

General Purchasing Conditions (GPC) of Rutronik Electronics (Shanghai) Co., Ltd.
– As of: March 2021 –

§ 1 Scope

- 1.1 These purchasing conditions (“GPC” or “Purchasing Conditions”) shall apply to all present and future supply, purchase and performance rendered by the seller (“Seller”) of products, goods or services (“Products”) to Rutronik Electronics (Shanghai) Co., Ltd. (“Buyer”) supplementary to all other agreements between the Buyer and the Seller, even if the Purchasing Conditions are not referred to expressly in further transactions or when a new contract is in drafting. Buyer and Seller jointly shall be referred to as “Parties” and individually as “Party”.
- 1.2 Sales conditions, general terms and conditions or other standard clauses of the Seller which differ from or contradict these Purchasing Conditions shall not under any circumstances become part of a Contract as defined below in Article 2.7. Amendments and additions to the Purchasing Conditions shall only become valid, if these additions or amendments are made in writing and signed or chopped by both Parties.
- 1.3 In case of changes to these Purchasing Conditions, such changes shall apply to all future Contracts in case Buyer informs the Seller of the changes and Seller does not object to such changes within two (2) weeks in writing.
- 1.4 The contractual language shall be English. If the Parties also use another language, the English text and the English version of these GPC shall prevail.

§ 2 Conclusion of Contract and Changes to the Contract

- 2.1 Unless otherwise expressly agreed between the Parties, a request for a quotation submitted to the Seller by the Buyer or by any person acting on behalf of the Buyer shall not be deemed as acceptance of the costs of preparing the quotation by the Buyer.
- 2.2 In its quotation, the Seller shall adhere as closely as possible to the Buyer’s request and specifications. If the Seller practically cannot avoid deviations from the Buyer’s request, the Seller shall expressly inform the Buyer of any deviations in the quotation in writing.
- 2.3 Unless the Seller has stipulated a different period of time, the Seller’s quotation shall be binding for a time period of 60 days.
- 2.4 Orders (“Orders”) by the Buyer shall not be binding until they have been placed by the Buyer in writing or, in the case of Orders placed verbally, by telephone or other means of telecommunication, confirmed in writing. The same shall apply to changes and supplements to Orders (“Change Orders”).
- 2.5 Orders that have been generated with the use of automatic devices and that do not contain a signature or name shall be deemed to be written Orders.
- 2.6 The Buyer’s failure to respond to quotations, requests or other declarations of the Seller shall not be deemed as consent, unless such has expressly been agreed in writing as hardcopy with original signature or company chop of the Parties.
- 2.7 Upon receiving an Order, the Seller shall send the Buyer a written acknowledgement of Order without delay, however no later than one (1) week after receipt of the Order, expressly stipulating price and date of delivery according to the Order. If the acknowledgement complies with the Order, the Parties concluded a contract with the content of the Order (“Contract”) based on these GPC.
- 2.8 If the Seller’s acknowledgement of Order deviates from the Order, such deviations shall only be deemed agreed as part of the Contract, if the Buyer expressly confirmed the deviations in writing as hardcopy with original signature or company chop.
- 2.9 To the extent that Orders contain obvious mistakes or writing or calculation errors, such Orders shall not be binding to the Buyer and even with acknowledgement the Parties shall not be deemed as having concluded a Contract.
- 2.10 The Buyer shall be entitled to change the order and the Contract with a Change Order. The Seller shall advise the Buyer in writing of the consequences of any desired change to the Order (e.g. increase in costs, deterioration in quality). The Seller shall not implement changes according to the Change Order until the Buyer has given its written confirmation as hardcopy with original signature or company chop to the consequences of the desired Change Order.
- 2.11 Call-Off Orders (“Call-Off Order”) shall be issued by the Buyer in writing. Call-Off Orders shall be deemed to have been accepted by the Seller with binding effect and a respective Contract shall be deemed concluded, if the Seller does not object to a Call-Off Order within two (2) working days. An Order shall only be deemed a Call-Off Order, if expressly stated on the Order.
- 2.12 In case the Seller does not acknowledge an Order within one (1) week of receipt, the Buyer shall have the right to revoke the Order.
- 2.13 If the Seller does not confirm the Call-Off Order within two (2) working days the Buyer has the right to rescind from the Call-Off Order.
- 2.14 If the Seller discovers during the execution of a Contract that deviations from the originally agreed specifications are necessary or advisable, the Seller shall advise the Buyer thereof without delay

and submit change proposals including any possible changes of costs and prices. The Buyer will confirm to the Seller whether the Buyer wishes the Seller to make changes to the original Order and if so, which changes. Seller shall not implement any changes without the aforementioned confirmation by the Buyer in writing as hardcopy with original signature or company chop that the Buyer wishes to implement the changes.

- 2.15 Order acknowledgements, dispatch notes, waybills, delivery notes, invoices and other correspondence from the Seller shall especially include the order number, order date and supplier number. In case the aforementioned documents do not include such order number, order date and supplier number, Seller shall be responsible and liable for any delay in processing or fulfillment by Buyer and Buyer shall not be liable for late performance.

§ 3 Prices, Payment, Assignment

- 3.1 The prices (“Prices”) stated in the Order shall be binding and shall include freight, insurance, packaging, demurrage, storage at customs as well as all and any other additional costs for free delivery to the place of delivery (“Place of Delivery”) specified by the Buyer.
- 3.2 Unless the Price is expressly designated as net price the price shall include statutory value-added-tax and other tax or government surcharges.
- 3.3 The Seller shall not have the right to change the Prices or charge additional cost, expenses, fees, duties or tax, unless expressly agreed otherwise by the Parties in writing as hardcopy with the signature or the chop of the Parties.
- 3.4 The Seller shall issue an invoice separately for each Order after dispatch of the Products and shall state the Product number and the tax number; the Seller shall state the value-added-tax separately in the invoice. Invoices not issued in due form with the aforementioned requirement shall be deemed as if not issued.
- 3.5 Payment by the Buyer will be 60 days from the date of receipt of the invoice and acceptance of the Products. The Buyer shall have the right to verify the invoice and delay payment in case of deviations or irregularities.
- 3.6 The Seller shall issue a tax invoice (Fapiao) within one (1) week upon receipt of the payment.
- 3.7 In the case of suspicion of Incompliant Products, as defined in Article 7.5 below, the Buyer shall be entitled to withhold the entire payment of the Price or any other claims against the Seller until the Order has been properly performed. The Buyer does not forfeit its right to rebates, discounts or similar price reductions due to withholding payment of the Price. The period for payment shall commence as soon as all Incompliant Products of the respective Order have been entirely remedied.
- 3.8 In case Products are delivered early, the period allowed for payment of the Price shall not commence until the agreed delivery date in the Contract or other agreements between the Parties.
- 3.9 To the extent that the Seller is under the obligation to supply materials tests, test reports, quality documents, certificates or other records along with the Products, the Product shall not be deemed as accepted until the Buyer receives materials tests, test reports, quality documents, certificates or other records and Seller shall have no claim for payment of the Price of the Products until then.
- 3.10 In case the Buyer becomes overdue with a payment, the Seller shall be entitled to demand from the Buyer an overdue interest at a rate of 2% per year above the base interest rate applicable at the time, unless the Buyer can prove that the damage actually sustained by the Seller is below this amount of interests. If an adequate additional period of time for payment including threat of termination set by the Seller in writing after the onset of default of payment has fruitlessly expired, the Seller shall be entitled to terminate the Contract.
- 3.11 The Buyer shall only be obligated to pay to the Seller. The Buyer shall be entitled to offset claims and rights of retention according to the applicable laws and regulations. The Seller shall only set-off claims against the Buyer or assert a right of retention if and to the extent Seller’s respective claims are undisputed or the Seller’s claims have been decided by a court or an arbitral tribunal in an enforceable verdict.
- 3.12 Payment for Products by the Buyer shall not be deemed as the Buyer’s acceptance of the Products as Compliant Products.

§ 4 Delivery, Passing of Risk and Transfer of Title

- 4.1 Delivery shall be “free domicile”, i.e. freight, insurance and packing shall be borne by the Seller (DDP warehouse of the Buyer, INCOTERMS 2020).
- 4.2 Each delivery of Products shall include a complete set of accompanying documents / delivery note and these documents shall expressly state the Buyer’s Order number.
- 4.3 The Seller shall supply technical certificates, certifications, test reports, acceptance reports, quality test reports and other documents required for the use of the Products in accordance with the Contract and all applicable laws and regulations free of charge together with the Products. In case any documents or certifications required according to Contract or other agreements between the Parties or according to laws, regulations or mandatory standard are not delivered, the Product shall be deemed as Incompliant Product.
- 4.4 The Products shall be delivered in packaging appropriate to the nature of the Products, taking into account the means of transportation, climate and elements including static electricity as well as any general packaging requirements which may be applicable to these means of transportation as

well as any certification for the packaging. In particular, the Products shall be packed in such a manner as to prevent damage in transit. Packaging materials shall be used only to the extent required for the packing purpose.

- 4.5 Shipping shall be at the risk of the Seller. The Seller shall bear the risk of accidental loss or accidental deterioration or damage of the Products until their acceptance by the Buyer as Compliant Products, as defined below in Article 7.5. If the Seller is under the obligation to install or assemble the Products, the risk of accidental loss shall not pass to the Buyer until after the Products have been put into operation and accepted by the Buyer.
- 4.6 The Seller grants the Buyer a worldwide, non-exclusive, transferable license in of any software included in the scope of the delivery, including the respective documentation and translations thereof.
- 4.7 Upon delivery of the Products at the Place of Delivery, the property to the Products shall pass to the Buyer directly and free from encumbrances.
- 4.8 In case the Buyer pays the Price before arrival of the Products at the Place of Delivery, the Product shall become property of the Buyer with payment of the Price, whereas this change of property of the Products shall not affect the liability of the Seller for accidental loss or damage to the Products.

§ 5 Force Majeure

„Force Majeure“ means the occurrence of an event or circumstance outside the control of the Party affected thereby, that prevents a Party from performing one or more of its contractual obligations. These events and circumstances include but are not limited to war, acts of terrorism, trade restrictions, epidemics, natural disasters and strikes. The Party affected by Force Majeure is obliged to inform the other Party in writing immediately of the occurrence of such an event or circumstance. The Party affected by Force Majeure shall be released from its contractual obligations from the time the impediment to perform occurs and for as long as it lasts. If the impediment lasts for more than 90 days, each Party may terminate the respective individual Contract concerning the affected products and quantities in writing.

§ 6 Terms, periods and Dates, Delay in Delivery

- 6.1 Agreed dates and terms and deadlines shall be strictly binding and the Buyer shall have the right to terminate a Contract without previous termination notice in case of late delivery of Products. The date of delivery is the receipt of the delivery of Products at the warehouse of the Buyer or at the Place of Delivery otherwise specified by the Buyer. Delivery periods and deadlines shall commence on the day the Contract is concluded.
- 6.2 As soon as the Seller becomes aware that there might be a delay in delivery, the Seller shall inform the Buyer thereof in writing without delay and stating the reasons for and the probable duration of the delay. The Buyer informing the Seller of a delay shall not affect the binding effect of the agreed deadline or Date of Delivery or release the Seller from any liability for late delivery.
- 6.3 Seller shall not deliver before the agreed Date of Delivery unless the Buyer gives prior written consent. In case the Buyer delivers before the Date of Delivery the Buyer shall be entitled to reject the delivery or to store it at the expense of the Seller.
- 6.4 The Seller shall not provide partial deliveries unless the Buyer has expressly agreed to partial deliveries.
- 6.5 In the case of a delay in delivery the Buyer shall be entitled to terminate the Contract regardless of whether or not there has been a fault on the part of the Seller. If the Seller is in delay with delivery of Products the Buyer shall be entitled to claim liquidated damages of 0.1% of the Order value for each working day of the due Date of Delivery, however not exceeding 5% of the Order value. The Buyer has the right to claim any damage exceeding the liquidated damage.
- 6.6 The Buyer's claim for delivery of Products shall remain valid until acceptance of the Product, or the Buyer terminated the Contract or the Seller has paid damages in lieu of the delivery to the Buyer upon Buyer's request.
- 6.7 In case the Buyer accepts the late delivery of Products, such acceptance of an overdue delivery shall not constitute a waiver of any claims for damage compensation of the Buyer.
- 6.8 Acceptance of a Product shall not be deemed as a waiver of any claims for damage compensation.

§ 7 Liability and Non-Contractual Quality, Defects

- 7.1 Specifications (“Specifications”) which have been agreed shall be an integral part of the Order and may only be changed with the written consent of both Parties.
- 7.2 Specifications shall include in particular, but not be limited to:
- Any agreement in this GPC, a Contract or other agreements between the Parties.
 - Any technical descriptions, drawings, images, data sheets,

attributes, quality requirements, etc. for the Products

- Any laws, regulations and standards of the destination country/region, if the destination country/region is disclosed to the Seller, as well as with all laws, regulations and standards of the People's Republic of China (“PRC”), including but not limited to safety, import and export (from the PRC) laws and regulations;
 - Any other detailed technical specifications, description or quality as requested by Buyer in Change Orders;
 - Any general standards and industry standards
 - Any start of the art developments regarding the Products.
- 7.3 In case any of the Specifications in Article 7.2 above contradict the Seller shall inform the Buyer and await further instructions of the Buyer.
- 7.4 The Products shall be free of any defects (“Defects”), i.e. the Products shall not pose a threat to personal safety or property and comply with all national, local and industrial standards or regulations, which ensure human health, personal safety and safety of property.
- 7.5 Products complying with the Specifications above in Article 7.2 and are free of Defects shall be considered as compliant Products (“Compliant Products”), otherwise such Products shall be considered as non-compliant Products (“Non-compliant Products”), unless stated otherwise in this GPC, a Contract or any other written agreement between the Parties.
- 7.6 If Seller provides to the Buyer samples prior to supply of the Products, the quality of the Products provided by Seller to Buyer shall not be inferior to that of samples, otherwise the Products are deemed as Non-compliant Products regardless whether such Products comply with the Specifications.
- 7.7 The Seller guarantees that the Products comply with the Specifications, all laws and regulations of the country of destination, if the country of destination is known to the Seller, and the laws and regulations of the PRC and are state of the art. The Seller shall attach a written certificate stating the compliance with the Specifications, all laws and regulations of the country of destination, if the country of destination is known to the Seller, as well as the Products are state of the art to each delivery of Products.
- 7.8 The Seller grants a guarantee period (“Guarantee Period”) of 36 (thirty-six) months for Products after delivery. In case the Buyer intends to sell the Products to its own customer, the Guarantee Period starts at the same time the Product is handed over to the Buyer's customer.
- 7.9 Buyer shall inspect incoming Products only for completeness and visible damage to packaging and shall not be obliged to notify Seller about other incoming Non-compliant Products or Products with a Defect. In any case Buyer shall not lose the right to assert claims due to any Non-compliant Products or Defects based on late reporting to the Seller. The Buyer shall have a period to discover Non-compliant Products during the entire Guarantee Period.
- 7.10 In case of deliveries, which consist of a batch of more than 5 Products of the same type of Products and more than 0.5% of the samples of a batch of Products are Non-compliant Products, the whole batch of Products are deemed Non-compliant Products.
- 7.11 Seller shall immediately arrange for short term actions to minimize any potential damage. Seller shall submit a written response to Buyer replying to the complaint report within 24 (twenty-four) hours after the receipt of the complaint. In case Seller fails to submit a written response within such 24 (twenty-four) hours, the complaint report including the Defects or Non-compliant Products described therein shall be considered as accepted by Seller. Seller's obligation to submit aforementioned written response to Buyer replying to the complaint report remains unaffected. A complaint report shall only be considered as complete when the 8D report is accepted by Buyer.
- 7.12 In case of Defects or Non-compliant Products, Seller shall without undue delay, but latest within 2 (two) weeks or a deviating period as set at the discretion of the Buyer, remedy - upon discretion of Buyer - by repair or replacement of the Defects and Non-compliant Products and inform Buyer about the measures for assuring a consistent contractual Product quality in future including a dispatching of a written 8D-Report to Buyer. Alternatively, upon discretion of Buyer, Buyer may himself repair or replace the Defects and Non-compliant Products at Seller's cost, including short term actions, such as sorting and re-working, which shall not constitute a waiver of any claim for further damage compensation or other remedies. The Guarantee Period shall start new for repaired or replaced Products or parts thereof.
- 7.13 In case the Seller fails to remedy an Non-compliant Product after the first try or does not remedy the Product within 2 (two) weeks, the Buyer shall have the right to terminate the Contract and return any Non-compliant Product against return of any Price paid at the cost of the Seller. In case the Seller does not accept the Non-compliant Product back within a reasonable period of time as set by the Buyer, the Buyer shall have the right to dispose of the Non-compliant Product and the Seller shall bear any and all costs and expense thereof.
- 7.14 Independent of other claims for Non-compliant Products, Seller shall be liable for damages suffered by Buyer due to Defects or Non-compliant Products and the remedies thereof, relating to any disassembling or removal and reassembling costs, transportation cost, additional sorting and inspection costs, other labor costs, replacement and maintenance cost, punitive damages and contractual penalties as suffered by Buyer, loss of profit and loss of production, authority fees, recall costs or other costs, including, but not limited to expenditures, taxes, fines, surcharges and lawyer fees. Such liability shall also extend to higher transportation costs due to late delivery, including the case where the means of transportation are changed from sea freight to airfreight.

- 7.15 Seller shall indemnify and hold Buyer harmless from all claims of third parties or customers of Buyer, regardless on which legal basis, including national and international product liability regulations, which are brought against Buyer with the assertion that the Products or Buyer's product, where the Product is included, is Defective or an Incompliant Product or otherwise substandard quality, including punitive damages, contractual penalties and other compensations. Seller shall not be liable for claims by third parties or customers of Buyer, if Seller can prove that the claim of the third party or the customer is based on the gross negligence or willful conduct of Buyer. Furthermore the Seller shall reimburse the Buyer in any expenses and damage arising from this Article 7.15 including, but not limited for legal costs and such expenses as arising from or in connection with necessary preventive measures taken by the Buyer to prevent harm to third parties or it's the Buyer's customers against claims from product liability, including but not limited to product warnings, replacement of Products or Product recalls. To the extent possible and if such can be reasonably expected of the Buyer, the Buyer shall advise the Seller of the contents and scope of the measures to be taken and shall give the Seller the opportunity to comment thereon.
- 7.16 Seller undertakes to conclude and continuously maintain an adequate product liability insurance including a recall cost insurance with a coverage for personal injury, property and financial losses of at least USD 10 million/per claim and an adequate public liability and business interruption insurance, including coverage of USA and Canada, and shall prove this continuously upon Buyer's request by providing a copy of the insurance policy. Buyer shall have the right to terminate any Contract and rescind from any Order at any time, if and as long as Seller cannot prove that Seller concluded and maintained aforementioned product liability insurance.
- 7.17 Seller shall before modifying its production processes and facilities, materials or components delivered by sub-suppliers, relocating manufacturing sites, furthermore before changing quality assurance measures, including but not limited to changing procedures or equipment for testing the Products, which may have an effect on the quality or nature of the Products, inform the Buyer thereof early enough for the Buyer to be able to verify whether such changes or modifications may have a detrimental effect on the Product.
- 7.18 The Buyer processing the Products, taking the Products over at the Place of Delivery or paying the Price of Products does not constitute an acceptance of the Products as Compliant Products or a waiver of any rights or remedies therefore.
- 7.19 If the Seller supplies Products for which replacement parts and accessories are necessary or available, the Seller shall supply the Buyer with the necessary replacement parts and accessories for a period of another 10 (ten) years following the expiration of the limitation period for the respective Product.
- 7.20 The Seller shall be liable for faults of its agents, representative and subcontractors to the same extent as the Seller is liable for its own faults. The Seller's sub-suppliers shall be deemed its vicarious agents.
- 7.21 If feasible the Seller shall mark its Product for identification as the Seller's Product.
- § 8 Property Rights and Confidentiality**
- 8.1 The Seller guarantees and assures that the delivery and use of the Products do not infringe any patents, licenses or other third-party property rights or copyrights. If, due to the delivery or use of the Products, the Buyer or its customers are held liable by any third party for infringement of any such rights, the Seller shall be under the obligation, upon first demand, to indemnify and hold the Buyer or its customers harmless from and against these claims and to reimburse the Buyer for all expenses incurred by the Buyer in connection with the asserted claims.
- 8.2 The Seller shall grant the Buyer and its customers the non-exclusive, transferrable right, unlimited as to territory and time, to use the Products of the Seller, to integrate them into other products and to distribute them world-wide. The Seller undertakes not to assert any intellectual property rights against any use of the Products.
- 8.3 In the frame of a Contract or cooperation between the Parties it may be necessary for the Buyer to disclose confidential information to the Seller.
- 8.4 For an unlimited period of time the Seller shall treat as confidential all and any information which may be disclosed to the Seller by or on behalf of the Buyer and which is designated as confidential or may be recognized as trade or business secrets, including, but not limited to drawings, samples, molds, tools, bill of material, suppliers, personal data of employees, formulas, procedures, plans, programs, molds, source code, models, regardless of the nature of the recording, storage or transmission. etc. ("Confidential Information"), and neither to copy nor pass it on or otherwise give access to third parties.
- 8.5 Seller shall use such Confidential Information to the extent this is necessary for the execution of the Contract with the Buyer only.
- 8.6 Seller shall conclude appropriate contractual arrangements with the employees and agents working for it. The Seller shall ensure that these persons, refrain for an unlimited period of time from any use, disclosure and unauthorized recording of such Confidential Information.
- 8.7 Seller shall secure Confidential Information with state-of-the-art measure and shall return to Buyer or upon request of Buyer destroy or erase in a manner that they are not recoverable any Confidential Information.
- 8.8 Products developed by the Buyer or its customers shall not be used by the Seller itself nor shall such Products be offered, made accessible to or delivered to any third party.
- 8.9 The Seller shall neither claim nor register anywhere in the world any intellectual property information including but not limited to all knowledge and experience, trade secrets as defined by PRC law, any inventions, utility model rights, design rights, patents or other industrial property rights or technical knowledge, copyrights, trademarks, know-how or other intellectual property, no matter whether patented, registered or not received from the Buyer including Confidential Information and other information including records, patterns, drawings, samples, calculations models and/or layouts which are based on documents, information and/or knowledge attributable to Buyer or affiliate companies and similar information or for any intellectual property in the possession of Buyer or affiliates worldwide.
- 8.10 Should any affiliate of the Seller register intellectual property right which would violation these GPC in case the Seller registered such intellectual property, the Seller shall assert the Seller's influence on the affiliate to notify such affiliate to deregister such intellectual property right.
- 8.11 Seller shall comply with the legal provisions on data protection. Upon request, Seller shall prove the required necessary compliance with a data protection obligation in relation to Buyer according to applicable laws or other relevant provisions.
- 8.12 Seller shall defend and indemnify Buyer, its successors, assigns, customers and users of its Products, against all suits at law or in equity and from all damages, claims and demands for actual or alleged infringement of any domestic or foreign patent, copyright or other property right by reason of the use or sale of the Products.
- 8.13 Seller grants to Buyer, its subsidiaries and affiliates an irrevocable, assignable, paid-up worldwide license under each copyright of Seller that is applicable to any intellectual property whatsoever furnished to Seller in connection with the Products.
- § 9 Export Control and Customs, Substances Contained**
- 9.1 The Seller shall inform the Buyer in writing of any obligations to obtain permits for the (re)export of its goods under German, European, People's Republic of China and US export control and customs regulations and laws as well as export and customs regulations of the country of origin of its Products or of other restrictions relating to the marketability of the Products before conclusion of the Contract. Otherwise the Buyer shall be entitled to terminate the Contract without advance notice period and regardless of whether the Seller was at fault or not without any claim of the Seller for damage compensation. Any further claims the Buyer may have shall be unaffected thereby.
- 9.2 In its quotations, Order acknowledgements and invoices the Seller shall in particular provide the following information for the respective items (if applicable):
- export list number in accordance with Annex AL to the German Foreign Trade Ordinance or comparable list items of relevant export lists,
 - ECCN (Export Control Classification Number) for US goods in accordance with the US Export Administration Regulations (EAR),
 - the trade-policy origin of its Products and the components of its Products, including technology and software,
 - information on whether the goods were shipped across the US, manufactured or stored in the US or manufactured using US technology,
 - the statistical reporting number (HS code) of its Products,
 - REACH, Order Number 7, i.e. Provisions on the Environmental Administration of New Chemical Substances in China and documents replacing the order, candidates list of substances subject to authorization as well as
 - RoHS status including the exemptions applied
 - a contact within Seller's company for clarifying any queries from the Buyer.
- 9.3 At the Buyer's request the Seller shall inform the Buyer in writing of all and any further export data relating to its Products and their components and to notify even without the Buyer's request the Buyer in writing and without delay (before delivery of the goods concerned) of any changes in the above data.
- 9.4 The Seller undertakes to comply with all and any applicable laws, regulations and customer requirements regarding the prohibition or restriction of specific substances. This shall also include the duty to label goods for recycling and disposal.
- § 10 Liability of the Buyer**
- The Buyer shall only be liability for any damage resulting from a breach of guarantee or from injury to life, limb or health based on its gross negligence or willful conduct of the Buyer Buyer's liability shall further be limited to such damage, which the Buyer foresaw or should have foreseen at the time of the conclusion of Contract.

§ 11 Compliance

- 11.1 Seller guarantees and shall comply with all national laws and regulations including, but not limited to import, distribution, tax, anti-trust, anti-child labor, anti-forced labor, labor safety, anti-bribery etc.
- 11.2 Furthermore, Seller guarantees that Seller complies with the 10 principles of the UN Global Compact.
- 11.3 In case it comes to Seller's attention, that there are breaches of the guarantees according to this Article 11, the Seller shall inform Buyer without undue delay, but latest within two (2) weeks.
- 11.4 Seller shall also obligate Seller's suppliers to comply with the guarantees in this Article 11 and audit their compliance regularly.
- 11.5 In case of a breach of Seller of the obligations and guarantees as stipulated in this Article 11 Buyer has the right to terminate and Contract and rescind every Order without previous notice or compensation.
- 11.6 In case of a breach of Seller of the obligations and guarantees as stipulated in this Article 11 Seller shall indemnify, defend and hold the Buyer harmless from and against all and any third-party claims asserted against the Buyer or its customers.

§ 12 Applicable Law and Arbitration

- 12.1 These GPC and all Contracts shall be governed by and interpreted in accordance with the laws of the People's Republic of China. The UN Convention of April 11, 1980 regarding Contracts for the International Sale of Goods (CISG) shall not apply.
- 12.2 Any dispute arising from or in connection with these GPC or the Contracts shall be submitted for arbitration to the Shanghai International Arbitration Center (SHIAC) according to its then valid arbitration rules. Either Party may take the initiative in such submission for final decision pursuant to the rules of procedures of the SHIAC with instructions that the arbitration be conducted in the manner set forth in Article 12.3 of these GPC.
- 12.3 Arbitration shall be conducted as follows:
 - a. All proceedings in any such arbitration shall be conducted in English.
 - b. In case the dispute value is more than RMB 500,000.- there shall be three (3) arbitrators otherwise there shall be one arbitrator only. In case of 3 arbitrators Buyer and the Seller shall each select one (1) arbitrator. The third arbitrator or the sole arbitrator shall be appointed by the president of the SHIAC and shall serve as chairman of the panel.
 - c. The arbitration award shall be final and binding on the Parties, and the Parties agree to be bound thereby and to act accordingly.
 - d. The costs for arbitration as well as other legal costs by the Parties shall be borne by the losing party unless decided otherwise by the arbitration tribunal.
 - e. The arbitration place shall be Shanghai.

§ 13 Final Provisions

- 13.1 Each provision of these GPC is independent and separate, if any provision of these GPC is or becomes invalid or unenforceable, the validity of the remaining provisions shall not be affected. In place of the invalid provision, the valid provision that comes closest to the purpose of the invalid provision shall be considered agreed upon.
- 13.2 The written form according to these GPC shall include hardcopy and electronic forms like emails. Instant messaging communication, such as wechat, what's app, qq, sms shall not be deemed as in writing.
- 13.3 The Parties hereby acknowledge that the Civil Code of the PRC as adopted on May 28, 2020 came into force on January 1, 2021. As Orders or Contracts under this GPC may be placed subsequently, this GPC and all Contracts and Order hereunder are drafted and considered at the time of publication and shall be interpreted as such, also after January 1, 2021. In case mandatory regulations according to new laws and regulations or interpretations of the Supreme People's Court come into force and such mandatory laws change the interpretation, validity or consequence a Contract or respective Orders in comparison to the legal situation on the publication of this GPC, any invalid regulations shall be replaced with regulations which shall be as close as possible to the original intend of the Parties and interpretations shall be made in a manner that the outcome is as close as possible to the original economic consequences as intended by this GPC at the date of publishing.
- 13.4 The headings in these GPC are for convenience of reference only and they do not constitute any rights and obligations, and do not carry any legal significance.
- 13.5 Amendments and supplements to a Contract or these GPC shall be made in written as hard copy with the authorized signature or company chop only.
- 13.6 In case the Product is a service or a work, these GPC shall apply analogue. For a work the delivery of the Product shall only fulfill the duty to deliver the Product upon acceptance by the Buyer of the Product as the ordered work.

- 13.7 The Buyer shall have the right to audit the Seller for compliance with the Contract and this GPC during business hours.
- 13.8 Third parties the Buyer engages, including subcontractors, carrier, logistic companies etc. shall not be eligible to give or accept any declaration of will for Buyer without a written power of attorney with Buyer's company chop affixed thereunder.
- 13.9 The Seller shall only with the express prior written consent of the Buyer as hard copy with the company chop or authorized signature transfer or assign rights and obligations arising from or in connection with Contracts with the Buyer to a third party or have a Contract performed or purchased material parts of a Contract for a third party.
- 13.10 Failure by Seller to insist upon strict performance of any of the terms and conditions under these GPC or a Contract, or delay in exercising any of its remedies or claims, shall not constitute a waiver of such terms and conditions or a waiver of any default, nor of any remedy or claim of the Buyer.
- 13.11 Place of performance and Place of Delivery for all services and performances, in particular for payment, shall for both Parties be the location of the Buyer, or for Place of Delivery as the place designated by the Buyer.