

TRILUX General Purchasing Terms and Conditions (“GPTC”), last revised: 01.03.2014

1. General, scope of application, Definitions

- 1.1 The following GPTC apply exclusively and finally, even if they have not been specifically agreed in an individual case, for all contracts, even if the Supplier stipulates or refers to conflicting terms and conditions in quotations and order confirmations.
- 1.2 The GPTC apply for orders placed by TRILUX Group Management GmbH, Arnsberg (“TGM”) and the companies of the TRILUX Group affiliated with TGM in accordance with §§ 15 ff. of the German Stock Corporation Act (AktG) (hereinafter referred to as the “TRILUX companies”), if and to the extent in which the TRILUX companies involve these GPTC .
- 1.3 Any conflicting and differing general terms and conditions of the Supplier are herewith rejected, and they are deemed to be waived. Any amendment, alteration or addition shall only become a part of the Agreement in exceptional cases if they are expressly stated in a separate agreement in writing.
- 1.4 Our employees are not authorised to agree to the validity of other than these GPTC either verbally or on delivery notes, receipts of delivery etc. Amendments to these GPTC or their content require the consent of our Purchasing Department, management or the Management Board. These GPTC are accepted at the latest with the first delivery of Goods made by the Supplier.
- 1.5 Our Purchasing Terms and Conditions also apply for all supplements to the Agreement and all future business with the Supplier.
- 1.6 Definitions: in this document shall mean
 - a) “TGM” and “TRILUX company” as defined in clause 1.2
 - b) „Goods” shall mean all goods, rights, etc. in the broadest sense, including software and related documentation and packaging and where appropriate includes services provided by Supplier
 - c) „Supplier” shall mean each person or entity those enters into the Agreement
 - d) “Agreement” shall mean the binding contract concluded as described in clause 2.
 - e) “GPTC” shall mean these terms and conditions

2. Quotations, quotation documents, conclusion of Agreement

- 2.1 Quotations by the Supplier are free of charge for us. The Supplier will be bound to its quotation for four weeks.
- 2.2 In its quotation the Supplier has to keep to the volume, properties and design stated in the enquiry or invitation to tender. The Supplier may offer alternatives, but shall expressly state that these are alternatives. These alternatives may only be executed if we, contrary to our enquiry, have expressly placed an order for such an alternative quotation in writing.
- 2.3 Only orders placed by us in writing or in text form are legally binding. Verbal agreements, including in respect of the execution of an order, are valid when they have been confirmed by us in writing.
- 2.4 Every order will be sent to the Supplier and shall be signed and returned immediately to the Purchasing Department by the Supplier. The signed GPTC are to be returned to us with the quotation/order confirmation.
- 2.5 We shall no longer be bound by our order, if the Supplier's order confirmation/quotation with the signed contractual documents such as GPTC, has not been received by the

deadline stated in the order or within 10 working days if a deadline has not been stated. With so duly sent order confirmation the Agreement shall be concluded.

- 2.6 Our silence/non-reaction will under no circumstances constitute our acceptance.

3. Prices, payment terms

- 3.1 The price stated in the order is a fixed price and, unless otherwise agreed, includes all incidental costs to the named place of destination DDP INCOTERMS® 2010, including packing, insurance etc. The agreed price includes any and all license fees.
- 3.2 Prices cannot be changed due to a subsequent increase in any costs, taxes etc.
- 3.3 All prices are exclusive of any value added tax (VAT), sales tax, or any other similar tax and any tax shall be stated separately in the invoice.
- 3.4 The amounts invoiced by the Supplier may only be approved for payment by us, if the invoice meets both, the above and the following conditions and if Goods are already delivered the invoice shall state the order number, specified in our order. The invoices shall meet all of the requirements of commercial law and tax law. Monthly invoices shall be sent by no later than the 5th working day of the month following the delivery. The Supplier will be responsible for all of the consequences as a result of its failure to comply with these obligations.
- 3.5 Invoices are due for payment within 60 days net after the completed delivery and performance (including where applicable an agreed acceptance) as well as receipt of a correct invoice.
- 3.6 We will not owe any interest after the due date. In the event of default of payment the legal regulations shall apply, whereby in deviation to these regulations in each and every case a reminder in writing from the Supplier to us shall be required.
- 3.7 We are entitled to offsetting to the extent permitted by statutory law. The Supplier may only assign the amount it is owed to a third party or arrange for it to be collected by a third party with our consent in writing. If Supplier fails to fulfill any of its obligation under the Agreement, we may suspend payment to Supplier upon notice.
- 3.8 The place of fulfillment for payments is the registered office of the respective TRILUX company.

4. Deliveries, delivery period and dates, default, contractual penalty

- 4.1 Deliveries shall be made DDP INCOTERMS® 2010 to the named place of destination.
- 4.2 The agreed delivery date is binding. The delivery period starts on the date, when the order is received by the Supplier. The Supplier will be in default in delivery after a bindingly agreed delivery period has passed, without the need of a reminder. The receipt of Goods at the place of unloading or receiving department specified by us and the consideration of our normal opening hours is significant for the compliance with delivery dates/delivery periods. If the Goods are delivered to a wrong receiving location, this shall not be deemed to be delivery.
- 4.3 The Supplier shall inform us immediately in writing if he expect that he will be not able to meet agreed delivery times, for whatever reason.
- 4.4 If the Supplier does not perform its service or does not perform it within the agreed delivery period or is in default in delivery, our rights, in particular concerning withdrawal and compensation, are determined by the statutory regulations.
- 4.5 In case of default in delivery by the Supplier, we shall be entitled to pursue our statutory claims. In particular be entitled, after a reasonable grace period has expired

- fruitlessly, to claim damages in lieu of performance and to rescind the Agreement.
- 4.6 In case of default of delivery by the Supplier, we shall - notwithstanding our other statutory claims - be entitled to claim a contractual penalty from the Supplier in an amount equal to 0.25 % of the net price per calendar day of delay up to maximum total of 5 % of the value of delayed delivery. If we accept a late performance, we will claim the contractual penalty at the latest with the final payment.
- 4.7 If the Supplier is unable to meet a delivery deadlines due to force majeure (an event unforeseeable and beyond the control of Supplier e.g. war, natural disasters, etc.), the performance of the obligation shall be suspended by the duration of the force majeure. If the disruption should last for longer than one month or if the context of the non-performance justifies immediate termination and the consequences of disruption justify good cause for termination, we may withdraw in whole or in part from the Agreement or terminate the Agreement. The Supplier shall inform us as soon as the reason for the disruption is over. Shortages of personnel, production material or resources, a breach of Agreement by a third party contracted by the Supplier and in cases where the Supplier not being supplied on time by its own suppliers are not force majeure events.
- 5. Execution**
- 5.1 If we request initial samples / samples for approval, the Supplier may only commence serial production after the sample for serial production has been approved by us in writing.
- 5.2 We have the right to request changes to the agreed Goods and services within the Supplier's technical capabilities. Technical changes and their effect on price, delivery time and other conditions require an agreement in the form stated in clause 2 of these GPTC.
- 5.3 Partial deliveries are only permitted if they have been agreed in writing, otherwise we may refuse to accept them. In any case, partial deliveries shall not be considered to be independent/different Agreements.
- 5.4 In cases of urgent operational or commercial reasons/incidents, e.g. as a result of force majeure, fire, flood etc., we will have the right to withdraw from the Agreement against payment of compensation in the amount of 10 % of the agreed price of the Goods not yet delivered of the respective order without any further costs. The Supplier has the right to prove higher costs / expenditure.
- 6. Transport, transfer of risk, default of acceptance**
- 6.1 The delivery must be made, unless otherwise is agreed in writing, to the delivery address / point of use stated by us in the order. This is the place of performance.
- 6.2 The risk will not be transferred to us before the Goods have been received. The acceptance of the delivery does not constitute approval of the Goods.
- 6.3 Goods are to be packed separately on an order-related basis. Otherwise we will have the right to return the Goods or claim the additional costs incurred by us in this respect.
- 6.4 We will only be in default of acceptance after we have been set a reasonable final deadline for acceptance and we are responsible for the non-acceptance of performance by the deadline. We will in particular not be responsible in the event of force majeure (war, unrest, strike, etc.).
- 7. Documents, export controls, supplier declarations**
- 7.1 The Supplier shall include with each shipment a delivery note and accurately state our order number on all shipping documents and delivery notes; if he fails to do so, the Supplier will be responsible for the resulting delays.
- 7.2 The Supplier shall inform us immediately if a delivery is subject to any export restrictions. The Supplier shall also inform us upon request about the goods tariff numbers (custom tariff code/ HS code) for his Goods and any other information in his organisation and sphere of control concerning his Goods and services which are necessary for us to comply with export control regulations.
- 7.3 The Supplier shall make supplier declarations in accordance with EC regulation 1207 / 01. If long-term supplier declarations are used, the Supplier shall inform us without being asked of changes in the originating status with the respective order confirmation. The same applies for proof for VAT purposes for domestic and intra-Community deliveries.
- 8. Warranties, agreements on the legal and factual nature**
- 8.1 The Supplier represents and warrants to us in particular, without limitation, that all Goods
- are suitable for the intended purpose and shall be, new, of good quality and are free from all defects in construction, manufacturing, materials, design and workmanship,
 - conform with the specimens, samples and descriptions provided and the agreed specifications and agreements on the legal and factual nature,
 - are free of third-party rights and
 - comply with all applicable laws, regulations, guidelines and rules, in particular such as laborlaw, as EC Directive 2001/95 on General Product Safety, such as RoHS or REACH and meet the requirements of the property insurer and where applicable include a CE certificate of conformity.
- 8.2 The agreement on the legal and factual nature is in all events considered to be those product descriptions which, in particular due to the description or reference in our order, are the object of the respective Agreement or in the same way as these GPTC were included in the Agreement. It makes no difference whether the product description comes from us, from the Supplier or from the manufacturer.
- 8.3 If the Supplier has any concerns about the specification he shall immediately inform us in writing. If in individual cases deviations from specification are necessary, the Supplier shall obtain our approval in writing. The Supplier's liability shall not be limited.
- 9. Inspection, Non-conforming Goods**
- 9.1 For our rights with regard to defects in quality and in title concerning the Goods (including wrong and shortfall in delivery, incorrect installation and deficient installation, incorrect operating or user instructions) and other breaches of duty by the Supplier, the statutory regulations shall apply subject to the following conditions:
- 9.2 The statutory provisions (§§ 377, 381 of the German Commercial Code [HGB]) shall apply for the commercial duties of inspection and notification, subject to the following alternations: As a part of our receiving inspection of incoming deliveries, which is undertaken within reasonable time in the ordinary course of business, we shall check the identity of the Goods, compliance of the quantity with the delivery documents and on a basis of a sampling inspection for obvious and visible damage caused in transit, and shall notify the Supplier of any visible defects. In all cases, our notification of defect will be considered to have been provided without delay and in a timely manner if it is made within five working days of the discovery of the defect. If approval is agreed, there is no duty of inspection.
- 9.3 The Supplier shall deliver the Goods free from defects and shall meet all warranties and guarantees given by the Supplier. In the event of defects, we shall be entitled to the full scope of warranty rights provided under statutory law. In particular, we shall be entitled to claim remedial action ("supplementary performance") from the Supplier, at our

- discretion either in the form of rectification of the defect or delivery or re-fabrication of new, defect-free Goods.
- 9.4 The Supplier shall bear all of the necessary costs incurred for the purpose of examining a defect and any remedial action, including transport costs, the costs of an expert opinion, administration costs, own costs, the consequential damage of a defect, assembly and disassembly costs, cost of equipment, lifting gear and scaffolding. This will also be the case if there was in fact no defect. Our liability for compensation with unjustified requests for rectification of defects remains unaffected; in this respect, however, we are only liable if we were aware or were not aware due to gross negligence that there were no defects. We may also demand that costs relating to inspections are refunded if, due to the above-average occurrence of defects, goods-in inspection above the usual sampling inspection is necessary.
- 9.5 If the Supplier does not meet its obligation concerning supplementary performance – either by rectifying the defect (rectification) or by supplying a defect-free product (replacement delivery), as we choose – by an reasonable deadline set by us, we may rectify the defect ourselves and demand compensation from the Supplier for the necessary expenditure incurred incl. an appropriate advance.
- 9.6 If the supplementary performance by the Supplier fails or is unacceptable for us (e.g. due to extrem urgency, risk to operational safety or the threat of disproportionate damage) we shall be entitled to rectify defects promptly by ourselves, or have them rectified by others, at the cost of the Supplier, without having to set a reasonable time limit. However, this does not release us from our obligation to notify the Supplier without delay of such measures being taken, if possible before taken any action.
- 9.7 Our further warranty rights in cases of defects in quality and/or in title to reduction in the purchase price, or the right to withdraw from the Agreement in accordance with the statutory regulations, or the right for compensation of damages or reimbursement of expenses shall remain unaffected.
- 10. Liability, Product liability, indemnification against third-party property claims, insurance**
- 10.1 The Supplier shall on first demand indemnify us against direct claims made by third parties against us due malperformance by the Supplier. The Supplier has the right to prove our contributory negligence or contributory fault.
- 10.2 If the Supplier is responsible for a product liability loss, the Supplier shall indemnify us against claims for compensation by third parties and in particular product liability claims on first demand, if the cause for the product liability loss is set in the organisation and sphere of control of the Supplier and the Supplier itself is liable externally.
- 10.3 In this context, the Supplier shall, moreover, be under an obligation to reimburse us in accordance with §§ 683, 670 or in accordance with §§ 826, 830, 840 of the German Civil Code (BGB), for any proven necessary expenses we may incur due to, or in connection with a product recall or product warning we issue, if such is required under statutory provisions, or due to circumstances which would make any prudent businessman issue a product recall in order to avert risks of loss or damage – including non-proprietary losses. We will inform the Supplier of the content and extent of the product recall actions to be carried out, as far as possible and reasonable, and give the Supplier the opportunity to make a statement. Any other statutory rights shall remain unaffected.
- 10.4 The Supplier shall take out a business and product liability insurance policy with a combined limit of at least EUR 5,000,000.00 per case of injury to persons / damage to property and maintain such insurance cover until expiry of

- the limitation periods of statutory rights for the last order confirmed by the Supplier. Upon request, proof of this insurance policy and any change in the insurance cover shall be provided. The Supplier releases its insurance provider now from its obligation to maintain confidentiality so that we have the right to obtain information direct from the insurance provider. Further rights shall remain unaffected.
- 10.5 The Supplier is also liable for ensuring that the Goods and its samples and the trademarks are free from third-party rights of any kind, that property rights and in particular patents and copyrights are not violated and that the Goods supplied comply with all of the legal regulations and regulatory requirements, if it was aware of the violation or should have been aware of the violation as a specialist business. The Supplier indemnifies us against any claims for compensation by third parties in the event of any such culpable violation of such rights or public law regulations. We have the right to obtain at the Supplier's expense from the holder of the property rights the necessary approvals for delivery, operation, use, resale etc. of the delivery item, if the costs incurred by this are less than the damages incurred by both parties in the event of rescission.
- 11. Limitation periods**
- 11.1 The mutual claims of the Agreement parties are subject to a limitation period in accordance with the statutory regulations subject to the following regulation:
- 11.2 The general limitation period for warranty claims in cases of defects is (in deviation to § 438 para. 1 Nr. 3 of the BGB) three years from delivery, and if approval has been agreed, from approval. Claims arising from defects in title will under no circumstances expire providing the third party is still able to make the claim against us, particularly in the absence of limitation. If remedial action is taken in form of rectification of defects or re-delivery, the limitation period shall begin to run anew for the rectified defect.
- 11.3 The limitation periods in sales law including the above prolongation apply, to the extent permitted by law, to all contractual warranty claims for defects. Insofar as we are also entitled to make non-contractual claims for compensation due to a defect, the regular legal limitation period will apply for this purpose (§§ 195, 199 of the BGB), unless the application of the regular legal limitation period in "Kaufrecht" (sales law) including item 9.2 provides a longer limitation period in the individual case.
- 12. Confidentiality, Provided Materials, retention of title, references**
- 12.1 We retain all rights of ownership and copyrights to technical and commercial documents, drafts, drawings, product descriptions, illustrations and any other documents. Such documents are to be used exclusively for the performance of the Agreement and to be returned upon request when the Agreement comes to an end. Strict confidentiality must be maintained towards third parties concerning the documents and any other information provided by the Supplier which under reasonable assessment are to be classified as confidential, not to be disclosed to third parties and not to be used for the Supplier's own competitive purposes, unless we provide our express consent in writing for this.
- 12.2 The preceding provision applies accordingly for substances and materials (e.g. software, finished and semi-finished products) as well as tools, templates, samples and other objects which we provide the Supplier with for installation in the Goods to be supplied [Beistellungen] (provided materials). The provided materials are, so long as they are not processed, to be stored separately at the Supplier's expense and to be insured appropriately against destruction and loss. The Supplier shall process or convert the provided

materials for us. If the provided materials are processed, mixed or combined (further processing) together with other items not owned by us, we shall acquire co-ownership of a newly created item in the same proportion as the value of our provided materials bears to the value of the other items processed.

- 12.3 The obligation to maintain confidentiality does not apply if the Supplier obtains the confidential information from a third party without being in breach of this agreement, providing the third party gained possession of the information legally and/or if it is legally obliged to disclose the confidential information or is obliged to disclose it due to a court or official order. The Supplier will in these cases inform us in good time to the extent permitted by law and possible before disclosing the information so that we can prevent the disclosure with legal measures.
- 12.4 A prolonged and extended retention of title for the Supplier is excluded.
- 12.5 The Supplier is not allowed to reveal its business relationship with us or name us as a reference, unless our prior consent in writing for this has been obtained.

13. Termination in special circumstances

In addition to the rights to withdraw from the Agreement stated in these GPTC, we are entitled to withdraw from or terminate the Agreement for cause if (preliminary) insolvency proceedings are opened for the assets of the Supplier or the Supplier stops making its payments and this stop is not just temporary. The same applies if reasons accrue which prevent the Supplier from making deliveries, e.g. a court injunction or an order by a public authority, and these reasons last for a continuous period of more than two months, as well as the discovery of an illegal competitive agreement or the discovery of a corruption offence concerning us.

14. Social responsibility, environmental protection, data protection

- 14.1 We have signed up to the Code of Conduct of the ZVEI (the German Association for Manufacturers of Electronic Components and Systems), which can be viewed on the website of ZVEI <http://www.zvei.org/Themen/GesellschaftUndUmwelt/Seiten/ZVEI-Code-of-Conduct.aspx>, and expect the Supplier to comply with these provisions, which are based on internationally established standards. TRILUX endeavours to implement the principles throughout the value chain as far as its sphere of influence allows. The Supplier shall therefore make every appropriate and reasonable effort to promote compliance and sustainability throughout the supply chain, and in particular continually implement and apply the principles and values set out in the ZVEI Code of Conduct for Corporate Social Responsibility or in an equivalent code of conduct.
- 14.2 Upon request by TRILUX and within the framework of reciprocity, the key measures should be reported on and where possible within the scope of audits a review should be made possible so that it can be understood how the Supplier ensures compliance. This does not constitute a right to the disclosure of operational and business secrets and information relating to the competition or worthy of protection.
- 14.3 During performance of the Agreement, the Supplier shall strictly adhere to the legal and statutory requirements concerning environmental protection. Supplier shall take precautions against a leak, especially with respect to the use of materials and substances which are capable of polluting or in another way negatively altering the ground or the water.

The Supplier shall be furthermore be required to accept back packaging.

- 14.4 The Supplier gives its consent to the processing of its data necessary for business purposes. The above is considered to be notification in accordance with § 33 para. 1 of the German Data Protection Act (BDSG).

15. Applicable law, place of jurisdiction, final provisions

- 15.1 The legal relationship and the Agreement with the Supplier shall be governed by and construed in accordance to the substantive law of the country in which the respective TRILUX company has its head office. The United Nations Convention on contracts for the International Sale of Goods (CISG) shall not apply.
- 15.2 The parties agree that the sole place of jurisdiction for any disputes arising from the legal relationship and contract with the Supplier is either a) the location of the head office of the TRILUX company which is the Agreement partner of the Supplier, or b) at the option of TRILUX company, either the location of the registered office of the Supplier or c) at the option of TRILUX company for arbitration, the following: any dispute shall be finally settled solely under the Rules of the International Chamber of Commerce (ICC). In the case of 1 c), the parties agree that the ICC Paris shall be as the appointed authority and English shall be the language of arbitration and at option of the TRILUX company the location of the head office of the respective TRILUX company or the Supplier's location of the registered office shall be the place of arbitration.
- 15.3 These GPTC will also apply if individual provisions should prove to be invalid. The parties will endeavour to amend or reinterpret the invalid provision of the general terms and conditions so that the economic purpose intended with the invalid provision is largely achieved. The same procedure will apply if during the execution of the a loophole emerges that requires an amendment. If the invalidity is due to a performance or time value, this will be replaced by the value permitted by law.
- 15.4 If a provision in these GPTC or the Agreement should be ineffective taking into account mandatory foreign law, the Supplier will upon request agree with us those Agreement amendments and make to third parties or public authorities those declarations that ensure the effectiveness of the provision concerned and, if this is not possible, its economic content under the foreign law.
- 15.5 These GPTC are translated from the German language. In case of disputes/doubts, the German text of these GPTC shall prevail.

I have read the GPTC and declare that I agree with the provisions:

Supplier:

Name:

Signature:

Date: