General Terms and Conditions of Purchase of TQ Group

for TQ-Systems GmbH, TQ-Systems Durach GmbH, in2systems GmbH
TQ-Systems International GmbH & Co KG and TQ-Systems Shanghai Co, Ltd

§ 1 General - Scope of application

All deliveries, services, offers and order confirmations of the Supplier shall be based on these General Terms and Conditions of Purchase.

Our General Terms and Conditions of Purchase shall apply exclusively; we do not recognise any terms and conditions of delivery or other terms and conditions of business of the Supplier that conflict with or deviate from our Terms and Conditions of Purchase, unless we have expressly agreed to their validity in written form... Our Terms and Conditions of Purchase shall also apply in the ongoing business relationship with the Supplier for all future transactions and deliveries, without the need for a renewed reference to these Terms and Conditions of Purchase. Even if we refer to commercial correspondence with the Supplier which contains the Supplier's general terms and conditions, this does not constitute any agreement with the validity of the Supplier's terms and conditions. It is hereby expressly pointed out that a contract is only concluded subject to the validity of our Terms and Conditions of Purchase. Our Terms and Conditions of Purchase shall also apply if we accept deliveries without reservation in the knowledge of any conflicting or deviating terms and conditions of the Supplier.

Our General Terms and Conditions of Purchase shall only apply to entrepreneurs or legal entities under public law or a special fund under public law within the meaning of Section 310 (1) of the German Civil Code (BGB). supplier.

The Supplier may not transfer or assign rights, obligations and claims arising from the business relationship without our prior written consent.

Individual agreements made with the Supplier in individual cases (including supplements or amendments thereto) shall take precedence over these General Terms and Conditions of Purchase, whereby a written contract or in any case our written confirmation is required for the content of such individual agreements, unless the written form requirement has been waived in individual cases.

§ 2 Offers - Orders - Cancellation - Acceptance

The offer submitted to us by the Supplier is binding for the Supplier.

Unless otherwise stipulated in the order, the Supplier is obliged to confirm our order within a period of three (3) working days by way of a binding order confirmation. If the Supplier does not expressly reject the order placed by us within a period of ten (10) working days, our order with the content and delivery date specified in such order shall be deemed to have been bindingly confirmed by the Supplier and the contract with the content of our order shall be deemed to have been concluded, whereby we will draw Supplier's attention to the intended significance of his conduct at the beginning of the period.

Unless we expressly waive an order confirmation, every order must be confirmed to us by the Supplier without delay, stating the binding delivery and performance time. We reserve the right to cancel orders for which we do not receive an order confirmation from the Supplier within three (3) working days, whereby this cancellation can be declared by us until receipt of the Supplier's confirmation. We do not recognise reservations of self-delivery or clauses of non-binding commitment (e.g. "offer or price subject to change", "delivery while stocks last") in the Supplier's general terms and conditions or other Supplier´s commercial declarations of intent unless we have expressly agreed to their validity in written form.

The submission of offers and cost estimates as well as other documents by the Supplier shall be free of charge and non-binding for us, unless otherwise agreed in written form. We are entitled to demand changes or adjustments to the delivery items at any time, even after the Supplier has confirmed the order. The Supplier shall immediately inform us of the effects of a change request, in particular with regard to any associated additional or reduced costs and effects on deadlines, and shall work towards a corresponding mutually agreed adjustment of conditions.

In principle, we are not obliged to take delivery of the contractual products supplied. The Supplier shall allow us to delay acceptance free of charge.

We are entitled to cancel contracts or blanket or individual orders in whole or in part free of charge if delivery items, products or services are not delivered in accordance with the terms of the contract, blanket or individual order or other agreements made between the Supplier and us. We are also entitled to cancel, contracts or blanket orders or individual orders at any time free of charge in whole or in part for reasons beyond our control. This applies in particular, but is not limited to, disruptions in our supply relationship with our customers that result in the cancellation, suspension or other impairment of product or material acceptance by our customer.

§ 3 Prices - Terms of payment - Terms of delivery - Transport insurance

The price stated in the order or a contract is binding. Price changes compared to the prices stated in the orders or contracts require our express written consent . VAT shall be shown separately at the respective statutory rate for all prices.

We can only process invoices if they are structured in a verifiable manner in accordance with the specifications of our order or contract and correctly and completely state the order number, item position number, item description, item number item quantity or unit of measurement shown there. The supplier shall be responsible for all consequences arising from non-compliance with this obligation; in particular, we shall not be responsible for delays in invoice processing or payment settlement resulting from incomplete or incorrect invoices. Any additional or reduced services shall be listed separately in the respective invoice.

The consideration owed by us shall only become due once we have received or accepted the delivery in full and free of defects.

Unless otherwise agreed in written form, we shall pay the price for the contractual products within 30 days, calculated from complete, defect-free delivery or complete provision of the service owed and receipt of the invoice, with a 3 % discount or net within 60 days calculated from complete, defect-free delivery or complete provision of the service owed and receipt of the invoice.

We shall not owe interest on arrears. In any case, a reminder from the Supplier in written form, is required to establish default.

Unless otherwise agreed in individual cases, the price shall include all services and ancillary services of the Supplier (e.g. installation, assembly) as well as all ancillary costs (e.g. proper packaging, transport costs, transport insurance).

If, during the term of a contract or a framework or individual order for the delivery of products or the provision of services, the Supplier delivers the contractual or similar products or services in comparable quantities to a third party under more favourable conditions (in particular with regard to prices, discounts, terms of payment, delivery periods, quality, technological equipment or other conditions), the Supplier is obliged to inform us of this immediately and also to grant us these more favourable conditions, with retroactive effect from the date on which the Supplier granted these more favourable conditions to the third party.

We shall be entitled to rights of set-off and retention as well as the defence of non-performance of the contract to the extent permitted by law. We reserve the right to deduct from the amounts payable or due to the Supplier all amounts owed to us by the Supplier under the business relationship, for example as a result of incomplete, delayed or defective performance. Acceptance of goods or payment by us shall not constitute recognition of deviating conditions and prices. The time of payment and the payment itself shall have no influence on the warranty and liability of the Supplier for the contractual products delivered or services rendered by the Supplier and on the rights of complaint to which we are entitled. The Supplier shall only be entitled to set-off and retention rights with regard to undisputed or legally established counterclaims.

Unless otherwise agreed in written form, the price agreed between us and the Supplier shall include delivery "free domicile" to the place specified in the order (DDP in accordance with INCOTERMS 2020), including packaging.

If it has been agreed that we are to bear the freight costs, we shall only bear the freight costs that are most favourable for us. If it has been agreed that the Supplier shall commission the transport and we shall bear the costs for this transport, the Supplier shall commission the carrier or forwarding agent named by us, whereby this shall not change the agreements on the place of fulfilment and the transfer of risk and the supplier shall also then bear all costs incurred up to the handover to the carrier.

Unless otherwise agreed separately, the Supplier shall take back any packaging supplied at its own expense; we shall make any packaging

supplied available to the Supplier EXW production site TQ (in accordance with INCOTERMS 2020) for collection.

We have insured ourselves against transport damage. Therefore, in cases where the terms of delivery deviate from "free domicile" delivery (DDP or DAP in accordance with INCOTERMS 2020) production site TQ in individual cases, the Supplier undertakes to notify the freight forwarder that we expressly prohibit the conclusion of separate transport or storage insurance (Section 21 ADSp 2017) by the freight forwarder commissioned by the Supplier. If a freight forwarder charges us costs in connection with the conclusion of separate transport or storage insurance (Section 21 ADSp 2017), we shall be entitled to deduct these costs from the supplier's invoice.

§ 4 Delivery time - Quality assurance - EOL/PCN management - Transfer of risk

The delivery time or delivery period stated in the order or contract is binding and is guaranteed by the Supplier. The delivery dates or delivery periods shall always be understood as arriving at the respective delivery address stated in the order during normal business hours

The Supplier bears the procurement risk.

If a delivery with assembly or service has been agreed between us and the Supplier, the handover of defect-free delivery items after proper and defect-free assembly or service performance shall be decisive for the timeliness of the delivery; if acceptance is provided for by law or has been contractually agreed, the time of acceptance shall be decisive. The unconditional acceptance of a delayed delivery or service does not constitute a waiver of the rights to which we are entitled with regard to the untimely delivery or service.

We are entitled to refuse to accept delivery items that are delivered unsolicited or before the agreed delivery date and to return the corresponding delivery items at the expense and risk of the supplier. If the goods are not returned in the event of premature delivery, they shall be stored by us at the Supplier's expense and risk until the agreed delivery date.

Partial deliveries or short deliveries are generally not permitted and shall be considered as unfulfilled services until complete delivery, unless otherwise agreed in written form. Any acceptance of goods in this respect shall be subject to quality, quantity and condition.

Insofar as certificates or documentation relating to proof of quality (e.g. Certificate of Conformity, factory test certificates etc.) have been agreed, these shall form an integral part of the delivery and must be enclosed with the goods.

The Supplier is obliged to deliver only original goods from the manufacturer. For each delivery, the Supplier must prove to us the origin of the goods purchased and delivered by it by submitting a corresponding certificate of conformity from the manufacturer. If the Supplier violates the obligation to deliver original goods, Supplier shall be liable to us in full for the direct and indirect damage incurred as a result and shall indemnify us against all costs, damages and expenses incurred in this connection upon first request.

The Supplier is obliged to inform us in writing without delay, at the latest after three (3) working days if circumstances arise or become recognisable to him which indicate that the agreed delivery time cannot be met. If, in such a case, accelerated transport of the delivery items is necessary to meet the agreed delivery dates, the Supplier shall bear the additional expenses incurred for delays for which it is responsible.

In the event of a delay in delivery or performanSe by the Supplier, we shall be entitled to the statutory claims. The supplier is obliged to compensate us for all direct and indirect damages caused by delay. Our acceptance of a delayed delivery or service does not constitute a waiver of claims for damages caused by delay.

In particular, we shall be entitled, without prejudice to further statutory claims, to withdraw from the contract or a frame order or individual order after the fruitless expiry of a reasonable grace period set by us and to claim damages for non-performance; in this context, the Supplier shall also reimburse us for any additional costs incurred by us as a result of any covering purchase.

In the event of a delay in delivery or an incorrect delivery by the Supplier, we are entitled, without prejudice to other statutory claims, to demand payment from the Supplier of a contractual penalty in the amount of 1 % of the net order value affected by the delay or incorrect delivery per working day, but not more than 5% of the total net order value affected by the delay or incorrect delivery as a minimum amount of compensation owed by the Supplier in accordance with the statutory provisions. The right to claim further damages remains unaffected. The application of § 341 para. 3 BGB (German Civil Code) is excluded.

All dispatch notes, delivery notes, packing slips, consignment notes, invoices and on the outer packaging etc. must contain the order references, reference numbers and other information required by us and specified in the order in connection with order processing. Deliveries of goods must always be made exclusively to the receiving centre specified by us.

The Supplier shall be liable for any damage and shall bear the costs incurred as a result of non-compliance with these handling and shipping instructions by the Supplier or its authorised agents and subcontractors. All consignments that cannot be accepted due to non-compliance with these shipping instructions shall be stored at the Supplier's expense and risk. We are authorised to determine the content and condition of such consignments.

We further reserve the right to reject deliveries and deliveries of goods with a date code older than 6 (six) months at the Supplier's expense and risk.

The Supplier shall be responsible for stocking spare parts for the period of the expected service lifetime of the end products for which the delivery items are used, based on experiencebut at least for a period of 15 years after the last series production of the end products . In good time before expiry of the minimum period, the Supplier shall give us the opportunity to cover our all-time requirements by means of a final order at the conditions applicable at the time of the last series production. In the event of EOL/PCN information relating to delivery items, the Supplier shall be obliged to take suitable measures to ensure delivery and to inform us of this immediately after becoming aware of it. For this purpose, the Supplier shall also regularly enquire with its upstream suppliers or manufacturers about planned discontinuations or product changes, inform us about possible alternative products and provide us with the relevant data sheets, samples etc. free of charge and without being requested to do so. Upon receipt of a notice of discontinuation or change, we shall be given the option of placing a final order ("last call") with the Supplier at the conditions applicable up to that point.

All EOL/PCN information must be sent by the Supplier to the following e-mail address: EOL.PCN@tq-group.com. The Supplier shall provide us with all documentation required for the use, installation, assembly, processing, storage, operation, maintenance, inspection, servicing and repair of the delivery items in good time, without being requested to do so and free of charge.

The Supplier shall bear sole responsibility for the quality of the delivery items supplied to us and shall comply with the latest state of the art in the provision of its services. . Any coordination of quality assurance measures with us shall not release the Supplier from its responsibility for product quality. The Supplier is committed to the zero-defect target and shall fulfil this target by means of a 100% outgoing goods inspection prior to delivery to us. The results of the incoming goods, goods accompanying, production and outgoing goods inspections carried out by the Supplier shall be made available to us on request.

The Supplier shall have a quality management system in accordance with ISO 9000 ff. or a comparable quality management system, shall provide us with evidence of this on request and will maintain this quality management system for the entire duration of the business relationship. The Supplier shall integrate its sub-suppliers and manufacturers used by it for the provision of services into its quality management system in a suitable form and provide us with evidence of this on request.

The Supplier guarantees that the production or distribution processes used to manufacture or distribute the delivery items are state-of-the-art and comply with the relevant statutory provisions. Before changing production processes, production locations or materials of the delivery items, the Supplier shall notify us in good time so that we can check whether the change may have a detrimental effect.

The Supplier is obliged to grant us and/or our customers as well as the regulating authorities and/or the inspection body of the QM system (notified body) access to its premises at any time after prior notice and to grant the right to audit its company or its subcontractors at any time.

The risk of accidental loss or accidental deterioration of the delivery items shall pass to us upon proper and complete delivery or performance at the agreed location. In the case of agreed delivery with assembly or installation, the transfer of risk shall only be deemed to have taken place after the assembly or installation work has been completed in full; in the case of agreed acceptance, only after the signing of an acceptance report.

§ 5 Incoming goods inspection - Inspection for defects - Warranty

We check the delivery items as part of an incoming goods inspection carried out in the ordinary course of business within a reasonable period of time for identity, conformity of content between individual call-off and delivery as well as obvious and externally recognisable transport damage.. We shall check the delivered goods for quantity and identity as well as other quality deviations exclusively on the basis of the delivery documentation and the labelling on the outermost packaging of the delivery items. There is no further obligation on our part to carry out a technical incoming goods inspection. We shall notify the Supplier of any defects detected by us or our customers in the ordinary course of business. The contracting parties agree that we fulfil the inspection and testing requirements set out in § 377 HGB (German Commercial Code) with the above-mentioned scope of inspection.

The Supplier is obliged to remedy defects in the delivered goods immediately after becoming aware of them, at the latest after notification of defects. The assertion of a defect made by us in the context of a notice of defects is initially sufficient.

Complaints of defective fulfilment can be made within 20 (twenty) working days after receipt of the goods by us, in addition in the case of hidden defects only discovered during processing or intended use within 14 (fourteen) working days after discovery of the defect. In this respect, the Supplier expressly waives the defence of late notification of defects.

The Supplier warrants that its delivery or service is functional, in accordance with the contract and free from any material defects or defects of title. Furthermore, we shall be entitled to the statutory warranty claims in full. The Supplier's warranty also extends to the quality agreed with us, including agreed specifications, drawings, samples, descriptions and applicable standards.

Complaints and error reports are generally processed by means of a debit note to the Supplier. Offsetting or the assertion of a right of retention against outstanding claims of the supplier shall take place on a regular basis. Upon receipt of our notice of defects, the Supplier shall be obliged to provide us with a description of the cause of the defect, the identification of the defect and the proposed measures to remedy the defect within a maximum period of 10 (ten) working days. We expect this statement by means of an 8D report. Without prejudice to any further statutory warranty claims to which we are entitled, we have the right to demand reimbursement from the Supplier of the internal processing, testing and sorting costs incurred by us until the defect has been completely rectified, including the costs of test reports prepared or initiated by us in the course of the defect investigation, unless we are demonstrably responsible for the defect identified.

Following notification of defects, all stocks held by the Supplier and by us must be inspected at the Supplier's expense. If repeated or further inspections are necessary as a result of defects found, the Supplier shall bear all material and personnel costs for this; this shall apply to the same extent to the material certificates of the primary materials purchased from the Supplier.

In addition, the Supplier warrants that all delivery items conform in terms of quality and description to the data, performance data, drawings, descriptions and other specifications agreed between the Supplier and us and made available to the Supplier, if applicable, and are also free from any obvious or hidden defects, e.g. material and processing defects.

Defects shall be remedied at our discretion by way of subsequent fulfilment either by rectifying the defect or by supplying new, defect-free delivery items . If necessary, the Supplier shall also immediately correct the associated delivery documentation. After the unsuccessful expiry of a reasonable deadline set for the rectification of the defect or for the new delivery, we may withdraw from the contract, make a covering purchase, reduce the agreed remuneration proportionately and, at our discretion, either carry out the subsequent fulfilment owed by the Supplier ourselves or have it carried out by third parties and charge the Supplier with the costs incurred in this regard, unless the Supplier rightly refuses subsequent fulfilment. § Section 323 (2) BGB (German Civil Code) shall apply accordingly. There is also no need to set a deadline if subsequent fulfilment is unreasonable for us or has failed in any other way. In any case, we shall also be entitled to demand compensation from the Supplier for the costs incurred, damages and proven futile expenses as well as all expenses necessary for the purpose of remedying the defect or making a new delivery. To the extent provided for by law, these claims shall also exist without setting a deadline. The right to claim damages for non-fulfilment is expressly reserved.

We reserve the right, without any legal obligation to do so, to carry out spot checks in accordance with AQL pursuant to ISO 2859 or 3951 and are entitled to reject the entire delivery without compensation if the permissible defect rate is exceeded. Likewise, if a defect rate of 10 (ten) dpm for catalogue items or 300 (three hundred) dpm for drawing parts is found to be exceeded, we shall be entitled to reject the entire delivery without compensation.

The warranty period is 36 (in words: thirty-six) months, calculated from the transfer of risk, unless a longer warranty period is provided for by law. In the event of a notice of defect submitted by us, the warranty period shall be extended by the period of time between the notice of defect and the complete rectification of the defect. The warranty shall also apply to all exchange, repair or replacement products provided by the Supplier with our consent. The Supplier's warranty obligation for subsequent fulfilment shall begin anew after subsequent fulfilment has been completed. For hidden defects, the Supplier assumes a guarantee of five years from delivery or acceptance of the goods or services.

The warranty assumed by the Supplier shall also extend to the delivery items purchased from its subcontractors or upstream suppliers.

We are entitled to the rights of recourse of the recipient or entrepreneur in accordance with §§ 478 ff. BGB (German Civil Code) as well as the presumption regulation of § 477 BGB (German Civil Code) against the Supplier even if there is *no* purchase of consumer goods.

The acceptance of the delivery items by us shall not affect the Supplier's liability for defects. In the event of defective or incomplete deliveries, we shall be entitled to withhold payment of a reasonable part of the value of the delivery, depending on the extent of the defective performance identified, until the delivery owed in each case has been made to us in full and correctly.

§ 6 Liability - Product liability - Indemnity - V insurance - Export control

The Supplier shall be liable for all personal injury, property damage and financial loss, including all direct and indirect consequential damage caused by it, its legal representatives or its vicarious agents in connection with the fulfilment of its contractual or statutory obligations towards us.

Insofar as the Supplier is responsible for product damage, in particular within the meaning of the German Product Liability Act (ProdHaftG) or pursuant to Sections 823 et seq. BGB (German Civil Code), he shall be obliged to indemnify us against claims for damages by third parties on first demand to the extent that the cause lies within his sphere of control and organisation and he himself is liable in the external relationship or is otherwise responsible for the liability case; the Supplier's obligation to pay costs in this respect shall also extend to all costs, fees and expenses incurred by us in the context of defending or pursuing the claim.

Without prejudice to any other statutory rights to which we are entitled, the Supplier shall also indemnify us in full against any liability for liabilities, damages, costs, losses and other expenses which are imposed on us for the following reasons or in connection with the following circumstances or which we incur or are required to compensate for the following reasons or in connection with the following circumstances:

a) Non-fulfilment of the Supplier's warranty obligations by the supplier and its upstream Suppliers;

b) assertion of claims asserted against us in connection with damages, costs or expenses incurred by us, our customers or other third parties, insofar as these damages, costs or expenses are causally attributable to the products

delivered by the Supplier or a provision of services by the supplier as a result of a direct or indirect breach or negligent fulfilment or non-fulfilment or delayed partial or complete fulfilment of the Supplier's obligations arising from our order or other contracts or agreements existing between the supplier or us.

The Supplier is further obliged to reimburse us for any necessary expenses arising from or in connection with a recall action or replacement of defective delivery items carried out by us or our customers, insofar as this recall action or replacement is necessary due to statutory provisions, official orders or circumstances which would cause a prudent businessman to carry out a recall action in order to avert imminent - also non-pecuniary - damage. As far as possible and reasonable, we shall inform the supplier of the content and scope of the recall or replacement measures to be carried out and give him the opportunity to comment.In order to secure any claims for compensation, the Supplier shall take out extended business and product liability insurance, maintain until the expiry of the warranty period of the last order confirmed by the supplier and provide us with evidence of the conclusion of the insurance and the proper payment of premiums immediately upon request. This insurance must include extended product liability insurance (damage caused by combining, mixing, processing or further processing as well as dismantling and installation costs), which also includes the recall risk, in an appropriate amount, but at least EUR 10 .000,000.00 lump sum per claim for personal injury, property damage and financial loss and largely cover the USA/Canada risk. The insurance provided by the Supplier must extend to the Supplier's affiliated companies, insofar as the Supplier involves these in the provision of its services.

If the insurance contract includes a maximum indemnity for all claims in an insurance year, this must be at least twice the amount of cover available per claim.

The insurance cover to be provided by the Supplier on request in this respect must also include a supply chain clause in accordance with good industry standards with the following wording: *"If there is no liability for third-party claims, e.g. If there is no liability for claims of third parties, e.g. for reimbursement of connection, mixing, processing damage, further processing and handling damage, dismantling and installation costs, damage caused by defective machines, testing and sorting costs, solely because there is no contract between you and the injured party, but you have interposed one or more customers, we shall waive this defence of liability if you expressly request this in the individual case and you would be liable without the interposition of the customers in accordance with the statutory provisions or modifications made in this respect without prejudice to cover, in particular extension of the warranty period."* The Supplier declares his agreement to us with the offer or order confirmation to the effect that in the event of an insured event he will instruct his insurer to waive the aforementioned defence of liability.

The legal and contractual liability of the Supplier remains unaffected by the type, scope and amount of his insurance cover. unaffected.

In the case of declarations made by the Supplier regarding the originating status of the delivery items, the Supplier undertakes to immediately provide the information required to verify this originating status and to submit any necessary confirmations without being requested to do so.

The Supplier shall be responsible for ensuring that the products or parts thereof to be supplied by it are not subject to national or international export restrictions. Should a product or parts thereof be subject to such an export restriction, the supplier must obtain the necessary export licences for worldwide export at its own expense. The Supplier shall expressly indemnify us from any liability and responsibility in the external relationship, irrespective of the legal grounds, in the event of any violations of export restrictions for which the supplier is responsible and shall bear all damages incurred by us as a result of such violations.

§ 7 Property rights

We reserve all property rights and copyrights as well as exploitation rights to all illustrations, drawings, calculations and other documentation made available by us or otherwise obtained by the supplier in connection with the order placed with the Supplier and the contractual delivery by the Supplier. All of the aforementioned documentation may therefore not be used without our express written consent. consent to be given in writing, may not be used for other purposes, reproduced or made accessible to third parties. All of the aforementioned documentation is to be used by the Supplier exclusively for the purposes of processing the order or delivery and is to be returned to us without request and without delay once it has been fully completed, without retaining any copies.

The Supplier warrants that no intellectual property rights of third parties (e.g. patents, utility models, registered designs, design marks, company rights, name rights or copyrights) or other rights of third parties or other intellectual property rights are infringed in connection with its delivery or other provision of services.

If claims are asserted against us by a third party for alleged or actual infringements of industrial property rights, the Supplier shall be obliged to indemnify us and our customers against such claims upon first request, irrespective of the legal grounds. The Supplier is obliged to indemnify us and our customers against these claims, irrespective of the legal grounds, on first demand, to bear all costs and expenses incurred by us and our customers in this connection and otherwise to indemnify us and hold us harmless. This indemnification obligation of the Supplier shall extend to all expenses necessarily incurred by us in connection with claims asserted by third parties. If the rights of third parties stand in the way of fulfilment of the contract vis-à-vis our customers, the Supplier shall, at its discretion

- to obtain the consent of the respective rights holder for the contractual use at its own expense or, if this is not possible or only possible with disproportionate effort,
- to modify the delivery item or replace it with another, functionally compatible product in such a way that the rights of third parties are no longer infringed, but the Supplier's obligations under the order are still fulfilled.

If the Supplier is unable to remedy the situation by one of the aforementioned alternatives, we shall be entitled to reduce the agreed remuneration or to withdraw from the contract and demand compensation in lieu of performance. We are not authorised to make any agreements with the third party without the Supplier's consent, in particular to conclude a settlement.

The Supplier shall be liable to us for all further damages incurred by us as a result of a breach of the obligations set out in § 7 by the supplier, its legal representatives and its vicarious agents and shall indemnify us comprehensively against all liabilities, losses, damages, costs and expenses incurred by us or our customers as a result of and in connection with a breach of the obligations set out in § 7. The Supplier shall not be liable if and to the extent that the infringement of rights, in particular the infringement of third-party property rights, results from specific specifications on our part or if the infringement of rights is caused by a service provided by us.

The Supplier may itself hold industrial property rights, copyrights, patents, trademarks, utility models, registered designs, design rights and the like that are relevant to the delivery items. The Supplier shall grant us a non-exclusive worldwide, royalty-free, irrevocable right of use to these rights, with the right to transfer them to our customers and their customers, insofar as the placing on the market, assembly, manufacture and use of the delivery items is concerned. The Supplier undertakes to likewise oblige its upstream suppliers to grant corresponding rights in our favour.

§ 8 Retention of title – Tools - Confidentiality

Goods delivered to us shall become our unrestricted property at the latest upon full payment.

We do not recognise any retention of title that goes beyond the Supplier's simple retention of title . Irrespective of the retention of title, we are authorised to use, process and sell the goods and to combine and mix them with other goods.

If we provide parts to the Supplier, we reserve unrestricted ownership of these parts. Any processing or transformation of parts provided by the Supplier shall be carried out exclusively on our behalf. In the event of processing, we shall acquire ownership of the intermediate or end products and shall thus be deemed to be their manufacturer within the meaning of § 950 BGB (German Civil Code). If our reserved goods are processed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the value of our item to the other processed items at the time of processing.

If the item provided by us is inseparably mixed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the value of the reserved item to the other mixed items at the time of mixing. If the mixing takes place in such a way that the Supplier's item is to be regarded as the main item, it is agreed that the supplier shall transfer co-ownership to us on a pro rata basis; the supplier shall hold the sole ownership or co-ownership for us.

If the security interests to which we are entitled in accordance with the above exceed the purchase price of all unpaid goods subject to retention of title provided by us by more than 20%, we hereby release the excess security interests - with free choice of more than one available security interest.

We reserve title to tools provided by us and paid for by us; the Supplier is obliged to use the tools exclusively for the manufacture of the delivery items ordered by us. The Supplier is obliged to insure the tools belonging to us at replacement value at his own expense against fire, water and theft damage as well as the usual risks. At the same time, the Supplier hereby assigns to us all claims for compensation and we hereby accept this assignment.we hereby accept this assignment. The Supplier is obliged to carry out any necessary maintenance and inspection work in good time at his own expense. He shall notify us immediately of any malfunctions; if he culpably fails to do so, claims for damages shall remain unaffected. In the event of damage, loss or destruction, the supplier shall be obliged to restore or replace the tools. Furthermore, the Supplier must always store and label tools that are our or our customers property in such a way that they can be identified as our property at all times. The above shall apply accordingly if the tools provided by us to the supplier are the property of our customer.

Machines, apparatus etc. loaned to us by the Supplier shall be insured by us against the usual risks. Any further liability for loss of or damage to the machines, apparatus etc. provided to us is excluded, except in the case of wilful intent or gross negligence.

The Supplier is obliged to keep all illustrations, drawings, calculations and other documents and information received strictly confidential. They may only be disclosed to third parties with our express written consent . The Supplier must regard all enquiries and orders as well as the deliveries made to us as business secrets within the meaning of § 2 No. 1 GeschGehG (German Trade Secrets Act) . and treat them accordingly as confidential. The confidentiality obligation shall also apply for an unlimited period of time after the complete fulfilment of the orders relating to the deliveries; it shall expire if and insofar as the manufacturing knowledge contained in the illustrations, drawings, calculations and other documents provided is generally known. The Supplier may not use confidential information for its own purposes beyond the fulfilment of the order. The Supplier is only permitted to make advertising references, of whatever type and scope, to the business relationship existing between us and the supplier, in particular the naming of reference customers, with our express prior consent in writing to . The Supplier shall be liable to us for all damages arising from a breach of the aforementioned confidentiality obligations.

§ 9 Force Majeure

The parties shall not be liable for breaches of the conditions set out in the order or this contract if these are due to force majeure. The term "force majeure" means any event beyond the reasonable control of the affected party which could not have been foreseen at the time of the conclusion of the contract and the effects of which are beyond the control, compelling and unforeseeable of the party concerned. Force majeure makes it temporarily or permanently impossible for a party to fulfil all or part of its obligations.

In particular, strikes, lockouts and other labour-related, financial, technical or industrial inability or obstacles which affect the Supplier, its suppliers and subcontractors in connection with the deliveries and services owed shall not be considered force majeure.

The party affected by force majeure must inform the other party immediately after becoming aware of the event in question. The party must describe the event in detail and inform the other party of all relevant aspects that may enable its precise determination, and it must explain its effects on the fulfilment of its contractual obligations.

In addition, the Supplier shall inform us of all impending obstacles to delivery that it recognises or that have already occurred. The supplier shall take all possible and reasonable measures at its own expense in order to fulfil its contractual obligations nonetheless.

In the event that we lose interest in the service due to events of force majeure (e.g. natural disasters, war, pandemic, epidemic, riot, official measures, labour disputes, energy shortages), we may, at our discretion, withdraw from the contract in whole or in part with regard to the services that have not yet been provided or delivered, or demand the service owed at a later date.

If we are prevented from accepting the service due to events or conditions of force majeure, this shall not constitute a delay on our part.

§ 10 Sustainability Compliance

The supplier assures and undertakes to fully comply with the ZVEI-VDMA Code of Conduct (https://www.zvei.org/fileadmin/user_upload/Themen/Nachhaltigkeit_Umwelt/Nachhaltigkeit/Code-of-Conduct-2022/ZVEI-VDMA-Code-ofConduct-2022-01-en.pdf) in the respective applicable version when providing its deliveries and services. In addition, the supplier assures and undertakes to comply with the applicable anti-corruption, antitrust and competition regulations, sanction regulations as well as human rights and environmental due diligence obligations, in particular in accordance with the Supply Chain Due Diligence Act (including minimum wage obligations and prohibition of illegal employment). Insofar as subcontracting by the supplier to fulfill the contract. We reserve the right to check the application of the ZVEI-VDMA Code of Conduct by our suppliers systematically and on an ad hoc basis. This may take the form of questionnaires, assessments or audits, for example. If there are still doubts regarding compliance with the ZVEI-VDMA Code of Conduct, the supplier is requested to take appropriate countermeasures and to report the matter to his responsible contact in our company or via sustainability@tq-group.com. The supplier will report to us on request so that it is clear how compliance is ensured in principle.

Furthermore, the supplier is obliged to comply with the requirements of the other framework conditions relevant to environmental law within the European Union, as well as the environmental law applicable in Germany. This applies in particular, but is not limited to, the conformity of the products supplied by him with the following regulations: ElektroStoffV, ChemVerbotsV, ChemG, BattG, and VerpackG as well as the European ROHS Directive 2011/65/EU and (EU) 2015/863, REACH Regulation (EC) No. 1907/2006, Battery Regulation (EU) 2023/1542, Ozone Regulation (EC) No. 1005/2009, CLP Regulation (EC) No. 1272/2008, POP Regulation (EC) No. 850/2004, CBAM Regulation (EU) 2023/956, Packaging Regulation (EU) 2025/40, Critical Raw Materials Regulation (EU) 2024/1252, Deforestation Regulation (EU) 2023/1115, Taxonomy Regulation (EU) 2023/2486 and Conflict Minerals Regulation (EU) 2017/821 as well as Section 1502 of the US Dodd-Frank Act, as amended

The required documents must be submitted in accordance with the currently valid regulations in the following format: https://www.tq-group.com/de/support/pcc-materialkonformitaet/) The documents must be signed and sent in both PDF and XLS format toreach@tq-group.com . There is no entitlement to the disclosure of trade and business secrets or information relating to the competition or otherwise worthy of protection.

§ 11 Other provisions - Place of fulfilment - Applicable law - Place of jurisdiction - Severability clause

If the Supplier is an entrepreneur within the meaning of Section 310 (1) BGB (German Civil Code), our registered office shall be the exclusive place of jurisdiction, unless another place of jurisdiction is mandatory by law. However, we are also entitled to sue the supplier at the court of his place of residence.

Unless otherwise stated in the order or contract, the place of fulfilment shall be the place of destination specified by us; this shall also apply if, in individual cases, we assume the insurance of the goods or transport costs.

The law of the Federal Republic of Germany shall apply to the exclusion of the UN Convention on Contracts for the International Sale of Goods and the provisions of international private law.

If the written form is specified as a formal requirement in these General Terms and Conditions of Purchase, this shall also be deemed to have been met by a declaration in the form of an e-mail or by fax.

Should one or more of the above provisions be or become invalid, this shall not affect the validity of the remaining provisions. In no

case shall the provision in question be replaced by a provision from the supplier's terms and conditions. The contracting parties undertake to replace ineffective provisions with provisions that come as close as possible to the economic intentions of both parties.