General Terms and Conditions of Sale and Delivery

Version as of: February 2025

Kingbright

Kingbright Electronic Europe GmbH

1. Binding character

a) These General Terms and Conditions of Sale and Delivery („General Terms and Conditions of Sale and Delivery") apply in respect of all Kingbright Electronic Europe GmbH („KBE") sales and deliveries to an entrepreneur as defined in § 14 German Civil Code (BGB) („Purchaser"). Contrary or differing terms and conditions of the Purchaser not confirmed by KBE in writing are not acknowledged by KBE. The General Terms and Conditions of Sale and Delivery shall also apply if KBE executes without reservation an order in the knowledge of general terms and conditions of the Purchaser which are contrary to or differing from the General Terms and Conditions of Sale and Delivery.

b) By accepting goods the Purchaser waives his own terms and conditions of purchase.

c) In cases of doubt in the event of contradictory general terms and conditions of KBE and the Purchaser only those actual contradictory clauses concerned become invalid; in other respects the contract and the General Terms and Conditions of Sale and Delivery retain their validity.

2. Quotations

KBE quotations are in all cases subject to confirmation unless subject to a stipulated time limit. Purchaser orders are deemed accepted only upon receipt of a KBE written order confirmation.

3. Delivery period

a) Subject to agreement to the contrary the delivery period is 4 (four) weeks. It commences with the date of order confirmation as defined in Clause 2 plus final clarification of further technical queries.

b) Should unforeseen events occur, irrespective of whether at KBE or the latter's sub-suppliers, the delivery period shall be extended accordingly. Statutory rights of withdrawal on thea part of the Purchaser remain thereby unaffected.

4. KBE right of withdrawal

a) All contracts are concluded subject to „proper and timely supply to ourselves".

b) In the event of force majeure which renders fulfilment of the supply obligation unfeasible or unreasonable, KBE shall be entitled to withdraw from the contract. Force majeure also includes official authority measures and supply transportation disruptions which are unavoidable for KBE.

c) KBE is further entitled to withdraw from the contract if the Purchaser has made application in respect of opening insolvency proceedings in respect of his assets or has issued a declaration in lieu of oath as defined in § 807 German Code of Civil Procedure (ZPO) or if insolvency proceedings in respect of his assets have been opened or if opening has been refused due to lack of assets.

d) Other rights of withdrawal on the part of KBE remain thereby unaffected.

5. Prices

a) All prices are stated in Euro „ex works" (Incoterms 2000) at the Issum warehouse or factory warehouse in Asia concerned exclusive of packaging and plus the statutory rate of VAT prevailing at the date of invoicing.

b) In the event that the delivery period exceeds 8 (eight) weeks KBE reserves the right to amend its prices accordingly if following conclusion of the contract cost reductions or increases occur, specifically as a result of tariff agreements or materials price changes. Evidence of cost reductions or increases shall be provided to the Purchaser by KBE on request.

c) In the event of retrospective introduction of taxes, customs duties, contributions or other public authority charges which relate to the goods or shipment thereof KBE shall be entitled to invoice these to the Purchaser without regard to the period stated in Clause 5 b).

6. Payment

a) In the absence of any contrary payment terms agreed payment shall be due within 30 (thirty) days from receipt of invoice net cash. Payments shall in all cases be used in settlement of the oldest invoiced amount due.

b) Cheques and bills of exchange are only accepted on account of performance. Discount and charges shall be borne by the Purchaser and must be repaid as cash immediately. If cheques or bills of exchange are protested KBE shall be entitled to invoice all receivables as immediately due and require payment in advance or other forms of security for goods as yet undelivered (e.g. bank guarantees).

c) On expiry of the 30th day from due date and receipt of invoice the Purchaser shall fall into arrears in the absence of payment, no reminder being required.

d) In the event of payment arrears KBE shall be entitled to invoice default interest of 8% above the prevailing base rate.

e) The Purchaser has no right of offset against the purchase price claim unless his counterclaims are uncontested or legally final. Rights of retention exist only if and to the extent that the Purchaser's counterclaim is based on the same contractual relationship and is ascertained to be uncontested or legally final.

7. Shipment

a) Subject to agreement to the contrary delivery shall be „ex works" (Incoterms 2000).

b) If the Purchaser issues no instructions KBE is entitled to select the transportation route. Part deliveries are permissible if they can be expected of the Purchaser.

8. Warranty for defects

a) KBE shall provide free replacement for recognisable defects of material and workmanship if the complaints in respect of the said defects are notified to KBE in writing within 10 (ten) days from delivery of the goods to the Purchaser. In other respects the provision contained in § 377 German Commercial Code (HGB) remain unaffected.

b) In the event of supply of third-party products the Purchaser undertakes to apply out of court initially to the manufacturer regarding defects. For the purpose of and duration of this enforcement KBE assigns its claims against the manufacturer to the Purchaser.

c) Any warranty in respect of defects arising due to failure to comply with operating data indicated in the KBE data sheets or other improper use, placing in operation etc. is excluded.

d) KBE reserves the right to introduce modifications to the illustrations, dimensional drawings, technical data and information of any description in KBE documentation unless the binding character thereof is expressly agreed. This applies also to any compliance in design of parts ordered with earlier deliveries.

e) KBE assumes no guarantees in the legal sense unless the latter are expressly agreed in writing.

f) The warranty period is 1 (one) year. Statutory limitation periods in the event of fraudulent concealment and delivery recourse as defined in §§ 478 and 479 German Civil Code (BGB) remain thereby unaffected.

g) Claims for damages based on a defect not already excluded as defined in Clause 8 a) shall be treated as per Clause 9.

9. Liability for damage

a) Liability on the part of KBE for damages is restricted to intent and gross negligence. This does not apply in the case of liability due to a fraudulently concealed defect, injury to life, physical injury or injury to health, infringement of cardinal obligations and of the German Product Liability Act (Produkthaftungsgesetz). Cardinal obligations as here defined are obligations arising from the nature of the contract, whereby in the event of infringement thereof attainment of the contractual purpose is jeopardized.

b) Irrespective of the nature of blame liability on the part of KBE is restricted to replacement of the foreseeable damage typical for the contract. This does not apply in the case of liability due to a fraudulently concealed defect, injury to life, physical injury or injury to health, or infringement of the German Product Liability Act (Produkthaftungsgesetz).

c) Should KBE default on the basis of slight negligence liability for damages due to delay in performance on the part of KBE shall additionally be restricted to 5% of the price agreed.

d) The limitation period for damages claims on the part of the Purchaser is one year unless the claims are based on a fraudulently concealed defect, injury to life, physical injury or injury to health, intent or gross negligence or infringement of the German Product Liability Act (Produkthaftungsgesetz). In such instances the statutory limitation period shall apply.

e) All restrictions of liability on the part of KBE shall apply similarly to infringements of obligations on the part of the vicarious agents of KBE.

f) To the same extent personal liability on the part of legal representatives, vicarious agents and staff members of KBE is restricted in the event of damage caused by the latter.

10.Retention of title

a) Items supplied shall remain the property of KBE up to the point where all claims due against the Purchaser arising from the business relationship („Goods subject to retention of title") are met. If the value of all security interests due to KBE exceeds the level of all claims secured by more than 10% KBE shall release a corresponding proportion of the security rights at the Purchaser's request; KBE shall be free in the choice of release between the various security interests.

b) During the existence in force of right of retention the Purchaser is forbidden to pledge or assign securities on the Goods subject to retention of title and resale is permitted only in the normal course of business and only subject to the condition that the Purchaser receives payment from his customer or stipulates the condition that title shall only transfer to the customer when the latter has met his payment obligations.

c) The Purchaser hereby assigns to KBE all receivables against his customers or third parties accruing to him from or in connection with resale (including security and ancillary rights) at the level of the invoiced final amount of KBE claims (including VAT). The Purchaser is authorised to collect the said receivables even after assignment. The authority of KBE to collect the claim ourselves remains thereby unaffected. KBE undertakes not to exercise this authority provided the customer meets his payment obligations arising from the proceeds recovered, does not fall into payment arrears and in particular if no application has been made to open composition or insolvency proceedings or if there has been no discontinuation of payment. In such instances the Purchaser undertakes to notify to KBE claims assigned and debtors in respect thereof, to provide all details necessary for collection, to surrender associated documentation and to notify assignment to the said debtors (third parties).

d) In the event of attachments, sequestrations or other acts of disposal or interventions by third parties in relation to the Goods subject to retention of title the Purchaser shall immediately notify KBE accompanied by surrender of documentation necessary for intervention. If and to the extent to which the third party is not in a position to refund the costs of any intervention on the part of KBE the Purchaser shall bear the said costs.

11. General provisions

a) Should individual provisions contained in the General Terms and Conditions of Sale and Delivery be invalid the validity of the remaining provisions shall not be thereby affected.

b) The General Terms and Conditions of Sale and Delivery, as well as individual contracts, are subject to the laws of the Federal Republic of Germany to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG).

c) Place of performance for delivery and payment is the registered place of business of KBE.

d) v Legal venue, including for bills of exchange and cheque matters, is the registered place of business of KBE.