

General Purchase Conditions (GPC)
of Rutronik Electronics Asia HK Ltd
(Last updated: April 01, 2024)

Section 1

Scope of Application

- 1.1 These General Purchase Conditions (“**GPC**”) apply to all business transactions for the purchase of goods (“**Goods**”) or the supply and acquisition of services (“**Services**”) between Rutronik Electronics Asia HK Ltd (the “**Buyer**”) and the seller of such Goods or Seller of such Services (the “**Seller**”) and shall apply to all contracts for the purchase of such Goods or the supply and acquisition of such Services between the Buyer and the Seller (each a “**Contract**”). These GPC apply to all Contracts irrespective of whether the Contract makes express reference to these GPC.
- 1.2 Any terms and conditions of the Seller which conflict with, supplement the scope of and/or deviate from these GPC do not form part of the Contract unless the Buyer has expressly agreed in writing that such terms and conditions form part of the Contract. Furthermore, no such terms and conditions of the Seller will apply to the Contract even if the Buyer accepts the Seller’s delivery of Goods or Services without reservations whilst being aware of the Seller’s conflicting and/or deviating terms and conditions.
- 1.3 All rights and remedies not considered by these GPC to which the Buyer are entitled in accordance with the laws of the Hong Kong Special Administrative Region remain unaffected.

Section 2

Conclusion of Contract and Changes to the Contract

- 2.1 Unless the Buyer and the Seller otherwise agree in writing, any costs incurred by the Seller in preparing a quote requested by The Buyer and/or any person acting on behalf of the Buyer will be borne by the Seller. Furthermore, all quotations prepared by the Seller shall correspond to the particulars specified in the Buyer’s request. If deviations from the Buyer’s request cannot be avoided, they must be identified to the Buyer in writing as deviating from the particulars specified in the Buyer’s request for a quotation.
- 2.2 Unless a different period of time has been stipulated by the Seller, the Seller’s quotation shall be binding upon it for a period of 60 days from the date of issue.
- 2.3 Orders for the purchase of Goods or Services placed by the Buyer (“**Orders**”) are not binding on the Buyer unless made in writing. When Orders are placed verbally, by telephone or by other means of telecommunication such Orders are only binding on the Buyer after they are confirmed in writing by the Buyer. Orders made by the Buyer which have been generated by automated devices that contain no signature and name are deemed to be written orders made by the Buyer. For the avoidance of doubt, a failure by the Buyer to reply to quotations, requests or other declarations of the Seller does not under any circumstances constitute an acceptance of such quotations, requests or other declarations of the Seller. Orders made by the Buyer which contain obvious mistakes

- and/or orthographic and/or arithmetic errors are not binding on the Buyer to the extent that such Orders contain mistakes and/or orthographic and/or arithmetic errors.
- 2.4 The Seller must notify the Buyer in writing prior to the conclusion of the Contract if the Goods ordered pursuant to the Contract are subject to export controls and/or other restrictions on marketability pursuant to the laws and regulations applicable in the Hong Kong Special Administrative Region. In the event that the Seller fails to notify the Buyer of such applicable regulations, the Buyer will be entitled to terminate the Contract without first fixing a deadline for performance and without having regard to whether or not there has been fault on the part of the Seller for failing to notify the Buyer. The termination of the Contract by the Buyer under such circumstances does not affect any further claims the Buyer may have against the Seller for its failure to notify the Buyer.
- 2.5 Upon receipt of an Order made by the Buyer, the Seller shall - without undue delay but no later than one week - issue to the Buyer a written confirmation of the Order which expressly states the price and the agreed delivery date of the Goods. If the Seller's written confirmation of the Order deviates from the Order placed by the Buyer, such deviations may be consented to by the Buyer in writing.
- 2.6 The Buyer is entitled to change the terms of the Order by providing the Seller with notice in writing within a reasonable time after placing the Order. Pursuant to a request by the Buyer to change the terms of the Order, the Seller must without undue delay notify the Buyer in writing of the consequences of the desired change to the Order (e.g., increase in costs of the Goods or deterioration in quality of the Goods). Unless the Buyer otherwise confirms in writing to the acceptance of any consequences of the changes to the Order, the Supplier must not implement any proposed changes made by the Buyer.
- 2.7 If the Seller discovers during the performance of a Contract that deviations from the originally agreed specifications are necessary for improving the quality of the Goods, the Seller must without undue delay notify the Buyer in writing and submit proposals to change the agreed specifications. The Seller must not implement any changes to the original specifications of the Order unless the Buyer provides notice to the Seller in writing that it agrees to the changes to the original specification of the Order. If, as a result of changes to the original Order, there is an increase or decrease in the costs incurred by the Seller in the performance of the Order, both The Buyer and the Seller are entitled to demand an adjustment to the agreed prices to reflect the increase or decrease costs.
- 2.8 Confirmation of Orders, notices of dispatch, waybills, delivery notes, invoices and other correspondence issued by the Seller must state the Order number, the date the Order was placed and the Seller number.

Section 3

Prices, Payment, Assignment

- 3.1 The relevant prices are the prices stated in the Order and are binding upon the Seller. All prices stipulated includes the cost of packaging, freight, insurance, customs, duties or other similar taxes or levies and all other additional charges to the place of delivery nominated by the Buyer, all of which shall be the responsibility of the Seller. The Seller

delivers the goods – cleared for import - to the Buyer's nominated destination and the Seller bears all costs and risks of moving the Goods to Buyer's nominated destination. No increase in the price may be made, even in the case of long term supply contracts (whether on account of increased material, labour or transport costs, fluctuation in rates of exchange or otherwise) without the prior consent of the Buyer in writing. Any applicable statutory value-added tax required under any applicable law must be included into the price unless the price is expressly designated as a net price.

- 3.2 Invoices must be issued within a reasonable time and without undue delay upon the dispatch of Goods. Invoices must be issued for each separate Order and must state the Order number and the tax number. Any statutory value-added tax applied to the price must be stated and be clearly distinguishable on the invoice. Invoices not issued in this form will be deemed to have not been issued.
- 3.3 Payment by the Buyer will be 60 days from the date of receipt of the invoice and acceptance of the Goods.
- 3.4 In the case of incorrect performance of the Contract by the Seller, the Buyer shall be entitled to suspend payment or a part thereof until the Contract has been performed correctly without prejudice to the Buyer's right to rebates, discounts or similar price reductions. Under such circumstances, the period for payment commences immediately after the Contract has been performed correctly. If the Goods are delivered early, the period commencing for payment does not commence until the agreed delivery date. To the extent that the Seller is obliged to supply materials tests, inspection reports, quality documents or other documents along with the Goods, the receipt of these documents will be a requirement for acceptance of the Goods by the Buyer.
- 3.5 If the Buyer defaults on its obligation to pay, the Seller may demand from the Buyer default interest of 2% above the basic lending rate of HSBC Holdings plc. at the time of default. The Seller may withdraw from the Contract if, after the Buyer has defaulted on its obligation to pay, the Seller has set a reasonable additional period of time for payment whilst indicating that failure to pay within the additional period of time will result in refusal of acceptance, and this additional period of time has expired without payment by the Buyer.
- 3.6 Payments made by the Buyer pursuant to the Order will be made exclusively to the Seller. Without prejudice to any other right or remedy it may have, the Buyer reserves the right to set off at any time any amount owing to it by the Seller against any amount payable by the Buyer to the Seller.

Section 4

Delivery, Passing of Risk and Transfer of Title

- 4.1 The Seller will deliver the Goods – cleared for import – to the address nominated by the Buyer. The Seller bears all costs and risks of moving the goods to the Buyer's nominated address, including the payment of Customs duties and taxes.
- 4.2 Each consignment must include the complete accompanying documents/delivery note. In addition, the accompanying documents/delivery note must in all circumstances state the Order number of the Buyer. Technical certificates, certifications, inspection reports,

acceptance reports, quality test reports and other documents required for the agreed use of the Goods must be supplied free of charge together with the Goods.

- 4.3 The Goods must be delivered in packaging that complies with the packaging specifications provided by the Buyer. In the event that the Buyer does not provide packaging specifications, the Goods must be delivered in packaging that is appropriate having regard to the nature of the Goods, to the means of transportation used to deliver the Goods and to the standard packaging requirements for such Goods, if any, used pursuant to such means of transportation. In particular, the Goods must be packaged in such a manner so as to prevent damage to the Goods whilst in transit. Packaging materials shall be used only to the extent required for this purpose.
- 4.4 The Seller bears the risk of accidental loss or destruction or accidental deterioration of the Goods until their acceptance by the Buyer. If the Goods delivered are required to be set-up or assembled so that the Goods become operational, the risk in the Goods will not pass to the Buyer until such steps are taken by the Seller.
- 4.5 Title to the Goods will be transferred to the Buyer directly and free of any encumbrances upon delivery and acceptance of the Goods to the delivery address nominated by the Buyer.

Section 5

Deadlines and Delay in Delivery

- 5.1 The time of delivery of the Goods or of performance of the Service is of the essence of the Contract. Accordingly, agreed dates and deadlines as to delivery are binding and must strictly be adhered to. The date of delivery is the receipt of the consignment of Goods at the Buyer's place of business or at the place of delivery specified by the Buyer. The calculation of delivery periods commence on the day that the Order is issued.
- 5.2 Whenever anything delays or threatens to delay the timely performance in delivery of the Goods, the Seller must immediately notify the Buyer in writing of all relevant information with respect to such delay, including the reasons for the delay or threat of delay and the probable duration of the delay. Such notice does not affect the binding nature of the agreed delivery date.
- 5.3 Delivery before the agreed delivery date is only permissible with the prior written consent of the Buyer. If the delivery is made before the agreed delivery date, the Buyer will be entitled to refuse acceptance of the delivery. In the case of such refusal, the Seller shall be responsible for all costs and risks related to storage of the Goods until the contractual delivery time of the Goods. Moreover, the Seller shall not deliver the Goods by instalments. Where the Buyer and the Seller have agreed in writing that the Seller shall deliver the Goods by instalments (or the Buyer agrees to accept instalments for the delivery of the Goods), a breach concerning any instalment (however caused or of whatsoever nature) shall entitle the Buyer to terminate the Contract and to claim damages without prejudice to the Buyer's other remedies.

- 5.4 Where the Seller fails to deliver the Goods by the agreed delivery date, the Buyer shall be entitled (i) to terminate the Contract; (ii) to buy the same or similar Goods from another Seller; (iii) to recover the element of the cost of buying the Goods from another Seller which exceed the price of the Goods pursuant to the Order without prejudice to any other rights the Buyer may have against the Seller. If the Seller defaults on its obligation to deliver, the Buyer shall be entitled to claim liquidated damages of 0.1% of the Order value for each day of default, but not more than 5% of the Order value in total. This does not apply in cases of Force Majeure. A claim for liquidated damages by the Buyer does not result in an exclusion of the Buyer's right to assert further claims for damages.
- 5.5 The Buyer's claim for delivery will not be excluded until, at the Buyer's request, the Seller pays damages in lieu of the delivery. Acceptance of the late delivery does not constitute a waiver of claims for damages.

Section 6

Defects as to Quality and Title

- 6.1 The Seller warrants that the Goods supplied are state-of-the-art, are of merchantable quality and are fit for any purpose held out by the Seller or made known to the Seller and comply with the established technical standards and the contractually agreed features, the specifications documented in the data sheets as well as the applicable statutory provisions and regulations and guidelines issued by public authorities, employers' liability insurance associations and trade associations; in particular, the Sale of Goods Ordinance (Cap 26), Laws of Hong Kong, the Hazardous Chemicals Control Ordinance (Cap 595), Laws of Hong Kong, the Consumer Goods Safety Ordinance (Cap 546), Laws of Hong Kong; and accident-prevention, safety-at-work, environmental and other safety and preventive statutory provisions and regulations; in particular, the Occupational Safety and Health Ordinance (Cap 509), Laws of Hong Kong, the Occupational Safety and Health Regulations (Cap 509A), Laws of Hong Kong and the Products (Safety) Regulation (Cap 406G), Laws of Hong Kong. The Seller indemnifies and holds the Buyer and its customers harmless from and against costs, damages, claims, proceedings and liability from third party claims against the Buyer and/or its customers for breach of any of the applicable statutory provisions and regulations and guidelines referred to under this section without prejudice to any rights and remedies the Buyer may have against the Seller.
- 6.2 The Buyer shall report visible defects to the Seller within 10 working days after acceptance of the goods, and hidden defects within 10 working days from the date of their discovery. In this regard, the Seller waives any plea that the defects are reported out of time. The acts by the Buyer of taking delivery of the Goods, processing of the Goods, making payment for the Goods or issuance of subsequent Orders for Goods which have not yet been found to be defective and which, therefore, have not yet been reported as being defective shall not constitute an approval of the delivery of the Goods or a waiver of claims for defects in the Goods.
- 6.3 Where a consignment of Goods is comprised of a large number of Goods that are identical in construction, the Buyer may limit the examination for defects to a reasonable portion of

the Goods supplied. Where upon visual examination of the Goods, it is found that a random sample of 0.5% of the Goods are defective, the Buyer may reject the Goods which are defective and be entitled to a full refund of the purchase price of the defective goods; or, the Buyer may reject the entire consignment of Goods and be entitled to a full refund of the purchase price of the entire consignment of Goods.

- 6.4 The Buyer is fully entitled to rely on statutory rights and remedies afforded to the Buyer with respect to defects as to quality and title, in particular the rights and remedies afforded to the Buyer pursuant the Sales of Goods Ordinance (Cap 26), Laws of Hong Kong. In the event that Goods are found to be defective, the Buyer may elect between repair or replacement delivery. The Seller must bear all necessary expenses which the Buyer incurs in connection with such repair or replacement delivery. If the repair or replacement delivery does not occur within a reasonable period of time or fails all together; or if the setting of an additional period of time can be dispensed with, the Buyer may terminate the Contract and claim damages in lieu of performance in accordance with relevant statutory provisions.
- 6.5 If the Seller fails to perform its obligation to carry out repairs or to make a replacement delivery within the reasonable additional period of time set by the Buyer, and the Seller does not have any right to refuse the repair or replacement delivery, the Buyer may carry out the necessary measures itself, or have them carried out by a third party, at the Seller's expense and risk. In cases where it is not possible to notify the Seller of the defect and allocate a period of time for remedial action because of particular urgency and/or because the damage to be expected in the absence of immediate remedial action is unreasonably high as compared to the warranty obligation, the Buyer may take the necessary measures immediately and without prior consultation of the Seller. This does not affect the Buyer's entitlement to damages, especially the right to claim damages in lieu of performance.
- 6.6 The limitation period for claims for defects is 24 months from the passing of risk. With respect to defects reported during the limitation period, the claims for defects shall become time-barred no earlier than six months after the defects have been reported. If the Buyer purchases the Goods for resale, the limitation period will not commence until the point in time at which the limitation period applicable to the resale of the goods commences, but no later than six months after the risk passes to the Buyer. The same shall apply if the Buyer purchases the Goods for further processing.
- 6.7 If the Seller carries out repairs or makes a replacement delivery, the limitation period will recommence unless the Seller carries out the repair or makes the replacement delivery as a gesture of goodwill, rather than in the performance of an (assumed) obligation of the Seller to carry out repairs or make a replacement delivery.
- 6.8 If, in connection with defects of the items supplied, the Buyer incurs costs – in particular, transport, travel, personnel or materials costs, or costs for an examination of the incoming Goods which exceeds the normal scope of such examinations, or costs for measures to single out the defective products – the Seller is liable to reimburse these costs.

- 6.9 If a defect as to quality becomes apparent within 6 months of the passing of risk, it will be assumed that the defect has already existed at the time of the passing of risk unless this assumption is not compatible with the nature of the Goods or defect.
- 6.10 If the Seller supplies goods for which replacement parts are necessary, the Seller undertakes to supply the Buyer with the necessary replacement parts and accessories for a period of another ten years following the expiry of the limitation period.
- 6.11 This does not affect further-reaching guarantees given by the Seller.

Section 7 Product Liability

- 7.1 The Seller indemnifies and must keep indemnified and hold the Buyer harmless from and against all costs, losses, damages, claims, proceedings and liability arising from product liability occasioned by or resulting from any defect in the Goods supplied by the Seller to the extent that the Seller is liable for the defects and for the damages sustained in accordance to the principles of product liability law. This applies without prejudice to any right or remedy the Buyer may have against the Seller.
- 7.2 The Seller is obliged to reimburse the Buyer for all reasonable expenses incurred by the Buyer resulting from preventive measures taken by the Buyer against the Buyer being held liable for product defects. In particular, the Buyer shall be reimbursed for reasonable expenses incurred as a result of product warnings, exchanges of products or product recalls. To the extent possible and reasonable, the Buyer will notify the Seller of the contents and scope of the preventative measures to be taken and provide the Seller with the opportunity to comment thereon.
- 7.3 The Seller shall carry adequate insurance against all risks arising from product liability; including the risk of product recalls and upon the request of the Buyer shall furnish the Buyer with a copy of the insurance policy.
- 7.4 The Seller is obliged to label its products in such a manner that enables the products to be recognised as the Seller's products on a permanent basis and to the extent that such labeling can be achieved at a reasonable cost.

Section 8 Property Rights and Confidentiality

- 8.1 The Seller warrants that the delivery and use of the Goods do not infringe any patents, licenses and/or other intellectual property rights of any third party existing as of the date of delivery. If, due to the delivery or use of the Goods, the Buyer and/or its customers are held liable by any third party for infringement of any such rights, the Seller will, at its expense, indemnify and hold harmless the Buyer and its customers from and against any and all loss, costs, expense, damage, demand or liability arising out of such infringement.
- 8.2 The Seller agrees to treat as confidential all information, including but not limited to the Buyer's trade and business secrets, technical and commercial information, which is provided "as is" in whatever form or medium by or on behalf of the Buyer and to give access to such information only on a need to know basis to its employees to the extent

necessary for the purposes of performance of the Contract and not to transfer, publish, disclose or otherwise make available such information or any portion thereof to any third party without the Buyer's prior written consent. The Seller shall make the appropriate contractual arrangements with the employees and agents to ensure that they refrain for an unlimited period of time from any use, disclosure and unauthorised recording of such confidential information for their own benefit and use. All information provided by or on behalf of the Buyer shall remain the property of the Buyer and no licenses or rights are granted in any such information and the Seller shall, upon the Buyer's demand, promptly return to the Buyer or destroy all such materials and information, not retaining any copies thereof, upon the Buyer's demand.

Section 9

Provision of Items

- 9.1 Any tools, patterns, samples, models, profiles, drawings, standard sheets, artwork masters, gauges, and other items or documents provided by the Buyer remain the property of the Buyer and may not be passed on to any third party or be otherwise used for the Seller's own purposes without the Buyer's written consent. The Seller must protect such items against unauthorised inspection or use and, unless otherwise agreed, must not retain any copies thereof and must return them to the Buyer in proper condition prior to or at the time the Goods are delivered to the Buyer. For the avoidance of doubt, the Seller does not possess a right to retain any of these items.
- 9.2 Without prejudice to section 4.5 above, any specifications, goods, tools, drawings, information and other materials furnished to the Seller or produced by the Seller in performance of the Contract that have been paid for by the Buyer remains the property of the Buyer ("**Means of Production**"). Moreover, the Buyer retains all rights of use and all exploitation rights with respect to the industrial and/or other property rights of the Means of Production. Where the Buyer pays only part of the costs of the Means of Production, the Buyer will acquire a co-ownership interest that corresponds to the Buyer's share in the costs in the Means of Production. The Seller has the revocable right to store the Means of Production for the Buyer with due care at the Seller's expense. The Buyer provides the Means of Production to the Seller on a loan basis to be used exclusively for the purposes of performance of the Contract.
- 9.3 The Means of Production must be used exclusively for the purposes of performance of the Contract, unless otherwise consented to by the Buyer in writing. In the event of a breach, the Seller must pay the Buyer liquidated damages in the amount of HK\$ 500,000.00 per breach without prejudice to any further rights or remedies the Buyer may have. The Seller must clearly mark the Means of Production as the Buyer's property and inform any third parties who might seek recourse thereon of the Buyer's proprietary right.
- 9.4 The Seller is obliged to handle and store all Means of Production with due care. At its own expense, the Seller must take out adequate insurance, nominating the Buyer as the beneficiary, to cover the replacement value of the Means of Production against damage by fire, water and theft.

- 9.5 The Seller shall be obliged to carry out all necessary maintenance and inspection work and all servicing and repair work with respect to the Means of Production in a timely manner and at its own expense. The Seller shall advise the Buyer within a reasonable time and without undue delay of any damages sustained by the Means of Production.

Section 10 Force Majeure

- 10.1 If as a result of Force Majeure, the Buyer is prevented from performing its contractual obligations – in particular, from accepting the goods –, the Seller shall not be entitled to any claims for damages from the Buyer due to failure to perform its contractual obligation – in particular, a delay in accepting the Goods. In such circumstances, the Buyer shall be released from its obligation to perform for the duration of Force Majeure circumstances and the Seller shall be obliged to store the Goods at its own expense and risk for the duration of the Force Majeure circumstances. “**Force Majeure**” under these GPC shall mean an act of God, governmental restriction, war, terrorism, epidemic or pandemic and related governmental restrictions such as quarantines and lock-downs, fire, riot, invasion, lock-out, strike, explosion, flood and other similar matters which are outside the control of the Buyer.

The same shall apply if the performance of the Buyer’s obligations under the Contract is unreasonably impeded or becomes temporarily impossible because of circumstances beyond the reasonable control of the Buyer for which the Buyer is not responsible; in particular, because of industrial action, official measures, shortage of energy, labour or materials or major disruptions of operations.

- 10.2 If such circumstances outlined in Section 10.1 above continue for a continuous period of more than three months, the Buyer may terminate the Contract by providing written notice to the Seller.

Section 11 Limitation of Liability

The Buyer assumes liability for any damage resulting from breach of guarantee or for death, bodily injury or damage to health caused by its willful misconduct, negligence, or for any matter for which it would be unlawful for it to exclude or attempt to exclude liability. In cases of slight negligence, the Buyer will be liable only in the event of a breach of material contractual obligations which result from the nature of the Contract and are of particular relevance for the purpose of the Contract to be achieved. Where such obligations are breached, Buyer’s liability shall be limited to such damage as must typically be expected in the context of the Contract. This does not affect mandatory statutory liability for product defects.

Section 12 Miscellaneous

- 12.1 The Seller shall not assign, transfer, charge or otherwise deal with any rights and/or any obligations under the Contract without prior written consent of the Buyer. Without prejudice

to the generality of the foregoing, the Seller shall not sub-contract the Order or material parts of the Order to be performed by a third party without the prior written consent of the Buyer.

- 12.2 The Seller shall indemnify the Buyer in full against all liability, loss, damages, costs and expenses (including legal expenses) awarded against or incurred or paid by the Buyer as a result of or in connection with any act or omission of the Seller or its employees, agents or sub-contractors in supplying, delivering and installing the Goods.
- 12.3 For both parties, place of performance for the entire performance of the Contract, especially for delivery and payment, shall be the seat of the Buyer or such other place of performance as is specified by the Buyer.
- 12.4 The rights and obligations of the parties under these GPC shall not be governed by the United Nations Convention on Contracts for the International Sale of Goods. Instead, the rights and obligations of the parties under these GPC shall be governed by the laws of Hong Kong.
- 12.5 The validity, construction and performance of these GPC shall be governed by the laws of Hong Kong and any disputes arising or in any way connected with the subject matter of these GPC shall be subject to the laws of Hong Kong. In the case of proceedings initiated by the Seller against the Buyer, such proceedings shall be subject to the exclusive jurisdiction of the Hong Kong courts only.