionally excluded if the infringement of property rights has resulted due to special requirements stipulated by the customer, due to an application not envisaged by HEITEC or because of a modification to the goods supplied carried out by the customer or a use together with goods not supplied by HEITEC.

12. Other claims for damages

- 12.1 Unless otherwise expressly agreed, any claims for damages and reimbursement of expenses on the part of the customer, irrespective of their legal grounds, in particular those due to a breach of obligations arising from the debtor relationship and from unauthorized action, shall be excluded.
- 12.2 HEITEC shall provide technical application and other advice to the best of its knowledge.. A liability for damages to the customer shall not be justified on this basis. The customer shall not be thus shall not in particular be released from its obligation of its own responsibility to examine the intended use of the goods supplied. This shall also apply if the intended use by the customer is known to HEITEC.
- 12.3 12.1 and 12.2 shall not apply where liability exists in cases according to the law governing product liability, of gross negligence on the part of owners, legal representatives or executives, of fraudulent intent, of non-compliance with an assumed guarantee, as a result of culpable damage to life, body and health or in the event of a culpable fundamental breach of contract.
- 12.4 The claim for damages due to a breach of essential contractual obligations shall be limited to those damages that are both foreseeable and typical for the contract, unless an incident as given in 12.3 exists.
- 12.5 Where the liability of HEITEC in accordance with 12. is excluded or restricted, this shall also apply to the personal liability of the staff, workers, employees and vicarious agents of HEITEC, however not to the personal liability of legal representatives and executives.
- 12.6 A change to the burden of proof to the disadvantage of the customer shall not be implied by the provisions given in 12.

13. Impracticality, contractual adjustment

- 13.1 Where a shipment is impractical for HEITEC, the customer shall have the right to demand damages unless HEITEC is not accountable for the impracticability. The claim for damages on the part of the customer shall be limited to 10 % of the net value of that portion of the goods supplied which cannot be used by the customer in accordance with the contract as a result of the impracticability. This shall not apply where HEITEC is liable due to intent, gross negligence or injury to life, body or health. A change to the burden of proof to the disadvantage of the customer shall not be implied by the provision. The right of the customer to withdraw from the contract or to reduce the price shall remain unaffected by this.
- 13.2 The contract shall be reasonably adjusted in compliance with the principle of good faith where incidents of force majeure (6.2) substantially change the commercial importance or the contents of the goods supplied or have a material adverse effect on the business of HEITEC. Where this is not economically justifiable, HEITEC shall have the right of withdrawal. HEITEC shall inform the customer of the exercising of the withdrawal without delay upon awareness of the consequences of the incident, also if initially an extension to the delivery time had been agreed with the customer.

14. Confidentiality

Each party to the contract shall make use of the information, knowledge, tools, including all CAD files, design documents, outlines, illustrations, plans, diagrams, calculations, etc. ("information") which it receives from the other party to the contract only for the purposes of the contract, shall treat these in a confidential manner and shall not make them available to any third party without the express agreement of the other party to the contract. This shall not apply to information which at the time of its receipt was public knowledge or which was known to the receiving contractual partner at the time of its receipt without it being obliged to confidentiality or which was passed on by a third party authorized to submit such information or which was developed by the receiving contractual party without recourse to any confidential information of the other party to the contract. If a contract is not finalized, the information received must be returned without delay. The receiving party to the contract shall not have any right of retention.

15. Corporate social responsibility

Both the customer and HEITEC shall undertake to comply with the laws applicable to each of the parties, to not tolerate any form of corruption and bribery, to respect both the fundamental rights of employees and the outlawing of on child and forced labour. Both parties shall otherwise take responsibility for the health and safety of their employees at their workplace, ensure fair remuneration and working times, respect laws on the environment and use their best efforts to promote and demand compliance with these principles among their suppliers.

16. Applicable law

German substantive law shall apply. The United Nations Convention of 11 April 1980 on Contracts for the International Sale of Goods shall not apply.

17. Place of jurisdiction

The sole place of jurisdiction shall be Nuremberg, Germany.