

General Terms and Conditions of Purchase

Definitions

- Contractor:** means KATHREIN's contractual partner in the case of orders based on these Terms and Conditions of Purchase.
- Intellectual property:** denotes any and all intellectual rights of title, including patents, utility models, designs and industrial designs, trademarks, specialised knowledge that is confidential or protected under copyright law, confidential company information and confidential business information or other industrial and intellectual rights of title and all other comparable rights protected under copyright law, regardless of whether these are registered, including applications, or the right to file applications, for any of the above anywhere in the world at the present point in time or at any future point in time.
- Force majeure:** means any external, non-culpable and inevitable event that could not have been avoided by the affected party, even if utmost care had been taken.
- IT hardware:** means all or some of the electronic data processing equipment and systems, in particular servers, personal computers, printers, network components and peripheral equipment, including systems and operating software relating thereto as well as documentation (e.g. operating instructions and certificates) relating thereto.
- Kathrein BCA Group:** means KATHREIN Broadcast GmbH and all the affiliates of KATHREIN Broadcast GmbH as defined by Section 15 *AktG* [Public Limited Companies Act].
- In writing:** also means in text form, e.g. by fax, by email or by way of electronic data interchange (EDI), unless the written form is expressly demanded.

1 Scope of Application

- 1.1 These General Terms and Conditions of Purchase ("**Terms and Conditions of Purchase**") shall apply to the procurement of goods and services (including software and data) and the rendering of services by the contractual partner ("**contractor**") on behalf of a company of the Kathrein BCA Group ("**KATHREIN**"). A list of the companies belonging to the Kathrein BCA Group shall be made available to the contractor on request. The General Terms and Conditions of Purchase shall be part of all contracts that KATHREIN concludes with its contractors concerning the services offered by its contractors. They shall apply as up-to-date at the time of the conclusion of the respective contract and be valid for all future deliveries, services or offers provided to KATHREIN, even if the Terms and Conditions of Purchase are not separately agreed upon again.
- 1.2 Provisions or terms and conditions of business of the contractor that conflict with or deviate from these Terms and Conditions of Purchase shall not be recognised, unless KATHREIN expressly consents, in writing, to their application. This shall also apply in cases where the contractor's services are unreservedly accepted.
- 1.3 These Terms and Conditions of Purchase shall apply only insofar as the contractor is a business owner (Section 14 *BGB* [German Civil Code]), a legal entity under public law or a special fund under public law.

2 Conclusion of the Contract, Parts of the Contract

- 2.1 The actual contract concerning the service ordered shall not be brought about until an order has been placed by KATHREIN in writing and has been accepted by the contractor accordingly. An order from KATHREIN shall be deemed binding no earlier than when KATHREIN submits in writing a corresponding order or accepts a corresponding offer from the contractor. Prior to accepting an order, the contractor shall, for the purpose of correction and/or completion, point out any evident mistakes (e.g. typing errors or arithmetical errors) and omissions in the order, including the order documents. Otherwise, the contract shall be deemed not to have been concluded.

It is hereby clarified that any act undertaken by the contractor for the performance of an order shall also constitute acceptance of this order.

- 2.2 Orders placed by KATHREIN must be accepted by the contractor within a period of three (3) working days or, in particular, by dispatching the goods ordered or by unreservedly carrying out the service ordered. If an order placed by KATHREIN is not accepted by the contractor within three (3) working days of receipt or within any other period specified in the order, KATHREIN shall be entitled to revoke the order.

- 2.3 No deviating or additional terms of contract, terms of licence or terms of delivery of the contractor or a third party shall become part of the contract, even if such terms are not expressly objected to. Insofar as the contractor's acceptance deviates from KATHREIN's offer, this shall constitute a new offer. A contract containing the new offer shall be deemed concluded only upon its express acceptance by KATHREIN in writing.
- 2.4 In addition to these Terms and Conditions of Purchase, supplementary **Special Terms and Conditions of Contract** may be included depending upon the respective services ordered.
- 2.5 If there is conflict between parts of the contract, the following sequence for interpretation shall apply:
- (a) order;
 - (b) individual contract;
 - (c) the contractor's service specification (excluding the contractor's terms of contract and delivery);
 - (d) framework agreement (if existing);
 - (e) Special Terms and Conditions of Contract (if existing);
 - (f) these Terms and Conditions of Purchase.

3 Subcontractors

The deployment of subcontractors by the contractor for the performance of its obligations arising from this contract shall be permissible only with KATHREIN's prior, express consent regarding the respective subcontractor chosen.

4 Price and Payment

- 4.1 Unless otherwise agreed upon, services shall not be remunerated until they have been fully rendered. If the parties agree upon partial payments, partial payments shall be made only after the sub-service concerned has been fully rendered. Agreements made regarding due dates shall remain unaffected hereby.
- 4.2 The price expressly accepted by KATHREIN shall apply. Prices accepted by KATHREIN shall be exclusive of value-added tax, unless value-added tax is separately agreed upon.

- 4.3 Except where otherwise expressly agreed upon, the price accepted by KATHREIN shall cover all services and ancillary services from the contractor (e.g. assembly, installation) and all incidental expenses (e.g. proper packaging, transportation expenses, including any transport and liability insurance, travel expenses, out-of-pocket expenses). At KATHREIN's request, the contractor shall take back, and dispose of, packaging material at its own expense. No fee shall be owed for offers, drafts, cost estimates or samples received from the contractor.
- 4.4 Invoices shall be sent to KATHREIN in duplicate in proper form after the service concerned has been rendered. Invoices not properly submitted shall not be deemed received at KATHREIN until they have been corrected. If goods or items are shipped, the content of the invoice must correspond to the delivery note and the notification of dispatch. The period allowed for the payment of relevant invoices shall begin when the agreed documents are received. In the case of deliveries and services from an EU Member State outside of Germany, the contractor's EU VAT ID number must be stated.
- 4.5 At its own discretion, KATHREIN shall be free to make the payment to the contractor within ten (10) days with a 3 % cash discount, within-thirty (30) days with a 2 % cash discount or within sixty (60) days without any deduction, calculated from the date of receipt of the invoice. The payments made by KATHREIN shall invariably be without prejudice to the right to lodge subsequent complaints. If delivery items are taken receipt of prematurely, the period allowed for payment shall begin to run from the originally agreed delivery date or from the date of receipt of the invoice, whichever date is later. In the case of contracts for work and services or contractually agreed acceptance inspections, the period allowed for payment shall not begin before the acceptance inspection has been successfully completed. In the case of a bank transfer, the payment shall have been made in due time if the bank-transfer instruction is received at the bank before the period allowed for payment expires. KATHREIN shall not be responsible for delays caused by the banks involved in the payment process.
- 4.6 In the event of a defective delivery, KATHREIN may, without any loss of rebates, cash discounts or the like, withhold the payment until the delivery has been properly performed.
- 4.7 Payments for disputed or inadequately documented invoice amounts may be withheld by KATHREIN. Furthermore, KATHREIN may offset amounts owed by the contractor to KATHREIN or other members of the Kathrein BCA Group against amounts to be paid by KATHREIN to the contractor under the contract, or recover these amounts as debt.
- 4.8 Payment of an invoice by KATHREIN shall not constitute acknowledgement of the service falling under the invoice and shall be made without prejudice to any rights of KATHREIN against the contractor under the contract.

5 Rights of Termination and Rescission

- 5.1 KATHREIN shall be entitled to wholly or partly terminate a contract, even if no default is present. In this case, KATHREIN shall pay to the contractor the portion of the agreed fee that corresponds to the work performed on the ordered item up to the time of termination. The contractor shall be entitled to payment of the proven termination costs only if notice of termination was given for reasons imputable to KATHREIN. However, this aforementioned compensation shall not include consequential loss or lost profit and shall be limited to the sum of the price for the respective services. KATHREIN may demand that the deliveries, services and performance results to which the fee paid by KATHREIN relates be handed over in their present state.
- 5.2 Beyond the statutory rights of rescission, KATHREIN shall be entitled to rescind or terminate the contract with immediate effect if
- the contractor has discontinued supplying its customers,
 - the contractor's net worth situation materially deteriorates, or threatens to materially deteriorate, and this jeopardises the performance of a delivery obligation in relation to KATHREIN, or
 - the contractor commits a material breach of the contract and, if this breach can be remedied, fails to remedy this breach within twenty-four (24) days of a warning or notification from KATHREIN regarding the breach of contract.
- 5.3 If the contractor has brought about a sub-service, KATHREIN shall be entitled to rescind the contract as a whole only if KATHREIN has no interest of its own in this sub-service.
- 5.4 Insofar as KATHREIN rescinds or terminates the contract on the basis of the above contractual rights of rescission or termination, the contractor shall compensate for the loss arising as a result thereof, unless the contractor is not at fault for the accrual of the rights of rescission or termination.
- 5.5 Statutory rights and claims shall not be limited as a result of the provisions contained in this Section 5.

6 Delivery, Service and Passage of Risk

- 6.1 Unless otherwise agreed upon, all the contractor's deliveries shall take place during the customary business hours on a DAP basis (Incoterms 2010) to the place of receipt or use specified by KATHREIN. Each time before the goods arrive, notice of delivery shall be given to KATHREIN in writing, quoting KATHREIN's order number and informing KATHREIN of the number of units, dimensions and weights. This shall also apply to any special provisions regarding the handling of the goods, in particular regarding unloading, transportation and storage in KATHREIN's operational area.
- 6.2 A delivery note specifying all identifiers prescribed in KATHREIN's order, in particular the order number, parts number and item number, shall be enclosed in duplicate with every delivery. Any sub-delivery and/or residual delivery shall be specially designated. To enable the content of a consignment to be ascertained without the consignment being opened, the delivery note with the notice "Delivery note here" shall be inserted either under the sticker or under the packing paper.
- 6.3 In the case of deliveries and services taking place within the EU between various states, the contractor shall state its EU VAT ID number.
- 6.4 Imported goods shall be delivered by the contractor duty paid. The contractor shall provide, at its own expense, all declarations and information demanded under Regulation (EU) No. 1207/2001, allow checks to be carried out by the customs authority and provide necessary official confirmations.
- 6.5 The delivery or performance period stated by KATHREIN or agreed upon with KATHREIN or otherwise applicable according to these Terms and Conditions of Purchase shall be binding. Premature deliveries or services shall be permissible only insofar as KATHREIN has expressly consented to these. The contractor shall inform KATHREIN in writing without delay if circumstances under which the delivery or performance period cannot be adhered to occur or become apparent.
- 6.6 The date when the goods are received at the place of receipt or use specified by KATHREIN, or the timeliness of a successful acceptance inspection of the service, shall be decisive for adherence to the delivery or performance period. If the latest date for the provision of the delivery or service can be determined on the basis of the contract, the contractor shall enter into default at the end of this date without a reminder from KATHREIN being required.
- 6.7 In the event of default in delivery, KATHREIN shall be entitled to the statutory claims without limitation. In this case, KATHREIN may in particular, after a reasonable grace period has expired to no avail, rescind the contract and/or claim damages.

6.8 In the case of delays in delivery or performance, KATHREIN may, after having issued a warning to the contractor in writing beforehand, demand for every commenced week of delay in delivery or performance a contractual penalty at the rate of 0.5 %, but in total no more than 5 %, of the respective order value. The right to assert a claim for a further loss caused by default shall remain unaffected hereby. The contractual penalty shall be credited against the default-related loss to be compensated for by the contractor. Any unreserved acceptance or payment of such late delivery or performance by KATHREIN shall not constitute a waiver on the part of KATHREIN to compensation claims based on such late delivery or performance.

6.9 Without KATHREIN's prior consent in writing, the contractor shall not be entitled to carry out sub-deliveries or sub-services, and KATHREIN shall not be obliged to accept corresponding sub-deliveries or sub-services.

7 Inspection of the Goods

7.1 The goods must conform to the qualities or specifications stated in the order. As regards the condition, type, quantity and weight of a delivery, the values determined by KATHREIN at the time of the incoming inspection shall be decisive.

7.2 From the time of receipt of the goods, KATHREIN shall give the contractor notification of evident defects within a period of six (6) months (in the case of raw materials) and within six (6) weeks in the case of all other goods manufactured.

7.3 In the case of hidden defects, KATHREIN shall report these to the contractor without delay after their discovery.

7.4 KATHREIN shall send the defective goods to the contractor at the contractor's request. In this respect, the risk and expenses associated with the shipment shall be borne by the contractor.

8 Acceptance

8.1 Insofar as the service to be rendered involves a service or delivery under a contract for work and services, a formal acceptance inspection shall be necessary. KATHREIN shall carry out the acceptance inspection after the contractor's declaration of completion has been received, and all documents relating to the provision of the services have been handed over. If the inspection of the contractor's service rendered makes it necessary to put the service concerned into operation for test purposes, or to put it to use for test purposes, acceptance shall not be declared until the tests have been successfully completed.

Unless otherwise agreed upon, the acceptance inspection shall take place at the place specified by KATHREIN in the order.

- 8.2 A formal acceptance inspection report concerning the acceptance inspection shall be drawn up. However, formal acceptance shall not be declared until the contractor has rectified all defects discovered. Defect rectification shall take place without delay, no later than within a reasonable period set by KATHREIN.
- 8.3 Assumed acceptance is hereby ruled out. Hand-over of the rendered service ready for operation shall not constitute acceptance. Payments by KATHREIN shall not signify that KATHREIN has accepted the performance.
- 8.4 There shall be no entitlement to acceptance inspections of sub-services.

9 Defects

- 9.1 In the event of defects in a service under a contract for work and services or defects in the goods delivered, KATHREIN shall be entitled to the statutory claims without limitation. The time limit for the assertion of corresponding claims shall, by derogation, amount to thirty-six (36) months. If an item delivered by the contractor has been used in a building commensurate with its customary use and has caused this building to be defective, the time limit for the assertion of corresponding claims shall be five (5) years.
- 9.2 Insofar as KATHREIN is held liable by third parties on account of defects in connection with the contractor's services, the contractor shall indemnify KATHREIN against these claims as long as, and insofar as, the contractor is unable to prove that it is not responsible for the defect.
- 9.3 Acceptance or approval of samples or specimens submitted shall not constitute a waiver by KATHREIN of claims based on any defects.
- 9.4 In the case of the delivery of a replacement or the elimination of defects, the time limit for the assertion of claims based on defects shall begin to run anew for the replaced and/or rectified parts, unless the contractor carried out the replacement delivery or defect elimination only for reasons of goodwill or similar reasons.

10 Replacement Parts and Spare Parts

- 10.1 For a period of at least ten (10) years after delivery, the contractor shall, at its own expense, stock replacement parts for the goods and products delivered to KATHREIN. If the contractor intends to discontinue the production of corresponding replacement parts, it shall inform KATHREIN thereof without delay, but at least twelve (12) months before the production is discontinued.
- 10.2 KATHREIN may appoint third parties for the purpose of reproducing replacement or spare parts for its own needs. The contractor shall ensure that no third-party rights conflict therewith and shall indemnify KATHREIN against claims in this respect.

11 Tools

- 11.1 "Tools" within the meaning of these Terms and Conditions of Purchase encompass mechanical devices that are used for the performance of KATHREIN's obligations under this contract and that (a) the contractor has manufactured, or has had manufactured by a third party, for KATHREIN for this purpose, (b) have been made available to the contractor by KATHREIN or in KATHREIN's name, or (c) have been fully paid for by KATHREIN, as well as all drawings, documentation, orders and other material relating to such tools.
- 11.2 All rights and claims in respect of intellectual property in the tools shall lie, and remain, solely and exclusively with KATHREIN. If the contractor has manufactured the tools, or had the tools manufactured by a third party, for the performance of a contractual obligation in relation to KATHREIN, all rights in these tools shall, insofar as permissible by law, automatically pass to KATHREIN. The contractor shall take all necessary measures to protect these rights for KATHREIN.
- 11.3 The contractor shall be authorised and obliged to use tools in accordance with the provisions of the contract concluded with KATHREIN. Without KATHREIN's prior consent in writing, the contractor shall be prohibited from using the tools in any way that deviates herefrom, in particular from using the tools to manufacture parts for third parties and from delegating the use of tools to third parties.
- 11.4 The contractor shall be solely responsible for ensuring that the tools function faultlessly when used within the scope of the contractual duties in relation to KATHREIN.
- 11.5 If the tools need to be modified owing to changes to the technical specifications from KATHREIN, the contractor shall, first of all, submit to KATHREIN in writing an offer for modifying the tools at the lowest possible cost. Modifications to the tools shall not be undertaken by the contractor until KATHREIN has placed a corresponding order in writing. No expenditure by the contractor beyond the agreement shall be reimbursed by KATHREIN.
- 11.6 Tools owned by KATHREIN shall be clearly and permanently designated as such by the contractor. At the end of every year, the contractor shall inform KATHREIN of the tools in its possession. If KATHREIN's rights in the tools are jeopardised as a result of enforcement measures of any kind, in particular as a result of seizure, attachment or insolvency proceedings, the contractor shall inform KATHREIN thereof without delay. In this respect, the contractor shall pass on to KATHREIN copies of the corresponding enforcement documents. In any event, the enforcement authority concerned shall be informed of KATHREIN's rights without delay.
- 11.6.1 To enable follow-up tools to be obtained in due time if necessary, the contractor shall give KATHREIN timely advance notification of any cause for concern about a tool failure.

11.7 The contractor shall have no right to assert a right of retention in the tools described.

12 Services

12.1 Authority to issue directives

If the contractor undertakes in relation to KATHREIN to render services, the contractor shall, in principle, render these in accordance with KATHREIN's stipulations and directives. The type and subject-matter of the services to be rendered, as well as the place where the services are to be rendered shall be governed by the agreement made between the parties and the directives issued by KATHREIN. No general right to issue directives to the contractor's workers shall be associated with the above authority to issue directives.

12.2 The contractor's duties

12.2.1 The contractor shall, to the necessary extent, supervise the workers working for it.

12.2.2 The contractor shall submit to KATHREIN, if KATHREIN so requests, a list of the names of the workers that the contractor intends to employ in the factory area. The list shall be continually kept up-to-date.

12.2.3 At KATHREIN's request, the contractor shall prove that the social insurance cover prescribed by law exists for all workers deployed.

12.2.4 For good cause, KATHREIN may refuse to allow workers deployed by the contractor to access its business establishment.

12.2.5 The contractor shall ensure that, in order to maintain order and safety, the workers deployed by it follow the directives issued by KATHREIN and/or by the employees responsible for this and, where applicable, submit to customary monitoring procedures.

12.3 Fee

12.3.1 If the fee is calculated on the basis of periods of time, the fee shall, contrary to subsection 4.5 of the General Terms and Conditions of Purchase, be paid by KATHREIN upon the expiration of the individual periods of time and receipt of a proper invoice.

12.3.2 If KATHREIN exercises a right of termination on account of a breach of the contract by the contractor, the services carried out by then shall be billed at the agreed fee only insofar as these services can be used by KATHREIN as intended. Any loss that the contractor is required to compensate KATHREIN for shall be taken into account in the invoice.

13 Product Liability

- 13.1 The contractor shall compensate KATHREIN and its customers, and hold KATHREIN and its customers, harmless against any consequences that arise from third-party claims, lawsuits, legal actions and/or demands asserted directly or indirectly against KATHREIN or its customers and relate to product liability, product safety, personal injury and/or mortal injury, loss of property and/or damage to property or result therefrom, if and insofar as such claims, lawsuits, legal actions and/or demands are due to the contractor's products and/or due to use of the contractor's products contained in KATHREIN products.
- 13.2 The contractor shall maintain a system of quality assurance that is suitable in nature and scope and corresponds to the latest state of the art and shall prove this to KATHREIN in the event of product liability claims.
- 13.3 The contractor undertakes to maintain product liability insurance with a sufficient amount of cover per case of loss, damage or injury. Upon request, the contractor shall provide KATHREIN at any time and without undue delay with evidence of the existence of the product liability insurance, and the scope of cover of this insurance. If KATHREIN is entitled to further damage claims, these shall remain unaffected.

14 Safety, Environmental Protection and Compliance

- 14.1 The contractor represents and warrants that, when making its deliveries, it shall comply with all requirements and substance prohibitions under the statutory provisions valid for the EU (in particular the Regulation on substances that deplete the ozone layer (EC No. 1005/ 2009), the Regulation on certain fluorinated greenhouse gases (EC No. 842/ 2006), the Regulation concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH", EC No. 1907/ 2006) and the Directive on batteries and accumulators (2006/ 66/ EC). Moreover, the contractor represents and warrants that, when making its deliveries, it shall adhere to the current thresholds under the RoHS Directive (2011/ 65/EU) and shall not supply to KATHREIN any goods or deliverables containing a substance listed in the Global Automotive Declarable Substance List (GADSL) as valid at the respective time (available at www.gadsl.org).
- 14.2 The contractor shall ensure that, in accordance with the US Dodd–Frank Wall Street Reform and Consumer Protection Act, Section 1502, the raw materials gold, tantalum, zinc and tungsten possibly required in the products delivered do not originate from the conflict regions Democratic Republic of Congo or any of its neighbouring countries. Corresponding proof shall be furnished on request and shall also be requested by the contractor from its suppliers across the supply chain and be documented.

- 14.3 The contractor undertakes to act in accordance with the stipulations in the respective applicable national and international provisions for combating corruption, in particular the FCPA (US Foreign Corruption Practices Act) and the UK Anti-Bribery Act. On request, the contractor shall confirm to KATHREIN in writing corresponding compliance with the provisions and adoption of the measures for ensuring compliance.

15 Force majeure

- 15.1 Force majeure and industrial disputes (but excluding strikes limited to the contractor's company) shall, for the duration of the disruption and to the extent of the effects thereof, release the contracting parties from their duties to perform. Without delay, the contracting parties shall, insofar as this can be reasonably expected of them, provide the essential information and adapt their obligations to the changed circumstances in good faith. KATHREIN shall be wholly or partly released from the obligation to accept the delivery ordered, and be entitled to rescind the contract, insofar as the delivery is - with due regard being given to economic aspects - no longer usable at KATHREIN owing to the delay caused by force majeure or such industrial dispute. Additionally, KATHREIN shall have the right to rescind or terminate the contract without prior notice if the event of force majeure lasts longer than sixty (60) days.

16 Indemnification

- 16.1 The contractor declares and warrants that the respective services rendered, or to be rendered, shall not infringe industrial property rights (intellectual property) of third parties. The contractor shall transfer to KATHREIN, or provide KATHREIN with, all rights of use relating to the contractual service or necessary for using the contractual service. KATHREIN shall have the right to transfer this right of use to its affiliates as defined by Section 15 AktG.
- 16.2 The contractor shall indemnify KATHREIN, other contractors of KATHREIN as well as direct or indirect customers of KATHREIN against all third-party claims asserted on account of an infringement, or alleged infringement, of industrial property rights caused by a delivery or service from the contractor.

17 Intellectual Property

- 17.1 KATHREIN shall be exclusively entitled to all industrial property rights, copyrights and know-how ("**results**") created by the contractor in the course of the execution of the service for KATHREIN. All rights in these results shall, insofar as permissible by law, automatically pass to KATHREIN without a separate declaration being required.

- 17.2 Insofar as the results constitute deliverables protected under copyright law, the contractor hereby transfers to KATHREIN, without limitation as regards time or territory, the exclusive, transferable and sub-licensable right of use therein for all known and unknown types of use.
- 17.3 The contractor shall immediately inform KATHREIN of a result found and, on request, hand over to KATHREIN all documents (e.g. drawings, calculations and models) relating to the result. On request, the contractor shall, additionally, induct KATHREIN in how to use the result.
- 17.4 The contractor undertakes to conclude with its employees, and any subcontractors deployed, agreements ensuring that the rights are transferred in accordance with this Section 16. The transfer of the results shall be fully compensated for by the agreed fee. There shall be no entitlement to a fee beyond this.
- 17.5 If, when performing the order placed with it, the contractor uses, with KATHREIN's consent, trademarks, designations and packaging designs that are owned by KATHREIN, or that KATHREIN uses with the consent of third parties, the contractor shall not derive therefrom any right to future use of these trademarks, designations or packaging designs. The contractor shall not use these or similar trademarks, designations or packaging designs for itself or have these used by unauthorised third parties. This obligation of the contractor shall also remain in effect after the contract has ended.
- 17.6 KATHREIN shall retain title to, and all copyrights in, orders placed by KATHREIN as well as drawings, illustrations, calculations, descriptions and other documents made available to the contractor. Without KATHREIN's express consent, the contractor shall not make such documents accessible to third parties or use or copy these itself or by way of third parties. On request, the contractor shall fully return such documents to KATHREIN if the contractor no longer needs these in the ordinary course of business. In this case, copies thereof made by the contractor shall be destroyed. On request, the contractor shall confirm to KATHREIN in writing the destruction of these documents. The contractor shall remain entitled to retain documents or copies thereof insofar as, and as long as, it is obliged to do so within the scope of statutory retention duties.

18 Title and Retention of Title

- 18.1 Any retention of title by the contractor shall be permissible only as long as, and insofar as, it relates to a payment obligation on the part of KATHREIN specifically concerning the products to which the contractor retains title. Any extended retention of title shall be impermissible.

- 18.2 KATHREIN shall retain sole title to all substances and materials (e.g. software, finished products and semi-finished products) as well as tools, templates, samples and other items made available by KATHREIN to the contractor for the performance of the order. At the contractor's expense, such items shall, as long as they have not been processed, be separately stored and be insured against destruction and loss to an appropriate extent.
- 18.3 In any event, the processing of the items made available under subsection 18.2 shall take place for KATHREIN. Insofar as the value of the material made available by KATHREIN does not exceed the processing value and, if applicable, the value of the remaining elements of the items newly manufactured, the items newly manufactured shall become KATHREIN's property. Otherwise, KATHREIN and the contractor shall acquire joint title in the ratio of the value of the material made available in relation to the processing value and the value of the remaining elements.

19 Maintenance of Secrecy, Advertising

- 19.1 The contractor shall treat as confidential business information all non-public technical, commercial and organisational details, including this contract and its terms and conditions, that come to its knowledge as a result of the activity undertaken for KATHREIN, and shall, throughout the duration of this contract and after this contract has ended, not exploit such details itself or make such details accessible to third parties. A recording shall be permissible only insofar as required for the purpose of the contract. Regarding the maintenance of secrecy, the contractor shall apply the diligence of a prudent merchant, but at least the same diligence that it takes as a basis when handling its own confidential information.
- 19.2 Information and documents that have been made accessible, or are made accessible, to the contractor in the course of the collaboration with KATHREIN shall be used by the contractor only for solving the tasks assigned to the contractor. The same shall apply to the results, data and knowledge arising in connection with this contract.
- 19.3 Without prior written consent, the contractor shall not refer in advertising material, brochures etc. to the business relationship with KATHREIN or exhibit delivery items manufactured for KATHREIN. The business relationship with KATHREIN shall not be used for advertising purposes.
- 19.4 The contractor shall place its employees, subsuppliers and authorised agents under an obligation commensurate with Sections 13 and 14.

20 Data Protection

- 20.1 The contractor shall ensure that all persons entrusted with rendering the services observe the statutory provisions relating to data protection, in particular when processing personal data. If it is necessary under data protection law to impose upon these persons an obligation to observe data secrecy, this shall be brought about before these persons commence their activity for the first time and shall be proven to KATHREIN on request.
- 20.2 Insofar as the contractor processes personal data in the course of rendering the services, it shall conclude with KATHREIN an agreement on commissioned data processing, which shall be made available to the contractor by KATHREIN, and shall ensure that any and all further necessary agreements on the processing of personal data are also concluded by its subcontractors. In this respect, it may be necessary in individual cases that these agreements be concluded directly between KATHREIN and the subcontractors.

21 Rights of Assignment, Set-off and Retention

- 21.1 The transfer of some or all rights or duties arising from this contract by the contractor to third parties shall require KATHREIN's prior written consent.
- 21.2 KATHREIN shall be entitled to transfer to a third party all its rights and duties arising from the contract. The contractor hereby grants in advance its unconditional and irrevocable consent to a transfer of the contract.
- 21.3 KATHREIN shall be entitled to offset on the basis of due claims that it or any of its affiliates as defined by Section 15 *AktG* are entitled to against the contractor. On request, KATHREIN shall make available a list of KATHREIN's affiliates as defined by Section 15 *AktG*.
- 21.4 The contractor shall be entitled to a right of set-off or retention only on the basis of claims against KATHREIN that have been determined by a final and non-appealable court judgement or are undisputed.

22 Admission Rights

- 22.1 Insofar as necessary for rendering the services, KATHREIN shall grant the contractor access to KATHREIN's factory grounds. The contractor shall give KATHREIN timely advance notice, at least five (5) business days' notice, thereof. The respective applicable house rules and safety regulations shall be strictly observed by the contractor and are viewable on site. The contractor undertakes to strictly follow the stipulations and instructions issued by KATHREIN's personnel. Services that need to be carried out in KATHREIN's factory area must not hinder KATHREIN's business or third parties more than is unavoidable.

22.2 The contractor undertakes to impose upon its employees, or subcontractors deployed by it, an obligation commensurate with the stipulations under subsection 22.1.

23 Rights of Use in Operating and System Software

23.1 Upon delivering the IT hardware, the contractor shall grant KATHREIN, without limitation as regards territory or subject-matter, a permanent, non-exclusive and irrevocable right of use in the system and operating software ("**software**") contained in the IT hardware.

23.2 In particular, the right of use granted by the contractor shall, beyond KATHREIN's right to use the software, encompass the following rights:

- (g) configuration and maintenance of the software also by third parties for the Kathrein BCA Group,
- (h) use of the bug fixes, patches and new programme versions made available by the contractor, such as updates, upgrades and new releases of the software, as well as updated documentation, that replace or add to the software previously made available (collectively "updates").
- (i) provision of the software to, and use of the software in, all companies of the Kathrein BCA Group, insofar as KATHREIN itself is entitled to use the software,
- (j) provision of the software to, and use of the software by, third parties for the Kathrein BCA Group's purposes
- (k) use of the software by third parties anywhere, and on systems not belonging to the Kathrein BCA Group, for the Kathrein BCA Group's purposes, and
- (l) use of the supplied software, independently of the IT hardware delivered, on other hardware or in virtual systems, insofar as no third-party rights conflict therewith.

24 Place of Jurisdiction and Applicable Law

24.1 Munich is the place of jurisdiction for all disputes arising from or in connection with this contract. Alternatively, KATHREIN shall be free to bring an action against the contractor at the place where the contractor's registered office or branch establishment is located.

24.2 The legal relationship between KATHREIN and the contractor shall be subject to the laws of the Federal Republic of Germany. The conflict of laws provisions and the UN Sales Law (CISG) shall not apply.

25 Miscellaneous

- 25.1 Any amendment or adaptation of the agreement made between the parties shall only be effective in writing. This shall likewise also apply to amendments to this written form clause.
- 25.2 The destination address stated by KATHREIN shall be the place of performance for the delivery or service from the contractor. The place where KATHREIN's registered office is located shall be the place of performance for KATHREIN's payment obligation.
- 25.3 These Terms and Conditions of Purchase may be unilaterally amended by KATHREIN at any time for existing obligations between KATHREIN and the contractor. In this case, KATHREIN shall inform the contractor of the amended Terms and Conditions of Purchase in text form. Unless the contractor objects to the amendments to the Terms and Conditions of Purchase within three (3) weeks, its consent to the amended terms and conditions shall be deemed granted. Beforehand, KATHREIN shall again separately point out to the contractor the significance of silence on its part. If the contractor objects to the amendments proposed, KATHREIN shall be entitled to a right of extraordinary termination. Alternatively, the present provisions shall remain in effect unchanged. When new contracts are concluded between KATHREIN and the contractor, the respective up-to-date version of these General Terms and Conditions of Purchase shall always be deemed agreed upon.

Last updated: 12 September 2019