

1. General provisions

- (a) These **General Terms of Sale and Delivery ("GTSD")** shall apply to all business relations (in particular sales, deliveries and other services) of Nexans autoelectric GmbH and its subsidiaries (all "AE") with contractual partners ("CP") in the version valid at the time of the CP's order. They shall also apply as a framework agreement for all future transactions, insofar as they are of the same type, without the need to specifically refer to them in each individual case. Individually concluded agreements shall take precedence over these GTSD.
- (b) The CP's terms and conditions (irrespective of which subject areas they regulate (e.g., purchasing, logistics, quality) and how they are named (e.g., general terms and conditions, standards, guidelines, special regulations)) shall not apply, even if their validity is not separately objected to or the delivery is carried out without reservation in knowledge of them (e.g., also if the CP refers to its general terms and conditions in the order and the AE does not expressly object to this). Thus, their validity comes into question only if the AE has expressly acknowledged them in writing.

2. Contract conclusion (offer, acceptance, order)

- (a) Offers from AE are subject to change and non-binding. If offers are expressly marked as binding, the acceptance period shall be 30 days unless a different period is specified in the offer.
- (b) The above shall apply irrespective of whether catalogs, technical documentation (e.g., drawings, plans, calculations, estimates, references to DIN standards), other product descriptions or documents - also in electronic form - have been provided to the CP. All information contained therein shall be without guarantee and non-binding. Changes as well as ownership rights and copyrights shall remain reserved.
- (c) An order by the CP shall be deemed a binding offer of contract. Notwithstanding this, the order shall be deemed as acceptance of an offer by AE if the offer was expressly marked as binding and the order was placed within the acceptance period. Unless otherwise stated in the order, the AE shall be entitled to accept this offer of contract within 30 days after receipt by the AE.
- (d) Acceptance may be declared either in writing (e.g., by confirming the order) or by delivery of the goods to the CP. The demand forecasts submitted by the CP shall become the (calculation) basis of a delivery obligation only if they have been expressly confirmed.

3. Material and production release period

The procurement time for (primary) materials is usually eight weeks (=material release period) and the production time is usually another eight weeks (=production release period). If the CP is entitled to cancel an order or a forecast delivery schedule in whole or in part on the basis of express, special agreements (otherwise the statutory provisions shall apply), this shall be valid at most until the start of the production release period. The CP shall be obliged to accept and pay for the goods at the latest at the beginning of the production release period. Furthermore, the CP shall be obliged to pay the costs of the (primary) material procured within the material release period and to accept it. This shall not apply if the (primary) material can be used elsewhere.

4. Incoterms, place of delivery and passing of risk

The latest version of the Incoterms shall be applicable. Delivery shall be made in accordance with the FCA by delivery at the place specified in the offer or order confirmation. Once the delivery is made, the risk shall pass to the CP. If the parties have exceptionally excluded the application of the Incoterms, the risk shall pass to the CP upon handover of the delivery items to the carrier or to the person designated to carry out the shipment.

5. Delivery dates and delay in delivery

- (a) Delivery dates shall be either agreed individually or stated by the AE upon acceptance of the order and shall refer to the provision of goods for collection (see Clause 4).
- (b) The AE shall be entitled to make partial deliveries as far as these are reasonable for the CP within the scope of its production process or due to the overall circumstances (e.g., in case of special urgency, minor quantity deviations). Quantity deviations shall be permissible in any case insofar as the packaging units do not correspond to the order quantities. In the case of continuous delivery contracts, each partial delivery shall be deemed as a separate transaction. Impossibility of a partial delivery or delay of a partial delivery shall not entitle the CP to withdraw from the entire contract or to claim damages.

- (c) The occurrence and consequences of any delay in delivery shall be determined in accordance with the statutory provisions. In any case, however, a reminder by the CP shall be required.
- (d) The rights of the CP pursuant to Clause 11 and our statutory rights, in particular in the event of an exclusion of the performance obligation (e.g., due to impossibility or unreasonableness of performance and/or supplementary performance), shall remain unaffected.
- (e) Compliance with delivery deadlines shall be conditional upon the timely receipt of all documents to be provided by the CP, the necessary permits and releases, as well as compliance with the agreed payment terms and other obligations by the CP. If these prerequisites are not met on time, the deadlines shall be extended accordingly; this shall not apply if the AE is responsible for the delay. If the AE cannot meet binding delivery dates for reasons for which it is not responsible (non-availability of service), the AE shall inform the CP thereof without undue delay and at the same time state the expected new delivery dates. If the service is not available on the new delivery dates as well, the AE shall be entitled to withdraw from the contract in whole or in part; any return service already provided by the CP shall be reimbursed immediately. In particular the late self-delivery by a supplier of the AE, if the AE is not at fault or if the AE is not obliged to procure in the individual case, shall be deemed as a case of non-availability of the service in this sense.
- (f) Force majeure, labor disputes, riots, armed or terrorist conflicts, natural disasters of any kind, epidemics, pandemics, official measures and other unforeseeable, unavoidable and serious events shall release the AE from performance and compensation obligations for the duration and to the extent of their occurrence. This shall also apply if the AE is already in default at that time. The provisions of the previous clause shall apply accordingly to this clause.

6. Incoming goods inspection and default of acceptance

- (a) The CP shall be obliged to inspect the type, quantity and quality of the delivered contractual products immediately upon receipt of the goods. Obvious defects shall be notified in writing without delay, at the latest within a period of three calendar days. If a defect, which could not be detected upon receipt of the goods, becomes apparent later (latent defect), the CP shall notify the AE in writing of the latent defect without undue delay, but no later than within a period of three calendar days after becoming aware of the defect. The receipt of the notice of defects by the AE shall be decisive in all cases. Inspection must be carried out before installation or any other further processing, and also just before processing. In terms of contractual and statutory claims and rights, the goods shall be deemed free of defects if the complaint is made late. In the case of goods intended for installation, this shall also apply if the defect became apparent only after the corresponding processing as a result of the breach of one of the above obligations; in this case, in particular, the CP shall have no claims to reimbursement of corresponding costs (removal and installation costs). The above exclusions shall not apply to damage claims that are based on intentional conduct or that are in accordance with the Product Liability Act.
- (b) If the CP is in default of acceptance, fails to cooperate or if the AE's performance is delayed for any other reasons for which the CP is responsible, the AE shall be entitled to claim compensation for the resulting damage including additional expenses (e.g., storage costs). For this, the AE shall charge a lump-sum compensation in the amount of 0.5% of the net price (delivery value) per calendar week starting with the delivery date or - in the absence of a delivery date - with the notification of readiness for shipment pursuant to Clause 4. However, the calculation of a lump-sum compensation shall be limited to a total of 5% of the delivery value. The proof of a higher damage and the statutory claims (in particular compensation for additional expenses, reasonable compensation, termination) of the AE shall remain unaffected; however, the lump sum shall be offset against further monetary claims. The CP shall be entitled to prove that the AE has incurred no damage at all or only significantly less damage than the aforementioned lump sum.

7. Retention of title

- (a) Until full payment of all present and future claims arising from the purchase contract and an ongoing business relationship (secured claims), the AE shall retain title to the sold goods and tools (reserved goods).
- (b) The goods subject to retention of title may neither be pledged to third parties nor assigned (as collateral) until the secured claims have been paid in full. The CP shall immediately notify the AE in writing if an application for the opening of insolvency proceedings is filed or if third parties

access (e.g., seize) the goods subject to retention of title owned by the AE.

- (c) In case of conduct of the CP which is in breach of the contract, in particular with non-payment of the due purchase price, the AE shall be entitled to withdraw from the contract according to the statutory provisions or/and to request the handover of the reserved goods owing to the retention of title. The handover request shall not include the declaration of withdrawal at the same time; in fact, the AE shall be entitled to merely request the handover of the reserved goods and to reserve the right to withdraw from the contract. If the CP does not pay the due purchase price, the AE may assert these rights only if it has previously unsuccessfully set the CP a reasonable deadline for payment or if such a deadline is unnecessary according to the statutory provisions.
- (d) Until they are revoked as stated in (c), the CP shall be authorized to resell and/or process the reserved goods in the ordinary course of business. In this case, the following provisions shall apply in addition.
- i. The retention of title shall extend to the products that are produced by processing, mixing or combining of goods at their full value, whereby the AE shall be deemed the manufacturer. If the ownership rights of third parties continue to exist when processing, mixing or combining with goods of third parties, the AE shall acquire co-ownership in the ratio of the invoice values of the processed, mixed or combined goods. Incidentally, the same shall apply to the produced product as to the goods delivered under retention of title.
 - ii. The CP shall hereby already assign the claims against third parties arising from the resale of the goods or product in total or in the amount of the possible co-ownership share, to the AE as collateral according to the preceding paragraph. The AE shall accept this assignment. The obligations of the CP set forth in Para. 2 shall also apply with regard to the assigned claims.
 - iii. The CP shall remain authorized to collect the claim in addition to the AE. The AE shall undertake not to collect the claim as long as the CP meets its payment obligations towards the AE, there is no deficiency in its ability to pay and the AE does not assert the retention of title by exercising a right pursuant to Para. 3. However, if this is the case, the AE may request the CP to inform the AE of the assigned claims and their debtors, provide all information required for collection, hand over the relevant documents and inform the debtors (third parties) of the assignment. Furthermore, in this case the AE shall be entitled to revoke the CP's authority to further sell and process the goods subject to retention of title.
 - iv. If the realizable value of the collateral items exceeds the AE's claims by more than 10%, the AE shall, upon the CP's request, release collateral items of its choice.

8. Prices

- (a) In the following cases, the AE shall be entitled to request negotiation of new prices and adjust prices if necessary.
- i. Prices, which are calculated on the basis of (non-binding) volume/number of items forecasts of the CP, shall apply on condition that the forecast volumes/number of items are actually used. If the volumes/number of items actually used fall short of the CP's volume/number of items forecasts, the AE shall be entitled to demand the negotiation of new prices for the future as well as to make corresponding price adjustments retroactively for the past calendar year and to issue a corresponding corrected invoice.
 - ii. If the costs underlying the price calculation, in particular for raw materials, primary materials, labor, transport and customs, have changed significantly, the AE shall be entitled to demand the negotiation of new prices for the future. A significant change shall exist if a cost item increases by at least 5% compared to the time of the offer or the last price adjustment.
 - iii. Furthermore, the AE shall be entitled to demand the negotiation of new prices for the future after the expiry of twelve months since the date of the offer or the last price adjustment.
- (b) If the CP refuses to negotiate prices or if the price negotiations do not result in an agreement within three months after the AE's written request, the AE shall be entitled to terminate the contract or part of the contract (e.g., only a single product from a product range). The notice period shall be one month to the end of the month. This period may be extended by mutual agreement. Notice of termination and mutually agreed extension of the negotiation period shall be provided in writing. The AE shall not be liable to the CP in any way in the event of termination.

- (c) Other termination rights of the AE shall remain unaffected.

9. Payment terms

- (a) The purchase price shall be due and payable without deduction within 30 days from the invoice date and delivery or acceptance of the goods to the account specified in each case. The invoice shall be deemed received no later than three days after dispatch unless the CP proves otherwise. Receipt of payment by the AE shall be decisive for the timeliness of the payment.
- (b) The CP shall be in default upon expiry of the aforementioned payment deadline. During the period of default, the purchase price shall bear interest at the applicable statutory interest rate for default. The AE shall reserve the right to claim further damages for delay. The claim for the commercial maturity interest (§ 353 HGB [German Commercial Code]) shall remain unaffected.
- (c) In case of default, the AE is entitled to withhold deliveries and services. The AE shall be entitled at any time, also in the context of an ongoing business relationship, to make a delivery in whole or in part only against prepayment.
- (d) The CP shall only be entitled to rights of offset or retention to the extent that its entitlement has been legally established or is undisputed. In case of defects in the delivery, the rights of the CP shall remain unaffected, in particular pursuant to Clause 10.
- (e) If after conclusion of the contract it becomes apparent (e.g., by an application for opening of insolvency proceedings) that the entitlement to the purchase price is at risk through the CP's lack of ability to pay, then according to the statutory provisions, the AE shall be entitled to refuse performance and to withdraw from the contract if applicable after setting a deadline (§ 321 BGB [German Civil Code]). In case of contracts concerning the manufacture of unreasonable items (custom-made products), the AE may declare the withdrawal immediately; the statutory provisions on the lack of necessity to set a deadline shall remain unaffected.

10. Claims for defects

- (a) Unless otherwise stipulated in these GTSD, the rights of the CP in case of defects of quality and title shall be governed by the statutory provisions.
- (b) It shall be exclusively guaranteed that the goods or services ("contractual objects") comply with the agreed quality at the time of passing of risk. The agreed quality results exclusively from the specifications and drawings agreed in writing between the parties. If they comply with them, the contractual objects shall thus be free of defects. Any warranty liability beyond this shall be excluded. In particular, the AE shall not guarantee that the contractual objects (i.) are suitable for the use presumed under the contract or by the CP or for ordinary use, (ii.) have a quality that is customary for goods or services of the same type, (iii.) correspond to the quality of a sample or specimen, (iv.) are fit for the market or (v.) comply with all statutory or official regulations of all sales markets of the CP in which the contractual objects are used. Furthermore, warranty liability shall be excluded in particular if a defect occurs due to the faulty information and data provided by the CP (e.g., designs, drawings) or due to the use of parts specified by the CP (e.g., standard parts, single-source parts).
- (c) The AE shall not be liable for defects that the CP knows or is grossly negligent in not knowing at the time of contract conclusion. Furthermore, the CP's claims for defects shall require that it has complied with its statutory and contractual duties of inspection and notification (§§ 377, 381 HGB; incoming goods inspection).
- (d) In the case of defective contractual objects, the AE may choose whether supplementary performance shall be effected by remedying the defect (rectification) or by delivering a defect-free contractual object (replacement). The right to refuse supplementary performance under the statutory conditions shall remain unaffected. If the rectification or replacement is also faulty, the CP may demand a reasonable price reduction.
- (e) The CP shall give the AE the time and opportunity required for the owed supplementary performance, in particular to hand over the contractual object, for which a complaint was made, for inspection purposes. In the event of a replacement, the CP shall return the defective contractual object to the AE in accordance with the statutory provisions.
- (f) Supplementary performance shall not include removal or re-installation if the AE was not originally obligated to install. The AE shall bear or reimburse the expenses necessary for the purpose of inspection and supplementary performance, in particular transport, route, labor and material costs and, if applicable, removal and installation costs, in accordance with the statutory provisions if there is actually a defect. Otherwise, the AE may demand reimbursement from the CP of the costs incurred as a result of the unjustified request to remedy the defect (in particular in-

spection and transport costs), unless the lack of defectiveness was not apparent to the CP.

- (g) In the case of negligible defects (in particular purely aesthetic defects or defects that do not or only insignificantly impair the function), the AE shall not bear or reimburse removal and installation costs.
- (h) In urgent cases, e.g., if operational safety is at risk or to prevent disproportionate damage, the CP shall have the right to remedy the defect itself and to demand compensation from AE for the expenses objectively necessary for this purpose. The AE shall be notified immediately, if possible in advance, of any such self-execution. The right of self-execution shall not exist if the AE would have been justified in refusing a corresponding supplementary performance according to the statutory provisions.
- (i) If the supplementary performance has failed or a reasonable deadline to be set by the CP for the supplementary performance has expired unsuccessfully or is dispensable according to the statutory provisions, the CP may withdraw from the purchase contract or reduce the purchase price. However, the right of withdrawal shall not exist in the case of a negligible defect.
- (j) Claims for damages due to defects are limited to the amount of the purchase price.
- (k) When determining the amount of claims for damages due to defects, the type, scope and duration of the business relationship, causation and/or fault on the part of the CP and a particularly unfavorable installation situation of the contractual product in favor of AE shall be taken into account.
- (l) Even in the event of defects, the claims of the CP for damages or reimbursement of futile expenses shall exist only in accordance with Clause 11 and shall otherwise be excluded.

11. Other liability

- (a) Unless otherwise specified in these GTSD, the AE shall be liable for a breach of contractual and non-contractual obligations in accordance with the statutory provisions.
- (b) The AE shall be liable for damages - irrespective of the legal grounds - within the scope of fault-based liability in case of intent and gross negligence. In the event of simple negligence, the AE shall be liable, subject to statutory limitations of liability (e.g., due care in own affairs; insignificant breach of duty), only
 - i. for damages from injury to life, body or health,
 - ii. for damages resulting from the breach of an essential contractual obligation (obligation, the fulfillment of which enables the proper execution of the contract in the first place and on the observance of which the contractual partner regularly relies and may rely); in this case, however, the liability shall be limited to the compensation of the foreseeable damages that are typical for the contract.
- (c) The limitations of liability resulting from (b) shall also apply to third parties as well as in the case of breaches of duty by persons (also in their favor) for whose fault the AE is responsible according to statutory provisions. They shall not apply if a defect has been fraudulently concealed or an express guarantee for the quality of the goods has been assumed. They shall also not apply for claims of the CP under the Product Liability Act.
- (d) The AE's suppliers are not vicarious agents; the AE shall not be liable for any fault of the suppliers.

12. Recall, documentation

- (a) In the event of product recalls, service measures or similar measures the AE shall be liable to the CP only to the extent that a recall is carried out to avoid personal injury and (i.) due to defects ascertained or suspected on the basis of objective facts, in particular sufficient random sample findings, or (ii.) due to official orders and the AE is legally obligated to carry out a recall itself with regard to the contractual object.
- (b) Without prejudice to the AE's legal obligations, the CP shall assume the product monitoring obligation resulting from the use of the delivered products as its own and shall inform the AE thereof.
- (c) The CP shall be obliged to document the use of the delivered products for a period of at least 15 years so that a complete traceability is possible.

13. Limitation period

- (a) Claims arising from defects of quality and title shall become time-barred one year after the passing of risk. Insofar as acceptance has been agreed, the limitation period shall commence upon acceptance.

- (b) The limitation period does not start again with a supplementary performance.
- (c) The above limitation periods shall also apply to contractual and non-contractual claims for damages of the CP arising from a defect in the contractual object, unless the application of the regular statutory limitation period (§§ 195, 199 BGB) would lead to a shorter limitation period in individual cases.
- (d) Special statutory provisions for the limitation period shall remain unaffected.
- (e) Claims for damages of the CP pursuant to Clause 11 lit. (a) and (b) i. as well as pursuant to the Product Liability Act shall become time-barred exclusively in accordance with the statutory limitation periods.

14. Industrial property rights and copyrights

- (a) The AE shall be obliged to provide the contractual products free of industrial property rights and copyrights of third parties (third-party property rights), which are either published by the European Patent Office or in the Federal Republic of Germany, USA or China. If a third party raises justified claims against the CP due to the infringement of one of its third-party property rights published in the aforementioned countries by the contractual products provided by the AE and used in accordance with the contract, and if the AE is responsible for this infringement, the AE shall be liable to the CP within the period stipulated in Clause 13 as follows:
 - i. The AE shall, at its discretion and expense, obtain a right of use for the relevant contractual products, modify them in such a way that the third-party property right is not infringed, or replace them. If this is not possible for the AE under reasonable conditions, the CP shall be entitled to the statutory rights of withdrawal or reduction.
 - ii. The obligation of the AE to pay damages shall be governed by Clause 11.
- (b) The aforementioned obligations of the AE shall exist only insofar as the CP immediately notifies the AE in writing of the claims asserted by third parties, does not acknowledge an infringement and if the AE reserves the right to all defensive measures and settlement negotiations. If the CP discontinues the use of the delivery for reasons of mitigation of damages or other important reasons, it shall be obliged to point out to the third party that the discontinuation of use does not constitute an acknowledgment of an infringement of property rights.
- (c) If the CP is responsible for the infringement of property rights, its claims shall be excluded (e.g., if the contractual products are modified by the CP or used together with products not supplied by the AE and the infringement of the property rights results from this). This shall also apply insofar as the infringement of property rights is caused by special instructions of the CP or by an application not foreseeable by the AE.

15. Secrecy

- (a) Both parties shall undertake to keep all information obtained through the business relationship as a trade secret, not to disclose it or parts thereof to third parties and to take appropriate precautions to ensure this. This shall not apply to information that (i.) was verifiably already known to the receiving contracting partner prior to the communication, or (ii.) was verifiably known or generally available to the public prior to the communication, or (iii.) verifiably became known or generally available to the public after the communication without the involvement or fault of the receiving party, or (iv.) verifiably substantially corresponds to information disclosed or made available to the receiving party at some point in time by an authorized third party, or (v.) has been verifiably developed on its own or caused to be developed by the receiving party independently of knowledge of the information.
- (b) The burden of proof for the existence of the aforementioned exceptions shall lie with the respective receiving contracting partner.

16. Applicable law, place of jurisdiction, arbitration proceedings

- (a) These GTSD and the contractual relationship between the AE and the CP shall be governed by the laws of the Federal Republic of Germany, excluding international uniform law, in particular the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- (b) (i.) The place of jurisdiction for all disputes arising out of or in connection with this business relationship of the parties shall be Weiden in der Oberpfalz, if all parties have their registered office in one or more countries of the European Union or in Switzerland in accordance with their articles of association. However, the AE shall also be entitled to sue at the registered office of the CP. Overriding statutory provisions, in particular on exclusive responsibilities, shall remain unaffected.
 - (ii.) In all other cases, disputes arising out of or in connection with this contract, shall be settled finally and conclusively in accordance with the

arbitration rules of the German Institution of Arbitration (Deutsche Institution für Schiedsgerichtsbarkeit e.V., DIS) under exclusion of ordinary legal proceedings. The arbitration court shall consist of three arbitrators. The place of arbitration is Munich. The language of the proceedings is German. If the conduct of the proceedings in German represents an exceptionally and unreasonably high hurdle for the CP, in particular because no suitable translator and/or interpreter is available, English may be mutually agreed as the language of the proceedings. However, attachments and witness statements may be submitted/made in English without translation. The applicable law in the matter is the law of the Federal Republic of Germany, excluding the law of the United Nations Convention on Contracts for the International Sale of Goods (CISG).

- (c) The parties to the dispute shall keep confidential all information received with respect to any judicial or arbitration proceeding under this provision, including the existence of a judicial or arbitration proceeding. During the judicial and/or arbitration proceedings, they shall disclose such information only to the extent necessary to exercise their rights.

17. Other

- (a) If any provision or part of a provision of these GTSD is or becomes invalid or unenforceable, such provision or part shall be disregarded and shall not affect the validity of the remaining provisions of these GTSD. In this case, the parties shall replace the invalid or unenforceable provision with a valid and enforceable provision that is equivalent in terms of its economic effect, provided that this does not result in a substantial change to the content of these GTSD.
- (b) The German version of these GTSD shall be authoritative.
- (c) The headings used in these GTSD are for convenience only and shall not be taken into account when interpreting the GTSD.
- (d) Ancillary agreements as well as legally relevant declarations of the parties with regard to the contract (e.g., setting of deadlines, notification of defects, withdrawal or reduction) shall be made in writing. Statutory formal requirements and further evidence, in particular in case of doubts about the legitimacy of the person making the declaration, shall remain unaffected.

* * *