

# General Terms and Conditions of AdvanIDE Europe GmbH

## relating to Sales

As at August 2019

### I. Scope of the terms and conditions

1. The General Terms and Conditions of AdvanIDE Europe GmbH, Am Klingenweg 6 A, 65396 Walluf, Germany (hereinafter referred to as "ADVANIDE") relating to Sales shall apply to all contracts concluded between ADVANIDE and the customer, unless agreed otherwise. Terms and conditions that diverge from the General Terms and Conditions of ADVANIDE or provisions of the supplier that have a contract-modifying effect are hereby revoked. This shall also apply, in particular, to cases in which an order is placed with reference to the General Terms and Conditions of the customer.
2. These General Terms and Conditions shall also form the basis for all future transactions between ADVANIDE and the customer.

### II. Scope of goods and services

1. The order placed by the customer shall be binding and may be accepted by ADVANIDE within 4 weeks of receipt. Oral subsidiary contracts shall only be binding on ADVANIDE in so far as ADVANIDE confirms them in writing. Orders by email shall only be processed by ADVANIDE if this has been agreed with ADVANIDE.
2. ADVANIDE unlimitedly reserves full rights of ownership and copyright in respect of the use of cost estimates, drawings and other sales documents, which may only be made accessible to third parties with the prior agreement of ADVANIDE. All the documents referred to in Section II, paragraph 2 that have been handed over or transmitted to the customer shall be immediately returned to ADVANIDE without any request being necessary if the order is not ultimately placed with ADVANIDE. The customer's documentation may be made accessible to third parties that have been duly requested by ADVANIDE to deliver goods or services.
3. In the case of deliveries of goods, in particular chips and modules, ADVANIDE reserves the right to change or deviate from the volume ordered by delivering more or less than the total amount ordered in line with normal commercial practice and in so far as this is reasonable (up to a maximum of 10 %). Account shall be taken of changes and deviations of this type when the agreed remuneration is calculated.
4. In so far as ADVANIDE agrees in writing to the cancellation of an order in an individual case, without incurring any legal obligation as a result, compensation equal to 20% of the agreed price plus any turnover tax that is due shall be payable.
5. ADVANIDE shall be entitled to use affiliated companies and other third parties as sub-contractors to fulfil its obligations.

### III. The customer's duty to co-operate

1. The customer shall allow ADVANIDE to access the information it needs for its activities at any time and, in particular, to make documentation available and instruct its own staff to provide information. It shall provide ADVANIDE with correct and complete information about any circumstances that are important for effective provision of the goods and services, without being requested to do so.
2. If the customer fails to comply with a duty to co-operate incumbent on it, despite having received a written warning to do so, or if the customer repeatedly infringes obligations arising from the contractual relationship in a serious manner, ADVANIDE shall be entitled to terminate the contract without notice. Independently of assertion of this right of termination, ADVANIDE shall be entitled to claim compensation for the loss suffered because of the occurrence of the ground for termination and the additional expenditure incurred as a result. ADVANIDE shall, in any case, be entitled to claim full payment after the deduction of any expenses that have been saved.

### IV. Offer, price

1. The offers made by ADVANIDE shall be without engagement and non-binding in principle, unless there is a specific individual written request to conclude a contract. Unless specified otherwise, ADVANIDE shall honour a specific individual written offer and the prices contained therein for a period of 14 days following the date of its issue. The prices shall be deemed to be on a basis of delivery ex works or ex the distributing warehouse specified in ADVANIDE's acknowledgement of the order, including packaging. The prices shall be subject to statutory turnover tax (VAT) and plus shipping costs.
2. When material wage or other costs increase after the quotation or contract is made, ADVANIDE shall be entitled to adjust the price accordingly at any time. The increase in the price shall be limited to the increase in the cost of living, and the increase in normal market prices for the goods affected over the same period. If the price increases by over 5%, the customer shall be entitled to cancel the contract in writing immediately after receipt of the declaration concerning the price increase.
3. If circumstances become known that cast doubt on the creditworthiness or solvency of the customer, ADVANIDE may, at its discretion, make delivery dependent on advance payment or a different form of security. This shall also apply if such circumstances become known between conclusion of the contract and delivery or after one or more partial deliveries. If the customer refuses to make payment in advance or furnish a different form of security or fails to do so despite having been granted a period in which to do so, ADVANIDE shall be entitled to cancel the contract. ADVANIDE shall also be entitled to cancel the contract if an application for insolvency is made in respect of the customer's assets, insolvency proceedings are initiated or the initiation of insolvency proceedings is refused because there are insufficient assets. All ADVANIDE's claims for payment shall immediately fall due as soon as the cancellation declaration is received. Any further claims by ADVANIDE shall remain unaffected by this.

### V. Retention of title

1. ADVANIDE shall retain ownership of the goods until all ADVANIDE's claims against the customer arising from the business relationship including any claims that may arise in future, for example from contracts that are concluded at the same time or at a later date, have been settled. This shall also apply if individual claims or all the claims of ADVANIDE are included in a running invoice and the balance has been calculated and acknowledged.
2. After having duly cancelled the contract, ADVANIDE shall be entitled to claim back the goods, sell them elsewhere or otherwise dispose of them. If the goods are taken back by ADVANIDE, this shall not constitute cancellation of the contract unless ADVANIDE has announced cancellation. Attachment of the goods by ADVANIDE shall always constitute cancellation of the contract.

3. The customer shall be obliged to handle the goods with care; in particular, the customer shall be obliged to take out sufficient insurance to cover them at their reinstatement value against damage due to fire, water or theft, at the customer's own expense. In so far as maintenance and upkeep work becomes necessary, the customer must perform it in good time at its own expense.
4. The customer must immediately inform ADVANIDE in writing of any attachments or other impairments by third parties so that ADVANIDE can take third-party action against execution under § 771 ZPO [Code of Civil Procedure] or other action. If the third party is unable to repay to ADVANIDE any court or other legal expenses resulting from action under § 771 ZPO, the customer shall be liable for the loss incurred by ADVANIDE.
5. The customer shall be entitled to resell the goods in the normal course of business. However, the customer hereby cedes to ADVANIDE, which accepts all claims up to the final amount of the invoice (including value added tax) that it may come to have against its customers or third parties as a result of resale, regardless of whether the goods have been resold before or after conversion. The customer shall continue to be authorised to collect its claim even after assignment. The right of ADVANIDE to itself collect the claim shall remain unaffected by this. ADVANIDE undertakes, however, not to collect the claim, on condition that the customer meets its payment obligations arising from the revenue received and, in particular, no application has been made for the initiation of insolvency proceedings and there has been no suspension of payments. If this is the case, however, ADVANIDE may require the customer to inform ADVANIDE of the claims that have been assigned and the identities of the debtors in question, provide all the information necessary for collection, hand over the associated documentation and inform the debtors (third parties) that assignment has occurred.
6. Conversion or transformation of the goods by the customer shall always be carried out for ADVANIDE. If the goods are converted together with other articles belonging to ADVANIDE, ADVANIDE shall acquire joint ownership of the new item in proportion to the value of the goods (final invoiced amount, including value added tax) in relation to the other converted articles at the time of conversion. The item resulting from conversion shall otherwise be subject to the same provisions as those applicable to goods delivered subject to the retention of title.
7. If the goods are inextricably mixed with other articles that do not belong to ADVANIDE, ADVANIDE shall acquire joint ownership of the new item in proportion to the value of the goods (final invoiced amount, including value added tax) in relation to the other mixed-in articles at the time of mixing. If the mixing is carried out in such a way that the customer's item is to be regarded as the main thing, it is agreed that the customer shall transfer proportional joint ownership to ADVANIDE. The customer shall preserve the sole or joint ownership arising in this way for ADVANIDE.
8. ADVANIDE undertakes to release the securities due to it at the request of the customer in so far as the realisable value of its securities exceeds by over 20% the claims to be secured; ADVANIDE shall be free to choose the securities to be released.

### VI. Terms and conditions of payment

1. The payments are to be made to the account specified in the invoice without deduction within the agreed payment periods or, if nothing has been agreed, within 10 days from receipt of the invoice the latest on a strictly net basis without deduction. The date on which the relevant sum is credited to this account without reserve shall be crucial for determining observance of the payment period and any other terms of payment that have been agreed.
2. Payments shall only be made by bank transfer or in cash; bills of exchange and payments by cheque shall only be accepted in settlement on a basis of express agreement, with the addition of all collection and discount costs.
3. The customer may only offset against claims that are undisputed or have been found to be legally enforceable and may only assert rights of retention in so far as they are based on the same contractual relationship.

### VII. Period for the delivery of goods or services

1. Delivery terms or periods, which may be agreed to be binding or non-binding, must be in writing. The observance of delivery periods and terms shall entail the due receipt of all documents to be delivered by the customer, all the permits that are necessary, dispensations, due clarification and approval of the plans and, in particular in the case of advance payment, observance of the agreed terms and conditions of payment and other obligations. If these requirements are not met in good time, the term shall be extended accordingly or new delivery dates shall be agreed. ADVANIDE shall also be entitled to demand compensation for the loss it has incurred as a result of this.
2. The time limit shall be deemed to have been met for deliveries if an operational consignment has been provided for shipment or collected by the forwarding company within the agreed period for provision of the goods or services. If delivery is delayed for reasons that are the fault of the customer, the time limit shall be deemed to have been observed if readiness for shipment is announced within the agreed period. The other legal requirements applicable to default in acceptance shall remain unaffected by this.
3. Delays in the delivery of goods and services as a result of force majeure (which shall be deemed to be constituted by circumstances or events that cannot be prevented by taking due care as part of normal business management), the contractual obligations of ADVANIDE shall be suspended for the duration of the disturbance within the limits of their effect. They shall entitle ADVANIDE to defer delivery of the goods or services for the duration of the hindrance plus a reasonable start-up period or to cancel the contract in whole or in part in respect of the portion that has not yet been fulfilled. If the delays resulting from this exceed a period of 2 months, the customer shall be entitled, after having set an appropriate period of grace, to cancel the contract with regard to the unfulfilled portion. The customer shall not be entitled to make any other claims.
4. If there is default in acceptance by the customer, ADVANIDE may store the goods at the risk and expense of the customer.
5. ADVANIDE shall be entitled to make partial deliveries of goods and services in so far as this is reasonable.
6. If the deliverable goods or services are not available and ADVANIDE is not responsible for the lack of availability, ADVANIDE shall be entitled to wholly or partly cancel the contract. In such a case, ADVANIDE shall be obliged to immediately inform the customer of the lack of availability and immediately return any consideration that has been received.

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**VIII. Transfer of risk**

1. The risk of accidental destruction or accidental deterioration of the goods shall, including in the case of partial deliveries, pass to the customer when the goods are handed over or, in the case of sale by delivery to a place other than the place of performance, when the goods are placed in the care of the forwarding agent, carrier or other person designated to carry out shipment. Packaging shall be carried out with due care. Shipment shall be carried out according to the best judgement of ADVANIDE.
2. If the delivery of goods or services is delayed because of circumstances that are the fault of the customer, the risk shall pass to the customer when the goods are declared to be ready for shipment.

**IX. Duty of examination, warranty, statute of limitations**

1. The customer shall examine the goods delivered by ADVANIDE immediately after delivery. If the customer does not complain about any discernable defects, shortfalls or incorrect deliveries within 10 working days from delivery, the delivery shall be deemed to have been accepted.
2. The customer must complain to ADVANIDE about any hidden defects immediately and within 10 working days of their discovery at the latest.
3. If the goods are defective, ADVANIDE reserves the right to rectify the defects by redelivery or rectification (reperformance) at its discretion, unless the reperformance is not possible or unacceptable. In the case of reperformance, ADVANIDE shall be obliged to bear all the expenses that are necessary for this purpose, in particular transport, travel, labour and material costs in so far as they are not made greater by the fact that the goods are transported to a place other than the place of destination. Apart from this the statutory rights of the customer in respect of defects remain unaffected. Claims for damages The customer may only claim damages in respect of defects are subject to the conditions laid down in Article X.
4. If ADVANIDE is obliged to rectify defects in software, it shall supply appropriate software patches to the customer free of charge in so far as this is actually possible and economically reasonable. If this is not possible or economically not reasonable, ADVANIDE may supply new software at its discretion.
5. The limitation period for claims made by the customer in respect of defects shall be one year from delivery. This shall not apply in the case of action with intent, gross negligence, malicious silence with regard to a defect, failure to meet a guaranteed quality, injury to life, person or health or claims by the customer for indemnification because of a defect if newly manufactured goods are being sold to consumers in the course of business operations. Statutory rights of recourse exist only insofar as the customer did not enter into agreements with its subpurchaser extending statutory liability for deficiencies.

**X. Limitations of liability**

1. ADVANIDE shall be liable without limitation for losses caused by action with intent or gross negligence. This shall also apply to losses resulting from injury to life, person or health if ADVANIDE is responsible for the failure to meet obligations and to losses that are due to malicious silence with regard to a defect. ADVANIDE shall be liable without limitation for losses due to failure to meet a guaranteed quality or storage life, if the risk of such a loss was obviously covered by a guarantee of quality or storage life.
2. In case of infringement of important contractual obligations (cardinal obligation or essential secondary obligation) resulting from simple negligence ADVANIDE's liability shall be limited to foreseeable and typical losses in view of the type of contract. There shall be no liability resulting from simple negligence in the case of infringement of non-essential contractual obligations.
3. Liability under the product liability law shall not be affected by this. Failure to meet obligations by a legal representative or vicarious agent of ADVANIDE shall be deemed to have the same status as failure by ADVANIDE to meet its obligations.

**XI. Exclusion of reperformance and cancellation**

1. If no action is taken within a period for fulfilment set by the customer and if the customer fails to declare whether it wishes to maintain its demand for fulfilment or claim damages in lieu of fulfilment within a reasonable period set for this purpose by ADVANIDE after having subsequently been requested by ADVANIDE to make such a declaration, no demand for fulfilment shall be permitted after the end of the reasonable period associated with ADVANIDE 's request.
2. The customer shall only be permitted to cancel the contract on the ground of failure to meet an obligation that is not based on a defect in the goods if the circumstance constituting the ground for cancellation is due to a fault on the part of ADVANIDE. If the failure to meet an obligation is minor, no cancellation shall be permitted.
3. Nor shall cancellation be permitted in cases in which the customer would only have been entitled to compensation for lost value rather than the return of the goods.

**XII. Industrial property rights of third parties**

1. In the event of an alleged infringement of industrial property rights or copyrights through the results of the goods or services provided by ADVANIDE, the latter shall, at its discretion, either secure a right of use, modify the goods so as not to infringe the industrial property rights or replace the goods. The rights of the customer in view of the provisions contained in Articles IX to XI shall not otherwise be affected.
2. The obligations of ADVANIDE specified above shall only apply in so far as the customer immediately informs ADVANIDE in writing of the claims made by third parties and does not acknowledge infringement and all ADVANIDE 's rights to take defensive measures and negotiate settlements are reserved.
3. ADVANIDE shall not be liable for the infringement of industrial property rights or copyrights if they are based on a change in the performance of the goods or services that has not been implemented or authorised by ADVANIDE, in whole or in part. Nor shall ADVANIDE be liable for infringements of industrial property rights resulting from use that is not contractually specified for the results in question.

**XIII. Confidentiality and data protection**

1. The customer shall be obliged to observe confidentiality with regard to all the sales documentation, commercial and technical specifications, price lists and other documentation and information delivered by ADVANIDE ("confidential information") and to impose a corresponding obligation on its vicarious agents and assistants. This does not apply to information, which is publicly available or known to the customer without breach of an undertaking to nondisclosure. Articles belonging to ADVANIDE are to be preserved in such a way that they cannot be made accessible to unauthorised third parties. Information and articles that are the property of ADVANIDE may only be disclosed to third parties with the express agreement of ADVANIDE. The obligation to maintain confidentiality shall continue to apply for a period of two years after processing of the contract has been completed.
2. Unless expressly agreed otherwise in writing, the information submitted to ADVANIDE in connection with orders shall not be deemed to be confidential.
3. ADVANIDE shall be authorised to use, or arrange for the use by third parties of the personal data entrusted to it in line with the purpose of the business relationship, subject to data protection regulations.
4. ADVANIDE may include the name of the customer in its own reference list until the name is withdrawn, which may occur at any time.

**XIV. Disposal of electrical and electronic equipment**

1. A return of electrical and electronic equipment for disposal, which falls under the scope of the "Gesetz über das Inverkehrbringen, die Rücknahme und die umweltverträgliche Entsorgung von Elektro- und Elektronikgeräten" (ElektroG, law on the disposal of electrical and electronic equipment) or related provisions, shall take place solely at a so called "Entsorgungsstelle" (place of disposal) named by ADVANIDE, unless the purchaser or his customers dispose the goods themselves. The purchaser shall deliver the goods on his own expenses.
2. The purchaser shall bind by contract his commercial customers, to whom purchaser passes on electrical and electronic equipment delivered by ADVANIDE, to the benefit of ADVANIDE to dispose this equipment after end of use solely at a place of disposal named by ADVANIDE, unless the purchaser or his customers dispose the goods themselves. If the purchaser fails to do so, he shall indemnify ADVANIDE from any and all costs arising from the transport of goods in order to dispose them including shipping, handling and packaging costs. ADVANIDE 's right of indemnification does not prescribe until the end of a two year period after the end of use of the equipment. The two year period of suspension of the expiration of prescription does not begin until written notification of ADVANIDE by the purchaser about the end of use of the equipment.

**XV. Place of jurisdiction, applicable law**

1. Wiesbaden (Germany) shall be the place of jurisdiction. ADVANIDE shall, however, be entitled to take action at the place of establishment of the customer.
2. The law of the Federal Republic of Germany shall apply to all legal relationships between ADVANIDE and the customer, to the exclusion of all international and supranational legal systems (laid down in treaties), in particular the UN Sales Convention, and to the exclusion of conflicts of laws provisions of German law .
3. Those General Terms and Conditions have been executed bilingually in German and English. Should a dispute concerning the interpretation or application of those General Terms and Conditions arise, the German version shall prevail.