

## I. General/Scope of application

1. Our Terms and Conditions apply to all current and future business relationships with our customers.
2. Customers in the legal sense of the Terms and Conditions are both consumers (§ 13 BGB) and entrepreneurs (§ 14 BGB) under the German law.
3. Differing, conflicting or additional terms and conditions of our customers shall not be part of the contract, even if known, unless their validity is expressly agreed in writing.

## II. Conclusion of the contract

1. Our offers are always subject to change. Technical changes are reserved as far as reasonable.
2. Information in brochures, advertisements, website, etc., including prices shall only be binding, if it is expressly agreed in writing.
3. By ordering the product, the customer makes a binding intent to purchase the goods ordered.
4. The advices given by our personnel are made without any obligation. They are based on the current state of our knowledge and experience and are given in good faith.
5. We are entitled to accept the contract offer quoted in the order within 2 weeks after receiving it. Such acceptance may be stated either in writing or by delivering the goods to the customer. Amendments and supplements to the contract as well as subsidiary agreements require a written form for their effectiveness.
6. Should the customer order the goods by electronic means, we shall confirm receipt of same immediately. However, such confirmation of receipt shall not constitute a binding acceptance of the order. The confirmation of receipt may however be combined with the statement of acceptance. We shall save the textual content of the contract and forward it together with these Terms and Conditions to the customer by e-mail, upon request.
7. The contract is concluded, subject to the condition that our subcontractors supply us correctly and timely with the ordered goods. This shall only apply if the non-delivery is not attributable to us, especially when a congruent covering transaction has been concluded with our subcontractor. The customer will be promptly informed about the unavailability of the service. Any payment will be reimbursed without delay.

## III. Delivery, delivery periods, delivery note

1. Delivery dates or delivery deadlines shall only be binding if they are expressly agreed or confirmed in writing by us.
2. If the customer is in default of payment for a previous delivery, we are entitled to withhold deliveries without being obliged to compensate any damage arising there from.
3. The choice of the route and means of transport will be made by us at our sole discretion. Transport effects are at the expense and risk of the customer.
4. The risk is transferred to the customer as soon as the goods have been handed over to the carrier or as soon as they have left our factory or warehouse for dispatch.
5. If the customer requires it, we will contract transport insurance for the consignment at its expense.
6. If the customer is an entrepreneur, we shall be entitled to proceed to partial deliveries in case the customer orders great quantities or several order items.

## IV. Payment

1. For entrepreneurs, our given prices are net prices and are quoted for deliveries expedited.
2. If the customer only takes delivery of a part of the agreed quantity within the agreed period regarding call or standard orders, we shall then be entitled, at our own discretion, either to charge the actual price of the batch for the delivered part or to deliver and charge the remaining q
3. The customer shall assume the expenses for any incidental residual material, which results from package sizes in the field of electronics production.
4. Our invoices are payable within 10 days from receipt of the goods, without any deduction; entrepreneurs shall pay our invoices within 30 days after the due date and upon receipt of an invoice or equivalent statement of payments, without any deduction. After this period, the customer is deemed to be in default of payment. Bills of exchange or checks are considered as payment only after they have been irrevocably cashed.
5. If after the ordering, we become aware of facts that imply an objective low credit rating of the customer, we shall be entitled to request advance payment or security deposit before delivering the goods. After a formal reminder with fixing of a deadline and threat of rejection, we shall be entitled to withdraw from the contract. This is particularly the case when the customer is requested to provide a statutory declaration or if he is subject to insolvency proceedings.
6. We shall be entitled at any time to demand immediate payment or security deposit for goods supplied, or to withdraw from the contract after any necessary reminder and deadline with threat rejection, if the customer is objectively unworthy of credit, and our entitlement to benefits is endangered.
7. We shall be further entitled to claim immediate payment of the outstanding amount including additional claims, if the customer is in delay with two consecutive part payments and we have unsuccessfully set a two-week deadline for the payment of the outstanding amount with the statement that we will demand the immediate payment of the entire outstanding amount in case the purchaser does not fulfill his obligation. We shall also be entitled to refuse to execute any outstanding services in advance and (or) to withdraw from the contract. As far as the customer is an entrepreneur, we are entitled to demand the immediate payment of outstanding payments, including additional claims or to refuse the advance execution of outstanding services and (or) to withdraw from the contract after expiration of the time extension of 10 days, if the entrepreneur is in delay with the part payment.
8. The customer shall only be entitled to offset if his counterclaims have been legally established or recognized by us.

## V. Reservation of title/extended reservation of title

1. For consumers, we shall reserve all titles to the merchandise until full payment of the purchase price. If the goods are not paid, there is the obligation to handle them with care. We shall be promptly notified if a third party gets access to the goods, as it may be the case in the event of a seizure and a change of residence.
2. In addition, the following shall apply to entrepreneurs: Until full payment of the purchase price, including invoiced VAT by check or bill of exchange, until receipt of the securitized amount from the customer and until complete fulfillment of all existing or future claims against the customer at the time of delivery, the supplied goods — reservation goods - shall remain our sole property. The aforesaid shall apply also if individual claims are included in a current invoice and the balance has been drawn and recognized.

3. The entrepreneur is authorized to resell the merchandise in the due process of commercial transactions. If the reserved goods are processed by him to a new movable object, then such processing is made for us and does not imply any obligation on our part. The new object then becomes our property. In the event of a processing with other goods not belonging to us, we acquire co-ownership of the new item in proportion to the value of the reservation goods compared to the other goods at the time of processing. The value is calculated on the basis of our gross invoice amount. If the reservation goods are combined, mixed or blended with other goods not belonging to us, then the paragraphs §§ 947, 948, 950 BGB of the German law shall apply accordingly.
4. Should the entrepreneur acquire sole ownership by combining, mixing and blending, he hereby cedes the co-ownership share to us, according to the ratio of the value of our goods compared with the other goods at the time of combining, mixing and blending.
5. If the entrepreneur resells the reservation goods alone or in combination with other goods not belonging to us, he hereby transfers the claims resulting from such resale to us, in form of the value of the reservation goods including all ancillary rights. We hereby accept the cession. If we are co-owners of the resold reservation goods, then the cession shall also apply to the amount that corresponds to our co-ownership share.
6. As long as the entrepreneur orderly fulfills his payment obligations towards us, he is authorized to collect ceded debts in trust on our behalf. We are authorized in case of any neglect of duty to inform the garnishee about the assignation and to claim the debt on our own behalf.
7. The contractor has to inform us immediately if any third party claims the property of the goods, especially in case of distraint or bankruptcy.
8. In general, if the customer violates his obligations as set out thereto, we are entitled to withdraw from the contract, to demand restitution of the supplied goods and/or to claim damages.

## VI. Warranty

1. If the purchaser is an entrepreneur, the warranty period shall be 1 year. The period begins with the transfer of risk to the customer.
2. The purchaser has the obligation to check the goods delivered immediately after delivery or handover and to notify us in writing, within 14 days from the date of receipt of the goods in the event of a defect. If the purchaser fails to notify us, the goods shall be deemed approved, unless the defect could not be identified during the inspection. If such defect becomes apparent at a later date, the customer must immediately inform us after discovery of such defect; otherwise the goods are deemed approved even in view of such defect. The aforesaid shall not apply if we have fraudulently concealed the defect. Punctual dispatch suffices for observance of the deadline. Negotiations on a complaint shall not constitute a waiver of the objection of late, insufficient or unfounded complaint.
3. The entrepreneur bears the full burden of proof for all prerequisites necessary for claims, in particular for the defect itself, the date of discovery of the defect and the timeliness of complaint.
4. If the customer is an entrepreneur, only our product description or the concrete specification shall be basically deemed as agreed upon as the quality of the goods. The warranty of defects shall not cover damage caused after the transfer of risk as a result of improper or negligent handling, excessive strain, unsuitable equipment, and chemical, electromechanical, electrical and atmospheric influences.
5. For entrepreneurs, the warranty shall not apply to defects, which are caused by the fact that the entrepreneur has mounted unauthorized auxiliary units or allowed persons to work on the product, who are not authorized by us or by the manufacturer of the goods, or caused by the fact that the objects of the contract has been amended or modified by the entrepreneur itself, unless he can prove that such amendments and supplements are not the cause for the defect.
6. In the event of justified complaints, VTQ Videotronik GmbH shall decide at its own discretion to rectify the defect or to replace the defective goods depending on the costs and in accordance with paragraph § 439 BGB of the German law. We shall be granted an appropriate time of at least 3 weeks to accomplish this. If we fail twice in rectifying the same defect, the purchaser may demand the delivery of merchandise that is free from defects or require the reduction of the purchase price or withdraw from the contract.
7. We bear the expenses of warranted rework for personnel and material costs; miscellaneous costs, especially dismantling and inspection costs are not borne by us. Releases the entrepreneur the goods to another destination than the approval destination or if a rework should be done outside of Germany, the purchaser bears all the additional costs.

## VII. Limitations of liability

1. In case of minor negligent breaches of duty and depending on the type of goods, our liability shall be limited to the foreseeable, contract-specific and direct average damage. This shall also apply to slightly negligent breaches of duty on the part of our legal representatives or vicarious agents. As regards the entrepreneurs, we shall not be liable for minor negligent breach of immaterial contractual obligations.
2. The afore-mentioned limitations of liability shall not apply to product liability and to damage to the customer's body and health or loss of life imputable to us.
3. Customer's claims for damages shall become time-barred one year from delivery of the goods; this shall not apply if we can be blamed for malice.
4. We shall not be liable for loss of profit and other financial losses sustained by the customer, which for example arise in connection with the failure of the product, when the system combination chosen by the customer does not meet its needs or does not bring the intended results.

## VIII. Final provision

1. The law of the Federal Republic of Germany shall apply; the provisions of the UN Convention on Contracts for the International Sale of Goods shall not apply.
2. If the customer is a trader, a legal entity under public law or a public special estate, the exclusive place of jurisdiction for any disputes arising from the contractual relationship shall be the location of our registered office. The same shall apply in case the customer does not have a general place of jurisdiction in Germany or if his place of residence or usual abode is unknown at the time of institution of legal proceedings.
3. Should individual provisions of the contract, including these Terms and Conditions, in whole or in part, be or become invalid, the validity of the remaining provisions shall not be affected. The wholly or partly invalid provision shall be replaced by the appropriate legal provision or, in case of non-existence of such a provision, by a provision that comes as close as possible to the economical success of the invalid provision.