

Special contract conditions

Scanfil Electronics GmbH

Issue: November 18th, 2019



1. Quantities, batches

In all cases, the agreed total order quantity must be called off by yourselves in the agreed batch sizes within the agreed period (cf. § 6). As for material for subassemblies which have not been called off and subassemblies which have been partly or completely manufactured but not called off by the end of the respective call-off period, or were not able to be called off on account of a technical change in your specification – such change having perhaps been instigated at an earlier point in time –, we have the right to deliver such material or subassemblies to yourselves and invoice you for such after the end of the call-off period or after implementation of the technical change, unless any other provisions are agreed in the course of the execution or extension of the order.

In view of the fact that we may be bound to certain minimum purchase quantities, and in respect of packaging units, the above provisions also apply in respect of material which has been procured for your order and is left over when the order has been completed or, as the case may be, left over on account of having been unusable as from the time of technical change. If it is or appears to be possible for us to sell such material to a third party or parties or to use it for our own ends or to fulfil other supply orders, we shall seek agreement with you on these options.

If multiple delivery contracts are concluded or blanket orders with partial call-offs agreed, the overall term of the order shall be limited to 12 months, unless anything else is agreed in our confirmation thereof.

In order to accommodate our printed circuit board panels or maximise our production yield etc., we may deviate from the delivery quantity by $\pm 10\%$ without its being necessary to make a separate agreement to that effect.

If chips are processed using COB technology, you will be under obligation, when providing material, to cater to our yield of 97% and provide us with a larger quantity as appropriate.

RoHS conformity

We draw your attention to the fact that, unless otherwise stated in our order confirmation or quotation, the subassemblies for which we have quoted and/or which we have manufactured and supplied do not, according to the knowledge we have at the time when the contract is concluded and the information issued by our suppliers, contain any substances the launch of which in various products or sectors has been prohibited under RoHS (Directive on the Restriction of the use of certain Hazardous Substances in Electrical and Electronic Equipment 2011/65/EU) since July 1 2006. We cannot therefore accept any liability in this regard.

2. Scanfil quality assurance

We manufacture parts and/or subassemblies for you in accordance with the manufacturing and quality assurance provisions agreed in our order confirmation and/or quotation.

Agreed quality means that we manufacture and supply the parts and/or subassemblies diligently in accordance with the documents made available by yourselves and the specifications contained therein; we are not liable for the non-achievement of any subassembly functions which you have intended but which cannot in fact be achieved on the basis of your specifications.

The following quality assurance measures are always an integral part of our performance, or are, as the case may be, to be taken in accordance with separately made agreements:

- goods-in inspection of material provided or delivered by yourselves or of material we purchase from third parties having been instructed to do so by yourselves, but only as it relates to shipping damage, type and quantity.

Said inspection does not release you – as the supplier or provider of material – from your own obligations to inspect material for defects and, if appropriate, to notify your supplier if any such are found.
- optical check of soldering points in accordance with IPC 610, if soldering processes have been carried out
- further quality assurance measures in accordance with the standards of DIN EN ISO 9001
- additional quality assurance in accordance with ISO / TS 16949 (automotive) and/or DIN EN ISO 13485 (medical devices) by separate agreement
- electrical function check in accordance with your test specifications, if instructed by yourselves.

3. Prices

We supply our goods at the prices designated and specified in our order confirmation and/or quotation.

Materials provided by yourselves shall be delivered by you free of charge and carriage paid.

4. Delivery, pricing

Our prices are, unless otherwise stated in our order confirmation and/or quotation, exclusive of VAT, packaging and transport costs. Deliveries are made ex works from Scanfil Electronics GmbH in Wutha-Farnroda.

5. Method of payment, default of payment, commercial credit insurance

5.1 Payment periods

Unless otherwise agreed in the order confirmation, the following terms of payment apply.

For jig and initialisation costs:
50% on receipt of the order
50% on clearance for series production or on the first delivery at the latest

For unit prices and set-up costs:
As not otherwise agreed 30 days net following receipt of delivery or notification of readiness to make delivery.

5.2 Default of payment

If you have concluded more than one contract with us and are in default regarding the settlement of an invoice, the periods of payment agreed with yourselves will cease to apply, not only for the contract in question but also for all other contracts; all outstanding invoices will

then fall due for payment immediately. We shall in such a case also have the right to postpone the manufacture and/or delivery of goods until such time as all outstanding invoices have been settled, and/or to request payment in advance. Also as far as the other contracts are concerned, we may at our own discretion, having set you an extension period in writing, said period subsequently having expired without payment having been made cease procurement and production and/or make them dependent on payments in advance, whereupon we shall announce new delivery dates when the default status has ended declare rescission of the contract or contracts and claim for damages

Any other rights we may have remain unaffected by this.

5.3 Commercial credit insurance

We draw your attention to the fact that deliveries made to yourselves from the customised manufacturing process agreed in § 2 are, to our mutual advantage, covered by commercial credit insurance, including manufacturing risk.

If however the insurance cover – depending on the quantities you have committed to ordering from us – is unable to be adjusted or is cancelled, we also reserve the right to assert our rights as outlined in § 5.2.

6. Deadlines

The deadlines quoted in our order confirmation and/or quotation will be extended by a reasonable amount in the event of delays in material supplies on the procurement markets for which we are not to blame, or of delayed provision of material on your part. We draw your attention to the fact that in such cases restart periods may need to be observed when production is resumed.

7. Packaging and dispatch

As a rule we deliver in disposable packaging, but goods can be delivered in returnable packaging on request.

Obligations to dispose of materials in accordance with the German Packaging Ordinance (VerpackV) and other relevant regulations will be assumed by yourselves.

For more details of our other terms and conditions kindly refer to our order confirmation and/or quotation. There you will also find more detailed information on the shipping methods and routes agreed with yourselves.

8. Liability in respect of materials supplied by the customer, limitation of liability

In respect of materials which the customer supplies or makes available as a supplier, or which we purchase from certain third parties on his instruction, our liability for defects is limited to compliance with the obligation to carry out a goods-in inspection as in § 2.

There is no entitlement on the part of the customer to claim for damages, for whatever cause in law, in particular on account of a breach of obligation relating to the contractual relationship or unlawful act.

The above restrictions do not apply in cases in which the statutory liability is not limitable, in particular

- cases of intent or gross negligence
- cases of breach of material contractual obligations
- cases of injury to life, limb or health, also for ordinary negligence.

The right to claim compensation for damages for the breach of a material contractual obligation is however restricted to contractually typical, foreseeable loss or damage, provided that there has been no intent or gross negligence and provided that there is no liability for injury to life, limb or health. No shift in the burden of proof to the disadvantage of the customer is associated with the above provisions.

If we are liable on the basis of statutory public liability clauses with private law content and parallel contractual claims, our liability is limited to:

5 million EUR lump sum in cases of personal injury and damage to property and product-related pecuniary loss or damage.

Warranty claims and contractual claims for damages shall in all cases fall under the statute of limitation 12 months after the beginning of the statutory limitation period; the same applies to claims associated with accident prevention measures (e.g. recall campaigns), but not to claims under the German Product Liability Act (ProdHaftG), to which the statutory limitation regulations apply.

9. Non-binding nature of quotations, term

Unless otherwise stated, our quotations are without obligation and non-binding. It is our order confirmation that is authoritative. We shall however be bound by the unit costs quoted for 6 weeks.

10. Contractual provisions

Our deliveries are governed by the following, in the order listed: the contents of the order confirmation, any quotations that may have been issued beforehand, these special contract conditions and, for the rest, the 'General supply conditions for products and services in the electrical industry' (published by the German Federation of the Electrical Engineering and Electronics Industry [ZVEI]) as issued in June 2011. We shall be glad to send you a copy of the latter on request.

We do not acknowledge contractual provisions proposed by yourselves unless we have expressly agreed to their applicability in writing. Our contractual terms also apply if we render supply and performance to you or accept material made available or delivered by yourselves while aware of the existence of your Standard Terms and Conditions or of your wish to establish their applicability.

11. Choice of law, legal domicile, written form

German law shall apply, there being no recourse to the UN Convention on Contracts for the International Sale of Goods (CISG). Legal domicile shall be our registered office.

Any agreements or alterations relating to the contracts are to be made in writing. The same applies to any move made to dispense with the necessity of making such agreements or alterations in writing.