Terms and Conditions of Purchase of TKD Kabel GmbH
(hereinafter referred to as "TKD")

Section 1 Applicability of the Purchasing Terms

1. The following Terms and Conditions of Purchase apply to all legal relations between TKD and its suppliers in so far as the supplier is an entrepreneur, a legal person of public law or a special fund under public law. These Purchasing Terms shall apply exclusively. Any divergent provisions of the Supplier, in particular terms of sale, supply and payment, apply only if confirmed by TKD in writing.
2. By carrying out a first delivery based on these Terms and Conditions of Purchase, the supplier acknowledges that these Terms and Conditions shall also apply in the version applicable at the time to all further contractual relationships which focus on the sale or the delivery of movable items or the provision of work performance. The currently valid version of the Terms and Conditions of Purchase shall be provided in the Internet (https://www.tkd-kabel.de) for downloading and printing.
3. Any individual agreements with the supplier (e.g. framework agreements, disposition agreements or supply contracts) shall take precedence over these Terms and Conditions of Purchase. Unless more specific provisions are made therein, they shall be supplemented by these Terms and Conditions of Purchase. A written contract or TKD's written confirmation is decisive for the content of contract amendments, supplements or verbal collateral agreements.

Section 2 Formation of contract

1. TKD places orders in writing or in text form (e.g. fax, email, online, EDI etc.). Only the content of this order counts. The supplier must confirm the order in writing within 3 days of the order date. If shorter delivery periods apply, the confirmation period is reduced to half the delivery period. After expiry of this period TKD is entitled to cancel its order(s). Claims by the supplier based on effectively revoked contracts are excluded.
2. TKD is entitled, before or after conclusion of the contract, to demand changes to the goods supplied.
3. The supplier may place subcontracts only with TKD's written consent. When subcontracting, the supplier must assume liability and contractually transfer to the subcontractor the contractual obligations existing vis-à-vis TKD. In addition, the supplier must contractually oblige the subcontractor to comply with all statutory provisions in executing the subcontract, in particular the obligation to pay the minimum wage to its employees, which the subcontractor must prove at TKD's request. The supplier must also oblige the subcontractor to pass on contractually to the same extent the contractual obligations he has assumed to his own subcontractors. If a claim is made against TKD for breach of the law by a subcontractor or sub-subcontractor, the supplier is obliged to indemnify TKD against such claims. This applies in particular in the event of justified claims against TKD based on § 13 MiLoG (Federal Minimum Wage Law) in conjunction with § 14 AEntG.(Act on Crossborder Work Relations). The supplier bears the procurement risk unless otherwise agreed.

Section 3 Prices, payment

1. The price shown in the respective order is the maximum price. It may be undercut, but not exceeded. In particular, fluctuations in exchange rates or changes with regard to material surcharges shall be borne by the supplier. All prices are inclusive of statutory VAT if not shown separately.
2. Agreed prices include all costs for packaging (cable drums, cardboard boxes, outer packaging, protective sleeves, etc.), cable cuts, transport to the specified place of receipt or use, for customs formalities and customs duty and, in case of doubt, any VAT. If no prices are quoted in the order, the prices demanded by the supplier must be notified to TKD in advance for approval. The supplier must take back packaging material free of charge at TKD's request.

3. The agreed price is due for payment within the Terms of Payment agreed separately between the supplier and TKD from complete delivery and performance (including any agreed acceptance) and receipt of a proper invoice. TKD does not owe maturity interest. Interest on default is five percentage points above the prime rate; § 288 (2) to (4) BGB (German Civil Code) do not apply. A written notice from the supplier is always required for TKD to be in default. Invoices are to be sent in duplicate after delivery, with all related data and VAT statement.
4. TKD pays after receipt of goods and invoice within 45 days with 3% discount calculated on the gross invoice amount or within 90 days net.
5. In the event of acceptance of early deliveries, the due date shall be based on the originally agreed delivery date.
6. In the event of incomplete or defective delivery, TKD is entitled to withhold payment in full or pro rata until proper performance. The supplier is entitled to rights of retention and set-off against TKD claims only in respect of such claims that are acknowledged by TKD or have been determined by a court and may be executed or are ready for decision.

Section 4 Delivery dates and periods, due diligence

1. The agreed delivery dates and periods shall be binding. This and also the following provisions in Section 4 also apply to notifications (of the exact time of delivery) given by the Supplier. Compliance means arrival of goods at TKD or at to the stipulated place of performance - to be determined in case of doubt by TKD.
2. The supplier is obliged to inform TKD promptly in writing if circumstances arise or become discernible to the supplier resulting in agreed delivery dates being impossible to meet.
3. If the supplier does not comply with delivery dates and periods for reasons within its sphere of risk, TKD shall be entitled to rescind the contract and/or claim compensation without further notice of default and deadline extension.
4. If delivery dates and periods are not complied with by the supplier for reasons demonstrably not in its responsibility, the parties undertake to adapt the contract in good faith to the altered circumstances. TKD shall nevertheless be released from obligation to accept the ordered delivery and shall be entitled to rescind the contract if the lapse of time has rendered the goods supplied no longer economically usable by TKD.
5. Delivery by instalments shall only be permissible if expressly agreed to in writing.
6. No reservation of ownership has been agreed.
7. Items passed to the supplier by TKD for processing and other order-handling operations (cables, components, packaging, raw materials etc.) shall remain the property of TKD. If, in the course of order processing, they are combined or mixed with other items owned by third parties, TKD shall acquire co-ownership of the new products created, in the ratio of the value of the TKD-supplied components to that of the other components used or combined. The supplier undertakes to treat TKD's property with care and to insure it against loss and damage. TKD's property shall be provided solely for execution of the contract. The supplier shall have no right to resell, pledge, hire out, lend or make any other disposal to the disadvantage of TKD.

Section 5 Passing of risks / Packaging / Insurance

1. Delivery shall be made free house at the supplier's risk up to the time of completed delivery at the contractually stipulated point of reception or use. In case of doubt these are the loading bridges set up for TKD's incoming goods. TKD shall be entitled, even after conclusion of contract, to tell the supplier a different point of reception or use, provided that no disadvantage (additional costs etc.) is incurred by the supplier or TKD undertakes to compensate the supplier for this disadvantage. If TKD arranges delivery, transport shall nevertheless still be at the Supplier's risk.
2. The supplier must package the goods for delivery in environment-friendly packaging only, so as to prevent transport damage. Furthermore, the packing instructions for delivery to TKD must be adhered to by the supplier. Additionally, the provisions of the Packaging Directive shall apply. Otherwise TKD may reject the delivered goods or have them repacked in line with the contract at the Supplier's expense.

3. Cables may be supplied on loaned drums only if TKD has agreed to this in writing.
4. The supplier shall insure the goods for delivery, at its own cost, against loss and damage during transportation and provide TKD proof of said insurance on request.

Section 6 Transfer of Claims

The supplier shall not be entitled to transfer its claims arising from the contractual relationship to third parties. This shall not apply insofar as monetary claims are concerned.

Section 7 Defect notices

1.

a) TKD shall inspect the delivered goods within a week of their arrival. If the supplied products' functioning and absence of defects cannot be established with reasonable cost and effort before fitting, initial operation, further processing and/or acceptance of the finished product, inspection may also take place later in connection with one of these operations, including at the end customers premises.

b) If a special quality assurance agreement has been concluded between the supplier and TKD, the inspection obligation shall be limited to transport damage, identity and quantity checks on the packages or cable drums. The same applies if the supplier is certified according to ISO 9000 ff., has used this certification in its advertising and has not made it clear to TKD in writing within a period of one week after conclusion of contract that the certificate should not be understood in this way.

2. Notice of defects found must be given within two weeks.
3. The supplier shall waive the objection of delayed inspections and / or defect notification if TKD has complied with its obligations under subsections 1 and 2 above.

Section 8 Warranty / Guarantee

1. The supplier warrants that all delivered goods / services are in line with state-of-the-art engineering, the relevant national, European and international legal provisions and the regulations and codes of practice of public authorities, accident prevention & insurance institutions and trade associations (e.g. DIN, VDE, IEC, VDI, TÜV, GL, UL, CSA, EPA, EAC, IEC, CE, REACH, RoHS, WEEE etc.). This applies irrespective of whether these are expressly or completely named in the contract documents. The supplier further guarantees that the supplied products and packaging materials are environmentally sustainable. If the products supplied do not correspond with the warranty provided, the supplier shall be liable for all damage caused as a result including consequential damage. TKD shall be entitled to require the supplier to submit without charge certificates of inspection relating to the supplied goods.
2.

a) Additionally, unless any conflicting provisions are listed below, the supplier shall be liable for material defects and defects of title, including incorrect and insufficient delivery, incorrect assembly, faulty assembly, operating or user manuals, and shall be liable for any other infringement of duty according to the statutory provisions.

b) § 442 (1) sentence 2 BGB is waived, so that the rights in respect of defects continue to exist even if TKD remained unaware of the defect at the time the contract was concluded as a result of gross negligence.

3.

a) In view of the fact that TKD's customers may demand a warranty which exceeds the statutory warranty periods, the warranty period for deliveries of goods is two years from discovery of the defect by TKD, but not longer than 3 years from transfer of risk or, in the case of work performed by the Supplier, from the time of acceptance.

b) In the case of unchanged installation of the goods supplied in TKD products, the warranty period begins at the time the products are put into operation by the end customer. It ends, however, at the latest three years after delivery of the goods to TKD or, in the case of work services, after acceptance of the service by TKD.

c) If the supplier owes TKD the construction of a building or a work consisting in the provision of planning or supervisory services for such a construction, the warranty period is five years after acceptance of the work or the planning and supervisory services. The extended warranty period shall also apply to deliveries of items which have been used for a building in accordance with their customary use, with the proviso that the limitation period shall commence at the time of delivery of the item.

d) TKD has unrestricted statutory rights of recourse under §§ 445a ff. or 474 ff. BGB if a warranty claim is made against TKD by its customers because of a defect in the goods supplied for which the supplier is responsible. This applies irrespective of whether a consumer or a company is at the end of the supply chain (Sections 445a para. 3, 445b para3,478. BGB3).

4. If material defects occur in deliveries during the warranty period, the supplier must provide supplementary performance (*Nacherfüllung*), at TKD's option by repair or by replacement with a defect-free item. TKD's claims for compensation for damage or futile expenditure remain unaffected. All costs necessary for supplementary performance, replacement delivery or repair, for personnel and materials, installation and dismantling, disposal, transport, increased inspection costs beyond the usual scope for incoming goods inspection, recall and legal action etc., are borne by the Supplier. In the event of a replacement delivery by the Supplier, the warranty obligations shall recommence with respect to the newly delivered parts in accordance with the above provisions.
5. If TKD's claim for supplementary performance is not met within reasonable time limits, supplementary performance is deemed to have failed and TKD is entitled to remedy the defect itself or have it remedied by third parties at the Supplier's expense and risk without the supplier's liability for material defects being affected in other respects.
6. The supplier shall bear the costs and the risk of returning defective delivery items.

Section 9 Product liability

1. The supplier undertakes to indemnify TKD for damage incurred by it because of a defect in the supplied goods. If a claim is made against TKD under the provisions of national or international product liability regulations because of defectiveness in the product deriving from faults in goods supplied by the supplier, the supplier undertakes to indemnify TKD against all claims attributable to a defect in the supplied parts. The supplier's liability to pay compensation shall cover both compensation payments to third parties and expenditure on legal defence, recall, assembling and dismantling, disposal and TKD's administration and other expenses for processing the claim.
2. The supplier undertakes to take out product liability insurance at its own cost which includes cover - if and to the extent coverable - of the recall risk, and to show TKD evidence of this on request. The cover provided by the product liability policy must extend world-wide and accord in scope and duration with the applicable maximum limits of liability under the German Product Liability Act, with an amount of EUR 10 million per damage case being sufficient in terms of the sum insured.

Section 10 Prohibited ingredients; registration requirements

1. Regardless of whether the supplier is itself an obligated party under Section 1502 of the Dodd-Frank Wall Street Reform- and Consumer Protection Act ("Dodd-Frank Act"), supplier shall ensure compliance with Section 1502 of the Dodd-Frank Act. Prior to delivery of Products, supplier shall verify whether Conflict Minerals as defined by Section 1502 of the Dodd-Frank Act (currently tantalum, tin, gold, tungsten) are contained in the Products and, if so, promptly disclose this to TKD. The origin of Conflict Minerals used must be determined by the supplier and disclosed to TKD in a comprehensible manner. In order to comply with this disclosure obligation, the supplier must also require its upstream suppliers to verify and disclose in accordance with Section 1502 of the Dodd-Frank Wall Street Reform- and Consumer Protection Act ("Dodd-Frank Act").
2. The supplier must ensure that the substances and products supplied do not violate Regulation (EU) 2019/1021 (POP), i.e. do not contain any of the substances listed in Annex 1 and Annex 2 of Regulation 2019/1021 (POPs), unless the exceptions listed in Annexes 1 and 2 or the exceptions listed in Article 4 of Regulation (EU) 2019/1021 (POP) apply.
3. Supplied products must comply with the requirements of the European Directive 2011/65/EU (RoHS). In particular, the maximum concentration values specified in Annex II of the European Directive 2011/65/EU (RoHS) must therefore not be reached, unless an exception according to Annexes III and IV of the European Directive 2011/65/EU (RoHS) is relevant. The obligation to comply with these standards according to these Terms and Conditions of Purchase is independent of the scope of the European Directive 2011/65/EU (RoHS).
4. The supplier shall ensure that the delivered products do not contain any substances above 0.1 mass percentage mentioned in the candidate list according to Article 59 (1, 10) of the European Regulation 1907/2006/EC (REACH). In addition, the supplier warrants that the delivered products do not contain any prohibited substances and chemicals pursuant to Section 6 (h) of the Toxic Control Act. These obligations exist regardless of the scope of the respective legal bases.
5. If the supplier supplies electronic products which are subject to the requirements of the German Electrical and Electronic Equipment Act (*ElektroG*), the supplier is obliged to provide TKD with the EAR registration number and to ensure compliance with the requirements of the Electrical and Electronic Equipment Act.
6. Before the first delivery, the supplier must confirm in writing the conformity of the products with the currently applicable versions of all legal requirements to be complied with (in particular REACH Regulation, RoHS Directive, Regulation (EU) 2019/1021 (POP), ElektroG and Section 6 (h) of the Toxic Substances Control Act). supplier must inform TKD immediately if TKD's drawing requirements do not comply with the currently applicable requirements. The supplier shall ensure the ongoing conformity of his products with any changes in the legal requirements to be complied with and must send TKD an updated declaration of conformity in the event of a change in the aforementioned legal bases. Non-conformity must be notified to TKD in writing without delay.

Section 11 Non-disclosure / Models / Tools / Data protection

1. The supplier undertakes not to disclose any information about the conclusion of the contract. All commercial and technical details and operational procedures which have come to its knowledge through the business relationship with TKD shall be treated as business secrets, unless they have entered the public domain. The supplier must contractually impose the same non-disclosure duty, which shall remain in effect after the contract has ended until a maximum of 5 years since the business secret became known, on its own personnel, subcontractors and other agents.
2. In the contractually agreed through-delivery of contract products to end customers (e.g. directly to the building site), the supplier must comply with the same duties of care which he has assumed vis-à-vis TKD. In manufacturing and supplying customer-specific products, in particular using TKD know-how and specifications, the supplier must not compete with TKD by supplying cables directly to TKD's contract customers. Notwithstanding any resulting claims for injunctive relief or removal, the supplier is otherwise obliged to compensate TKD for the loss incurred as a result of the breach of contract.
3. Items such as tools, moulds, equipment, models, dies, templates, samples and other manufacturing equipment which TKD has made available to the supplier shall remain the property of TKD. If the forenamed items are manufactured for TKD, they shall become TKD's property when produced/made, the supplier

acting as agent for possession. The same shall apply to designs, mixtures, drawings, analytical techniques and disclosed processes. The above items, data and processes may be passed or otherwise disclosed to third parties only with TKD's prior written agreement. Such agreement shall depend on information being provided regarding the intended use and recipient.

4. The supplier undertakes to use the tools belonging to TKD solely for making goods ordered by TKD and must insure them at its own expense against loss through fire, water or theft. The supplier must perform necessary maintenance and inspection work on the tools at its own expense.
5. The supplier is aware that its personal data is stored by TKD on data media. This is done at TKD solely for the purpose of executing the supply contract in compliance with the applicable data protection regulations.

Section 12 Property rights

1. The supplier shall be held liable for damage resulting from infringement of property rights and/or property right applications during use of the supplied goods pursuant to the contract.
2. If a claim is asserted against TKD or its customers by third parties, it will, on request, indemnify them against all claims arising from exploitation of such property rights. The Supplier's obligation to indemnify relates to all costs incurred by TKD or its customers from or in connection with the third-party claim. These shall include in particular the costs of legal defense and exercising of rights together with all costs of providing necessary replacements.
3. The supplier shall not be obliged to indemnify if the supplied goods were manufactured in ignorance of third-party property rights according to designs, mixtures, drawings, models or other equivalent specifications or information given by TKD. This shall not apply in the case of grossly negligent ignorance on the Supplier's part. Where under subsection 3, the supplier is not liable, TKD will indemnify it against third-party claims.
4. The supplier shall give written notice of using published, its own unpublished or licensed third-party property rights / property right applications not later than before contract negotiations are concluded. The supplier shall not be entitled to claim additional remuneration for the exploitation of its own or third-party property rights / property right applications entailed in using the supplied parts.
5. The limitation period for the claims against the supplier referred to in Section 12 is 10 years, calculated from conclusion of contract.
6. The limitation period for claims arising from supplier recourse pursuant to § 7.3.d) shall expire at the earliest two months after expiry of the limitation period for the respective third-party claim asserted against TKD.
7. If the supplier and TKD due to joint development work (e.g. in the course of joint special designs) attain results which can be asserted successfully as an object of property right applications, before the submission of property right applications, the parties shall confer about who shall be named as applicant and inventor in the field of technical property rights. The supplier shall on no account independently register its own property rights excluding TKD. Irrespective of the above, TKD in any case shall be entitled to a territorially and temporally unlimited free right of co-use also after the end of the supply contract.

Section 13 Safety requirements

1. For the goods it supplies, the supplier must observe the generally accepted rules of engineering, safety regulations and technical data / limit values reflecting the current state of the art or the more demanding ones stipulated. Also to be complied with in particular are the following standards, regulations and decrees: DIN, EN, ISO, the German Food and Commodities Act (LMBG), the German Association of Electrical Engineers (VDE), Reach, RoHs (2011/65 EU), EC Directives (e.g. EC Machinery Directive) and other relevant codes of practice.
2. The supplier undertakes to use only materials conforming to the applicable statutory safety requirements and regulations, in particular for restricted, toxic and dangerous substances. The same shall apply to environmental protection provisions and regulations relating to electricity and electromagnetic fields. The obligation shall cover all regulations applicable world-wide.
3. If the Supplier's products do not meet the requirements cited in subsections 1 to 2, TKD shall be entitled to rescind the contract. Further-reaching claims for damages shall remain unaffected.
4. TKD must be notified of proposed changes to the goods for supply. They require TKD's written approval.

Section 14 Quality and documentation

1. Included without additional charge in the goods to be supplied are sets of product-specific and/or technical documentation, the declaration of conformity and any other documents and certificates needed for the ordered goods or their use (e.g. assembly and operating instructions, product and safety information), together with necessary marking of parts (trademarks, manufacturer's marks, order references, article no., batch no. etc.) and/or their packaging. The supplier additionally must specify the unit weights and dimensions of the parts to be delivered in the order confirmation.
2. The costs for declarations of conformity shall be borne by the Supplier. The declarations of conformity as well as the documents specified in section 12 (1) must, on request from TKD, be submitted without delay in German.
3. Regardless of this, the supplier must constantly verify the quality of the goods being supplied. It must notify TKD promptly of possible improvements. This shall apply in particular to safety-relevant components. The supplier must verify the manufacturability of the design and perform a plausibility check. It must inform TKD promptly about any discernible errors in the specified parameters and about foreseeable complications.
4.

   a) The length tolerance per packaging unit may range from -10% to a maximum of +10%. If, in exceptional cases, it is not possible to comply with the specified tolerance limit, it is essential to inform our purchasing department in advance and obtain confirmation of this. If no advance information is provided in the event of tolerance deviations, we expressly reserve the right to refuse acceptance of the affected goods at the goods receiving department.

   b) This must be ensured by suitable testing and measuring procedures and documented.

   c) TKD may, at any time, require to be given the results of this testing in writing at no additional cost.

5. If the nature and scope of testing and the testing equipment and methods have not been firmly agreed between the supplier and TKD, at the Supplier's request TKD shall be willing within the limits of its knowledge, experience and facilities to discuss the tests with it to ascertain the standard of testing required in particular cases. Regardless of this, testing must at least accord with current best engineering practice in nature and scope.
6. The supplier must subject safety-relevant parts to testing, which must be documented. It must note in special records when, in what way and by whom the supplied goods were tested for these properties. This shall also apply to the test results. Safety-relevant parts identified as such in the product-specific/technical documents or on the basis of separate agreements or whose safety relevance is self-evident must be tested. The test records must be kept for 10 years and shown to TKD on request without charge. The supplier must, within the limits of what is legally possible, subject its own suppliers to an equivalent obligation by written contract.
7. Where, to verify specific requirements, public authorities with responsibility for production safety, production marking, exhaust-gas provisions etc. require to inspect the production process and TKD's test records, the supplier assures TKD of its willingness to grant TKD the same rights in its plant and to give all reasonable assistance.
8. Only after express consent
9. Subsequent changes of the material which deviate from a previous initial delivery (initial sample inspection) are permitted only with express prior approval. Such approval can be declared only after timely notification by the Supplier, which must reach TKD 40 days before agreed delivery.

Section 15 Force Majeure

Force majeure, unrest and other unforeseeable, unavoidable and serious events shall release the contracting parties from their performance obligations for the duration of the disruption and to the extent of its effect. This shall also apply if these events occur at a time when the affected contractual partner is in default. The contracting parties shall be obligated to provide the necessary information without delay within the scope of what is reasonable and to adjust their obligations to the changed circumstances in good faith.

Section 16 Audit

1. TKD shall be entitled to carry out an audit of the supplier itself or, at its discretion, to have it carried out by an expert. This audit shall entail an inspection of the Supplier's plant and of its quality assurance and environment systems, followed by an appraisal. The findings obtained in the audit are made the basis for future placement of orders and for internal rating of the plant by TKD.
2.

   a) TKD shall be entitled to perform, with advance notice, inspections of the Supplier's ongoing business operations to monitor quality assurance measures.

   b) Where there have been quality problems in the past, TKD shall also be entitled to perform unannounced inspections to monitor quality assurance measures. TKD shall not have this right if the most recent complaint against the Supplier's quality assurance measures was more than a year ago or no defects were found in two consecutive unannounced inspections.

   c) TKD has, where it can demonstrate a reasonable legitimate interest, a right to inspect the subcontractor's records. Such a legitimate interest exists in particular when knowledge may be gained in this manner which enables to assess the necessity and scope of a recall.

Section 17 General provisions

1. If the supplier suspends its payments or if insolvency proceedings against its assets, a court-supervised or out-of-court settlement are/is applied for, TKD shall be entitled to rescind the unfulfilled part of the contract.
2.

   a) If individual clauses are void, validity of the others shall remain unaffected.
   b) Void provisions shall be replaced by the statutory provisions. The same applies to omissions.

3.

   a) The laws of the Federal Republic of Germany apply.
   b) The language for contracting, proceedings and the courts is German.

4. Application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is precluded.
5. The place of performance for delivery and contract services and the legal venue for all liabilities and/or disputes arising from the contractual relationship is Nettetal or - at TKD's discretion - the location of a site of TKD responsible for delivery / contract service. TKD is optionally also entitled to bring an action at the Supplier's principal place of business or at the place of performance of services.
6. In case of discrepancies between these Terms and Conditions of Purchase and their German original (Einkaufsbedingungen der TKD Kabel GmbH), the German version in its most current version shall prevail.