

General Terms of Purchase

for the companies cms electronics gmbh incl. subsidiaries

As at: September 2016

1. Definitions

These provisions also apply to all subsidiaries of cms electronics gmbh as listed below:

- cms electronics gmbh, Ebentaler Straße 140, A-9020 Klagenfurt am Wörthersee, Austria, VAT No.: ATU56422277, Companies Register: FN 231389 d,
- cms electronics hungary kft, Harmatos utca 56, H-8640 Fonyod, Hungary, VAT No.: HU13546423, Companies Register: 14-09-306508,
- cms electronics germany gmbh, Eichstetter Straße 57, DE-79232 March-Neuershausen, Germany, VAT No.: DE298306266, Trade Register no.: Register Court Freiburg, HRB 712603,
- cms electronics asia pacific ltd., Level 12, China Minmetals Tower, 79 Chatham Road South, Tsim Sha Tsui, Kowloon, Hong Kong,
- cms electronics china ltd., Unit A & C, 44th Floor, Tower A, NEO Building, 6011 Shennan Avenue, Futian District, Shenzhen, China,

Accordingly, the Supplier agrees that all purchase orders placed by the subsidiaries shall be subject to these General Terms of Purchase, unless other terms were expressly arranged with the respective subsidiary in exclusion of these General Terms of Purchase. Solely the subsidiary placing the purchase order shall be the contracting party. cms electronics gmbh or its subsidiaries acting as the principal will also be referred to as cms electronics gmbh or cms electronics below.

2. Validity of the General Terms of Purchase

(a) The General Terms of Purchase ("GTP") apply without restrictions to all transactions undertaken by the companies and with the sellers of the goods in the contract, or the providers of contractual services ("Suppliers").

(b) Verbal agreements and deviations from these GTP are only valid if they are confirmed in writing by a cms electronics employee who has been expressly authorised for this purpose. In the event different agreements are entered into in exceptional cases, these deviations shall apply solely to this single business transaction, and must be expressly documented in writing and signed by both parties.

(c) Differently worded General Terms and Conditions of a Supplier are hereby expressly objected to. No additional objection is required in an individual case. No behaviour on the part of cms electronics may be viewed as approval of such terms and conditions under any circumstances, in particular possible actions by cms electronics in completing the contract, silence, the transmission of an order confirmation without objection, purchase orders and similar. The Supplier agrees that even if the Supplier's General Terms and Conditions are referenced or included as part of an individual purchase order, solely these GTP apply to such legal transaction, even in the absence of an express objection on the part of cms electronics.

(d) The Supplier's acceptance or implementation of an order placed by cms electronics shall be deemed as unconditional acknowledgement of these GTP.

(e) These GTP also apply to all future transactions with the Supplier.

(f) The provisions of these GTP apply in addition to all other agreements concluded by the parties, e.g. logistics agreements, quality agreement. In this context, the following order of precedence applies in the event of a discrepancy between individual clauses of different documents:

Logistics Agreement, Product List, Purchase Order, GTP.

3. Offers - Purchase orders - Order confirmation

(a) Inquiries submitted by cms electronics to the Supplier with regard to the latter's products and delivery terms, as well as requests for submission of offers placed by cms electronics shall not create any obligation whatsoever for cms electronics.

(b) Cost estimates submitted by the Supplier are binding and provided free of charge, unless expressly agreed otherwise by the parties.

(c) An order placed by cms electronics shall only be legally binding if it was issued by cms electronics in writing and signed in accordance with the company's regulations. Until such time as an order confirmation has been duly prepared and forwarded by the Supplier, cms electronics may withdraw the entire or parts of the respective purchase order or amendment, whereby the Supplier may not derive any claims as a result of this action. The same applies to subsequent amendments and additions to the contract.

(d) cms electronics reserves the right to withdraw from the contract against compensation of verified costs incurred up to that date.

(e) Each order confirmation submitted by the Supplier that deviates from cms electronics' purchase order constitutes a new purchase offer and must be accepted by cms electronics in writing.

4. Prices

(a) The price shown in the purchase order is binding. In the absence of a different agreement, the price shall be deemed "DDP" (place of fulfilment) or, in the case of intra-EU shipments, "DAP (place of fulfilment)" pursuant to the Incoterms 2010.

(b) Unless expressly agreed otherwise in writing, the agreed prices shall also include - regardless of the relevant provisions of the agreed Incoterms - shipping, transport, insurance and other costs for suitable and secure packaging, along with proper documentation that complies with the statutory provisions. The Supplier is also responsible for the applicable customs and freight forwarding charges.

In particular, the price also includes the following:

- that the Supplier assigns to the principal the unlimited property right to all documents, plans and documentation, other documents required for new productions, maintenance and operation, as well as all intangible rights (patent rights, trademark rights, copyrights, rights to samples etc.), which are required to ensure the proper, contractually agreed and free use of the Seller's

cms electronics gmbh

Ebentaler Straße 140
A-9020 Klagenfurt am Wörthersee
Tel. +43 (0) 463 330340-0
Fax +43 (0) 463 330340-126
FN 231389 d
Firmenbuchgericht Klagenfurt
UID-Nummer ATU56422277

electronics all inclusive

www.cms-electronics.com

Created by: M. Quendler	06.09.2016	Checked: A. Starzacher	06.09.2016	Approved by: M. Quendler	06.09.2016	Version: C Page 1 of 6	cms No.	F043E
-------------------------	------------	------------------------	------------	--------------------------	------------	------------------------	----------------	--------------

This is an online document. Printed copies are only valid on the date of printing. In the case of doubt, the online version shall take precedence.

performance; also with regard to the services rendered by subcontractors;

- that the Supplier provides the principal, at the latter's request, with detailed progress reports free of charge at all times.

5. Delivery - Transport

(a) The delivery dates arranged with the Supplier are binding, and are deemed fixed dates.

(b) In the case of deliveries consisting solely of goods, the defect-free arrival of the contractual goods at the delivery destination or place of fulfilment shall be authoritative with regard to the timeliness of the delivery. With regard to deliveries that include assembly, installation or other services provided by the Supplier, the contract item shall only be deemed delivered - regardless of possible contractually defined delivery terms - following successful acceptance by cms electronics.

(c) The Supplier must immediately inform cms electronics of an expected delay in delivery or foreseeable delivery delays. This information shall not limit the Supplier's liability for damages resulting from the delay in delivery.

(d) In the case of early deliveries, cms electronics shall not be obliged to accept the delivery; at the same time, if cms electronics does accept the delivery, it shall be entitled to charge the resulting costs, such as storage costs, to the Supplier and deduct these costs from outstanding payment obligations. Payments for early deliveries will be submitted in accordance with the agreed delivery and payment dates.

(e) In the case of a delay in delivery, cms electronics shall in all cases be entitled to apply a contract penalty in the amount of 1% of the total value of the order for each working day during the period of delay. However, this penalty may not exceed 10% of the total order value. Apart from this contract penalty, cms electronics shall be entitled to receive full compensation for damages that result from the delayed delivery.

(f) cms electronics is entitled to withdraw from the entire or portions of the order without setting an extension in the event the agreed delivery date is exceeded; this entitlement shall apply regardless of the damage compensation claims to which cms electronics is entitled as a result of this event.

(g) Notwithstanding the fact that each delivery must be settled on a fixed date, cms electronics may insist that the Supplier fulfil his contractual obligation notwithstanding the requirement that the business be settled. Accordingly, if cms electronics chooses to accept the goods despite the missed deadline, and special measures are available or required to reduce the transport time, all costs in this context (e.g.: air freight, express delivery etc.) must be borne by the Supplier.

(h) cms electronics does not accept excess deliveries or shortfalls.

6. Shipping instructions - Transfer of risks

(a) In the absence of other agreements, all deliveries completed by the Supplier must be DAP (designated place of fulfilment) pursuant to Incoterms 2010, insofar as they are completed within the EU, and DDP (designated place of fulfilment) pursuant to Incoterms 2010 if they are completed from outside of the EU.

(b) The place of fulfilment is the location at which the goods must be delivered as noted in cms electronics' purchase order, or at which the service must be rendered as per the contract. In the case of doubt, the place of fulfilment is:

- the receiving centre noted in the purchase order, or
- in the case of long-term delivery relationships, the permanent delivery address, or
- pursuant to Section 17 of these terms of purchase, the business address of the principal's business unit that placed the purchase order.

(c) Shipping documents and invoices must contain the order data and information about the customs classification and preferential authorisation, as well as our full purchase order number and our 7-digit item code or a detailed description of goods.

(d) The origin of newly added delivery items or a change in origin must be promptly reported to cms electronics with proof of preferential status, without requiring a request in this regard.

Proof of preferential status

must be submitted using EUR-1 or, in the capacity of "Authorized Exporter", as a declaration on the invoice pursuant to the EU Regulation (UE-MED). Once a year by 31 January, the Supplier will prepare a long-term supplier declaration for cms electronics for goods with preferential origin properties pursuant to Art. 61 to 66 and the annexes 22-15 to 22-18 of the Implementation Regulation (EU) 2015/2447 (UZK-IA).

(e) Ownership of the delivery item shall transfer to cms electronics without reservations - regardless of the information provided by the Supplier.

7. Quality - Documentation

(a) Purchase orders may only be completed in accordance with the agreed written specifications and inspection agreements.

(b) All delivered parts and substances must comply with the Austrian, EU and international safety and environmental regulations as well as the most recent applicable statutory provisions.

(c) With regard to his deliveries, the Supplier must comply with the recognised rules of technology, the safety regulations and the agreed technical data.

(d) CE labelling: Products that must be labelled pursuant to EU Directives must be delivered with the relevant CE label and the declaration of conformity.

(d) Unless agreed differently in writing, the Supplier must meet all of the relevant quality standards (applicable version), but at minimum the requirements pursuant to ISO 9001. With regard to quality assurance, the Supplier agrees to systematically plan, define, implement and monitor measures that guarantee the highest standard in quality.

(e) The Supplier will provide cms electronics or its authorised agent with an opportunity to obtain information about the Supplier's quality assurance management system at his production and business premises at any time - including unannounced visits - and thus confirm compliance with and the effectiveness of the designated measures. These obligations/authorisations also extend to the Suppliers' subcontractors and sub-suppliers (if applicable), who must be committed to abide by these obligations/authorisations accordingly.

8. Safety and environmental protection

(a) The newest material safety data sheet will be made available for chemical products. It will be forwarded to cms electronics after each update, without requiring a request in this regard. The material safety data sheet will be formulated in the language of the recipient country pursuant to REACH 1907/2006 of the European Parliament.

cms electronics gmbh

Ebentaler Straße 140
A-9020 Klagenfurt am Wörthersee
Tel. +43 (0) 463 330340-0
Fax +43 (0) 463 330340-126
FN 231389 d
Firmenbuchgericht Klagenfurt
UID-Nummer ATU56422277

www.cms-electronics.com

Created by: M. Quendler	06.09.2016	Checked: A. Starzacher	06.09.2016	Approved by: M. Quendler	06.09.2016	Version: C Page 2 of 6	cms No.	F043E

(b) The Supplier commits to comply with all relevant safety regulations and environmental regulations, in particular the applicable national legislation, regulations and directives, as well as all regulations and directives under EU law, and will confirm this in writing on request.

(c) The products that are delivered to cms may not contain prohibited ingredients that must be declared and that are listed in the link <http://std.iec.ch/iec62474> to the regulations, directives and laws; if the products do contain such ingredients, they must be declared.

A declaration in the IMDS system www.mdssystem.com is sufficient for this purpose.

A material declaration pursuant to IEC62474 must be provided if information is not entered in the IMDS

(d) Pursuant to the Regulation (EC) 1907/2006 for the registration, evaluation, authorisation and restriction of chemicals (REACH), all manufacturers within the EU as well as importers that import products (articles, compounds and/or substances) into the EU are required to register substances as such and also in the formulations. This registration must be completed for each legal entity, as soon as the amount of the substance subject to registration that is produced and/or imported per year exceeds one tonne, provided that the substance is not exempt from registration.

(e) Suppliers domiciled in non-EU member states, commit to comply with the provisions in the regulations, and furthermore commit to only deliver products that were pre-registered or registered accordingly with ECHA (European Chemicals Agency). In the event that the Supplier fails to comply with the information obligations, registration and/or approval obligations pursuant to REACH, cms electronics shall be entitled to immediately cancel each purchase order and refuse acceptance of deliveries, whereby this shall not result in any costs for cms electronics.

(f) Particularly worrisome substances (SVHC - substances of very high concern) are listed in the current candidates list, which is published and regularly updated by the European Chemicals Agency (ECHA). cms electronics suppliers are obliged to conduct regular reviews as to whether the products they deliver to cms electronics contain such substances of very high concern as listed in the candidates list, to ensure that the required measures can be promptly initiated in the event a delivered product is added to the candidates list. cms electronics suppliers must immediately inform cms electronics in writing if these substances are found to make up more than 0.1% in weight.

The candidates list can be obtained at http://echa.europa.eu/chem_data/authorisation_process/

Substances of very high concern (SVHC) are gradually being added to Annex XIV of the REACH regulation. Once they have been added, they cannot be brought into circulation or used after a defined expiry date, unless the affected company has received approval to do so. cms electronics suppliers must promptly take the required steps and measures to obtain ECHA approval for the relevant substances. cms electronics must be immediately informed of all REACH-relevant activities if this information is relevant for delivery and production purposes. In addition, written approval from cms electronics for the planned measures must also be obtained.

(g) The Supplier commits to comply with Directive 2011/65/EU (Restriction of the use of certain Hazardous Substances) and

will supply a declaration of conformity to this effect with the delivery.

cms electronics must be notified in writing prior to delivery if a substance contained in the materials procured by cms electronics exceeds the threshold value. In such cases, cms electronics shall be entitled to immediately withdraw from even just a portion of the contract.

(h) The contracting party guarantees that all of the delivered goods were manufactured without the use of child labour. He will also ensure that all of his prior vendors also manufacture their products and render services without the use of child labour. The relevant confirmation must be promptly submitted to cms electronics on request.

(i) Raw metals used in the electronics industry are sometimes procured from global regions that are known as "conflict regions". This includes in particular those regions where mines are controlled by military non-governmental groups or illegal military fractions, and where earnings from illegal mines contribute to human rights abuses, serious environmental damages and theft from citizens. The contracting party will take reasonable measures to prevent the procurement or use of conflict metals with the required diligence and regular monitoring of the supply chain.

(j) According to international laws, waste products may only be transferred to waste collectors or treatment facilities that have obtained the relevant authorisations for the collection or treatment of this type of waste. The contracting party warrants that, during the period in which the waste collector / treatment facility function is exercised, he possesses a valid authorisation and will recycle and/or dispose of waste in an environmentally-friendly manner. Confirmation of the proper disposal of waste must be submitted immediately upon cms electronics' request.

9. Payment terms - Invoice - Payment

(a) In the absence of different arrangements with the Supplier in an individual case, payments will be submitted as follows:

- Within 21 days, with a 3% discount
- or within 45 days, with a 2 % discount
- or within 90 days, net

based on an orderly delivery and full receipt of defect-free goods/services, or the successful acceptance of the delivery item and receipt of a properly prepared invoice (which includes purchase order data such as purchase order number, item number etc.). Complete deliveries and hence the due date of a payment always presume receipt of all quality documents that have been issued as agreed.

(b) Two copies of the invoice must be sent to the above address immediately after delivery; one copy must be attached to the goods. Copies of invoices must be designated as such.

(c) Goods that are treated differently for customs purposes must be invoiced separately.

(d) Unless agreed otherwise, payments will be submitted by bank transfer to a bank account designated by the Supplier or known to cms electronics (IBAN and SWIFT code). The period allowed for payment is deemed adhered to once cms electronics has transferred the payment, not the date on which the amount is credited to the Supplier. The funds are in transit at the Supplier's risk.

(e) cms electronics has the right to withhold due payments if the delivery is not complete or is not completed in accordance with the agreed specifications or other conditions.

cms electronics gmbh
 Ebentaler Straße 140
 A-9020 Klagenfurt am Wörthersee
 Tel. +43 (0) 463 330340-0
 Fax +43 (0) 463 330340-126
 FN 231389 d
 Firmenbuchgericht Klagenfurt
 UID-Nummer ATU56422277

www.cms-electronics.com

electronics all inclusive

Created by: M. Quendler	06.09.2016	Checked: A. Starzacher	06.09.2016	Approved by: M. Quendler	06.09.2016	Version: C Page 3 of 6	cms No.	F043E

This is an online document. Printed copies are only valid on the date of printing. In the case of doubt, the online version shall take precedence.

- (f) The fact that cms electronics accepts the delivered goods without complaint and/or submits payment for the same does not constitute a waiver of the subsequent assertion of warranty, damage compensation or other claims against the Supplier.
- (g) Claims from deliveries of goods and the supply of services shall lapse one year after the goods have been transferred or the works have been completed.
- (h) Assignments of claims resulting from a delivery to our company are only permitted with our written approval.
- (i) The Supplier may only assert offset and withholding rights if the Supplier's due claims are not disputed or have been established with legal effect.

10. Incoming inspection

- (a) The Supplier is required to implement all legally or contractually designated or relevant inspections of the products, and hereby commits to ensure that the products meet all of cms electronics' specifications and requirements. cms electronics shall be entitled, but not obliged, to inspect the incoming goods.
- (b) Acceptance of the goods, with or without incoming inspections, does not release the Supplier from his obligation to ensure that the goods meet the specifications and requirements of cms electronics.
- (c) In addition, any incoming inspections performed by cms electronics also shall not restrict cms electronics' right to report defects at a later date.

11. Notification of defects - Guarantee - Warranty - Liability

- (a) The statutory provisions apply in the case of defective deliveries, unless noted otherwise in the provisions below.
- (b) With regard to the assertion of possible warranty claims, cms electronics shall be exempt from any inspection and notification of defects obligation. The Supplier expressly waives the defence of breach of the inspection and notification of defects obligation (section 377, 378 UGB (Austrian Commercial Code)).
- (c) Moreover, the extended use of a defective item shall not constitute approval of the item or a waiver of the claims to which cms electronics is legally or contractually entitled.
- (d) The Supplier guarantees, for a time period of 36 months, that the delivery item possesses the legally required and agreed characteristics. cms electronics is entitled to demand, at its choice, the rectification of the defect, the replacement of the defective item or a price reduction. All of the Supplier's warranty obligations must be performed at the location at which the defective item is located at the time the defect becomes known.
- (e) If the Supplier is not willing or able to rectify the defect during the reasonable time period defined by the buyer, cms electronics shall be entitled to: withdraw from the entire or portions of the contract and demand compensation; demand a reduction in the price; or initiate the rectification of the defect at the Supplier's cost and risk, and to demand damage compensation for losses.
- (f) cms electronics shall be entitled to rectify the defect on its own at the Supplier's cost, if there is danger in delay or another urgency.
- (h) The Supplier is required to take out adequate liability insurance and extended product liability insurance, and must provide proof of insurance to cms electronics at the latter's request.
- (i) The Supplier hereby assigns to cms electronics the claims to which the Supplier is entitled vis-a-vis the insurer in the case of a claim, up to the amount of the damages incurred by cms

electronics. cms electronics hereby accepts the assignment. The Supplier commits to initiate all measures designed to ensure that any and all obligations incumbent on him with regard to the insurance (obligations) are carried out immediately.

- (j) In the absence of a different agreement for an individual case, the warranty period shall be 36 months and begins at the earliest with the start-up of the delivery item at cms electronics' business operations, or at an end customer.
- (k) In the event cms electronics is taken to task by third parties on the basis of liability regardless of negligence or fault, the Supplier must join the liability insofar as his behaviour or the delivery items triggered the liability, and must indemnify and hold cms electronics harmless in this context.

12. Proprietary rights

- (a) The Supplier declares that the delivered goods do not interfere with the rights of third parties, in particular breaches of patent law, trademark law or industrial/intellectual copyrights, and that he will indemnify and hold cms electronics harmless in the event of disputes regarding the delivered goods.
- (b) All drawings, models, materials, calculations and other information and tools provided for the implementation of offers and/or purchase orders shall remain the unrestricted property of cms electronics and may not be copied, made available to third parties or used for implementing orders of third parties.
- (c) Drafts by the Supplier that are prepared for cms electronics - regardless of the type - shall become the property of cms electronics with all rights and without additional charges; insofar as such a transfer of ownership is not possible under law, the Supplier hereby grants cms electronics an unlimited and exclusive right of use to the same.
- (d) The name of the manufacturer or his company logo, as well as the location on which the name of the manufacturer or company logo are printed, may only appear on the goods etc. that are manufactured according to cms electronics specifications with the express written approval of cms electronics. Such approval will only be valid for the specific case for which it was granted.

13. Sampling - Approval

- (a) Samples produced in series plus a test report must be submitted prior to the delivery of new series items. The same applies to the first-time use of a tool following a design change or overhaul. The word "sample" must appear on the packing slip and packaging, in a size and form that is visible at first glance.
- (b) cms electronics will only approve the actual series production after it has approved the type samples.
- (c) The Supplier is not permitted to modify the specifications provided by cms electronics on his own.
- (d) Once approval has been provided, the materials and the manufacturing process may only be modified with cms electronics' written approval.
- (e) On request, the Supplier will submit the results of investigations carried out by a court sworn expert regarding the contractually agreed condition of the goods, in particular the properties noted in the order, as well as their unconditional suitability for the contractually intended purpose, to cms electronics in a timely manner before the initial delivery of the ordered goods. In the event cms electronics requests this information, the Supplier will also engage court sworn experts to perform regular investigations during the term of the contract. The investigative reports must be submitted to cms electronics

cms electronics gmbh
 Ebentaler Straße 140
 A-9020 Klagenfurt am Wörthersee
 Tel. +43 (0) 463 330340-0
 Fax +43 (0) 463 330340-126
 FN 231389 d
 Firmenbuchgericht Klagenfurt
 UID-Nummer ATU56422277

www.cms-electronics.com

electronics all inclusive

Created by: M. Quendler	06.09.2016	Checked: A. Starzacher	06.09.2016	Approved by: M. Quendler	06.09.2016	Version: C Page 4 of 6	cms No.	F043E

This is an online document. Printed copies are only valid on the date of printing. In the case of doubt, the online version shall take precedence.

promptly and without requiring a request. The costs associated with the implementation of all investigations are the Supplier's responsibility.

14. Drawings - Tools - Retention of title

- (a) The specifications, drawings, samples, tools and devices prepared on the order of and remunerated by cms electronics shall become the unrestricted property of cms electronics, of which (including spare parts, maintenance documents, operating instructions and rights) cms electronics may dispose freely and without additional costs.
- (b) Ownership shall transfer to cms electronics upon full payment of the production equipment.
- (c) The Supplier is engaged and authorised, in his capacity as our representative, to take the tools immediately after completion (transfer of ownership) and label the same as cms electronics property and with the cms electronics product name in a manner that is easily visible. The Supplier will hold the same for cms electronics in trust, and in the absence of a different agreement may only use them for implementing the orders placed by cms electronics. The tools must be submitted to cms electronics immediately upon request.
- (d) The Supplier must insure the tools against fire, theft and water damage.
- (e) The costs for tool maintenance, repairs, compliance with safety provisions and compensation for inventor, copyright and patent rights are deemed compensated for life with the agreed purchase price. The obligation to retain documents is at least seven years after the last delivery.
- (f) Written approval must be obtained from cms electronics before items are scrapped.
- (g) Third parties alleging or asserting claims to cms electronics' tools must be expressly advised of cms electronics' ownership, and cms electronics must be informed immediately; the Supplier must provisionally undertake any absolutely required steps to defend against such claims for cms electronics at his own responsibility and cost.
- (h) We do not assume any liability for tools, devices etc. that were supplied by cms electronics.
- (j) In all cases, the Supplier shall lose ownership of the delivery items once they are further processed, installed, mixed, combined, forwarded to third parties and similar.

15. Engagement of third parties

- (a) Our orders may only be subcontracted - as a whole or in part - with the express written approval of cms electronics.

16. Advertising

- (a) The company name of cms electronics may only be used for advertising or other purposes with express written approval.

17. Insolvency

- (a) In the event the Supplier encounters payment difficulties or an application has been submitted to commence insolvency proceedings regarding the Supplier's assets or an out-of-court settlement procedure, cms electronics shall be entitled to withdraw from the entire contract or parts thereof.
- (b) In the case of a withdrawal, cms electronics may use any still existing and completed services and deliveries by the Supplier against commensurate payment.

18. Confidentiality

- (a) All documents, knowledge and information obtained by the Supplier during the course of the development of the product, and which are not deemed generally available technical knowledge, may not be divulged to third parties unless different arrangements have been entered into for an individual case, and may only be used for the agreed purpose for cms electronics. The Supplier must transfer this confidentiality obligation to all of his employees and possibly authorised sub-suppliers, and must vouch for their compliance vis-a-vis cms electronics.

19. Place of fulfilment - Place of jurisdiction - Applicable law - Language

- (a) The business location of the respective ordering party shall be the place of fulfilment for the deliveries and services rendered on the basis of these Terms of Purchase, unless set out differently in Section 5 (b).
- (b) The following is hereby agreed with respect to the place of jurisdiction, applicable law and language:
 - i.) For cases in which the disputed amount, at the time the suit is filed in court or arbitration proceedings, is equal to or less than EUR 500,000.00 (in words: five hundred thousand euro), and a convention on the enforcement of judgements in court matters is in place with the country in which the contracting party (Supplier) is domiciled, the following applies:

Insofar as the purchase orders were placed by cms electronics gmbh domiciled in Austria, cms germany gmbh or cms electronics hungary kft., the contracting parties hereby agree that Austrian law shall apply exclusively to all disputes or claims resulting from or in connection with this agreement, including disputes about its validity, breach, cancellation or invalidity, whereby the applicability of the IPRG, the reference norms and the United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980) are expressly excluded. Solely the competent court having jurisdiction in Klagenfurt shall be the court with jurisdiction over disputes.

With regard to cms electronics asia pacific and our other companies in the US, it is agreed that the exclusive place of jurisdiction shall be the location of the principal's registered office. Applicable law shall be the law that applies at the location of the principal's registered office. The United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980) (applicable version) and possible reference norms are also expressly excluded for these cases.

If the principal is cms electronics china ltd., the parties agree that Hong Kong shall be the exclusive place of jurisdiction. Applicable law is the law that must be applied in Hong Kong. The United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980) in the respectively valid version and possible reference norms are also expressly excluded for these cases.

- ii.) For cases in which the disputed amount, at the time the suit is filed in court or arbitration proceedings, exceeds EUR 500,000.00 (in words: five hundred thousand euro) or a convention on the enforcement of judgements in court matters is not in place with the country in which the contracting party (Supplier) is domiciled, the following applies:

cms electronics gmbh
 Ebentaler Straße 140
 A-9020 Klagenfurt am Wörthersee
 Tel. +43 (0) 463 330340-0
 Fax +43 (0) 463 330340-126
 FN 231389 d
 Firmenbuchgericht Klagenfurt
 UID-Nummer ATU56422277

www.cms-electronics.com

electronics all inclusive

Created by: M. Quendler	06.09.2016	Checked: A. Starzacher	06.09.2016	Approved by: M. Quendler	06.09.2016	Version: C Page 5 of 6	cms No.	F043E

This is an online document. Printed copies are only valid on the date of printing. In the case of doubt, the online version shall take precedence.

Insofar as the purchase orders are placed by cms electronics gmbh, cms electronics germany gmbh, cms electronics hungary kft. or our other companies in the US, all disputes or claims resulting from or in connection with this agreement, including disputes about its validity, breach, cancellation or invalidity, shall be decided solely in accordance with the Arbitration Rules of the International Arbitration Tribunal of the Austrian Chamber of Commerce (Vienna Rules), and these disputes shall be decided by three arbitrators who were appointed in accordance with these rules. Austrian substantive law must be applied in exclusion of the reference norms, the United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980) (applicable version). German shall be the language of the arbitration proceedings. Vienna shall be the exclusive place of negotiations.

Insofar as orders are placed by cms electronics asia pacific ltd. or cms electronics china ltd., all disputes or claims resulting from or in connection with this agreement, including disputes about its validity, breach, cancellation or invalidity shall solely be handled and conclusively settled by the Hong Kong International Arbitration Centre (HKIAC), in application of the HKIAC Administered Arbitration Rules. The disputes shall be decided by three arbitrators who were appointed in accordance with these rules. Austrian substantive law must be applied exclusively, in exclusion of the reference norms, the United Nations Convention on Contracts for the International Sale of Goods (Vienna, 1980) (applicable version). English shall be the language of the arbitration proceedings. Hong Kong shall be the exclusive place of negotiations.

In the event of arbitration proceedings, it is expressly agreed that the losing party in the proceedings must reimburse all of the costs of the victorious party.

(c) Insofar as another language is used in addition to German (the language of the contract), the German wording shall take precedence.

20. Severability clause

(a) The contract in its remainder shall remain binding even if individual terms are found to be legally invalid. In the event a provision is found to be wholly or partially invalid, the contracting parties will immediately endeavour to achieve the business success intended with the invalid provision in another legally permissible manner.

cms electronics gmbh
 Ebentaler Straße 140
 A-9020 Klagenfurt am Wörthersee
 Tel. +43 (0) 463 330340-0
 Fax +43 (0) 463 330340-126
 FN 231389 d
 Firmenbuchgericht Klagenfurt
 UID-Nummer ATU56422277

electronics all inclusive

www.cms-electronics.com

Created by: M. Quendler	06.09.2016	Checked: A. Starzacher	06.09.2016	Approved by: M. Quendler	06.09.2016	Version: C Page 6 of 6	cms No.	F043E

This is an online document. Printed copies are only valid on the date of printing. In the case of doubt, the online version shall take precedence.