

**GENERAL TERMS AND CONDITIONS OF PURCHASE**  
**Diehl Power Electronic S.A.S**  
**as of 10/2020**

**Article 1 - Scope of application of the General Terms and Conditions of Purchase (G.T.C.P.)**

All contractual purchase relations of Diehl Power Electronic (DPE, hereinafter referred to as the purchaser) are subject to these general conditions of purchase. Unless expressly agreed otherwise in writing by the purchaser, the general terms and conditions of sale or clauses to the contrary issued by the supplier (hereinafter referred to as the seller) cannot prevail over these (G.T.C.P.). Any special conditions of purchase previously negotiated and accepted by the purchaser will be considered as complementary to these (G.T.C.P.).

**Article 2 - Orders: Validity, acceptance and renunciation**

**2.1 Validity of an order**

Only orders formulated in writing and duly signed by the purchaser are considered valid with the seller. An order shall be considered final and contractual upon receipt by the buyer of an order acknowledgement from the seller in the form of a written document sent by e-mail or postal mail. The seller is obliged to send this order acknowledgement within a maximum of three (03) days following the date of the order. Failing this, the order shall be deemed not to have been accepted by the seller and the purchaser shall have the right to cancel the order without any penalty. The order acknowledgement must be in conformity with Diehl Power Electronic's order.

**2.2 Acceptance of orders**

Any notification on the seller's order acknowledgement modifying, amending or contradicting the order or one of these general terms and conditions of purchase will not be taken into account. In the event that the seller is unable to satisfy the order in its entirety, the seller must first contact the purchaser in order to study the possibility of modifying the order. An order marked "price to be defined" will only be valid when the purchaser has accepted in writing the said price to be defined. The purchaser shall have the right to modify the order, without this modification in any way vitiating or invalidating the order. The seller must then promptly inform the purchaser of any change in price or schedule resulting from the modifications requested by the purchaser and said modifications must be agreed in writing by the parties in an amendment to the order or in a new order signed by both parties. Except with the prior written agreement of the purchaser, the seller is not authorised to make or propose any modification or substitution of the supply or delivery of products that do not comply with the purchaser's initial order.

**2.3 Renunciation**

The sending of an order acknowledgement implies express acceptance by the seller of these (G.T.C.P.) as well as any

special conditions stipulated in the DPE order form. By accepting the order, the seller expressly renounces the right to have its general terms and conditions of sale prevail in the event that its clauses are contrary to the stipulations of these (G.T.C.P.).

**Article 3 - Price, invoicing and payment**

**3.1 Price**

The applicable price is the one mentioned in the purchaser's order form or the one resulting from the price calculation formulas stipulated in the order. The price is always firm and definitive and cannot be subject to any revision, indexation or adjustment according to currency fluctuations. Unless otherwise stipulated, the price includes the costs of packaging and any other costs, risks or charges in connection with the execution of the order. No additional costs of any kind whatsoever will be authorised unless the purchaser has given his prior written agreement specifically indicated on his order form.

**3.2 Invoicing and payment**

The seller shall deliver and invoice the products that are the subject of the purchaser's order in accordance with the invoicing schedule defined in the order. Invoices must bear the order number or reference number, the quantities and description of the products supplied, the date and reference number of the delivery note, the detailed prices, and must be accompanied by any necessary reference documents. Unless otherwise stipulated in the purchaser's order, the seller will issue one invoice per purchase order. Invoices that do not comply with the above-mentioned stipulations shall be considered invalid by the purchaser and shall be returned to the Seller. Unless otherwise stipulated in the order, invoices shall be payable at sixty (60) days net from the invoice date. Any advance payment by the purchaser shall be subject to obtaining an invoice discount granted by the Seller, the rate of which shall be subject to negotiation.

**Article 4 - Packaging, transport and delivery**

**4.1 Packaging**

Unless specific packaging is required by the purchaser in his order, the seller shall deliver the products in appropriate packaging, taking into account the nature of the products and the precautions to be taken in order to protect them against bad weather, corrosion, loading accidents, transport and storage constraints, vibrations or shocks, etc. The seller shall deliver the products to the purchaser in an appropriate packaging.

**4.2 Transport and delivery**

All products ordered travel at the seller's risk. Unless otherwise specified, the following Incoterms®2020 will apply: Family "D" Arrival: DAP (Delivery at Place, agreed place of destination). Upon delivery of the products, the

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seller shall provide a delivery note in duplicate, indicating among other things: the name of the seller, the date and full reference of the order form, a detailed description of the products, the total number of packages in the shipment, identification of the gross and net weight of each package. Certificates of conformity and/or analysis bulletins must systematically be attached to the delivery note for the delivery of products requiring this type of document.

**Article 5 - Deadlines, advance/late delivery, penalties.**

**5.1 Deadlines**

Delivery times and dates are indicated in the order. Acceptance by the seller of the order by sending an order acknowledgement implies its irrevocable commitment to respect the delivery times and dates thus defined. The delivery times and dates indicated in the order are essential references and cannot be modified without the written agreement signed by both parties. Advance deliveries are not permitted, unless the purchaser has given his prior written consent. In all cases, the seller shall not be entitled to any premium for early delivery. In the event of early delivery, unless expressly requested, the purchaser reserves the right to return the products to the seller at his own risk and peril, carriage forward. The seller must guarantee compliance with the deadlines and quantities indicated on the DPE order forms.

**5.2 Late delivery, penalties**

In the event of drift, the seller must inform the buyer within 24 hours of identifying the drift and take all necessary action to correct it. The seller must promptly inform the purchaser in writing of the detailed circumstances of any event likely to delay the execution of the order, without however being able to claim an extension of the delivery time. In the event of failure to comply with the delivery times, except in cases of force majeure, the purchaser shall have the right to cancel the order without the seller being able to claim any compensation or indemnity and without prejudice to the purchaser's rights to claim compensation for any damage, loss or prejudice suffered as a result of the delay.

**Article 6 - Acceptance, refusal and return of products.**

**6.1 Acceptance**

Our acceptances are always carried out subject to quantitative and qualitative control by one of our specially qualified departments. They only become final after this control. In the event that the products inspected are found not to conform to the specifications of the order, the seller may not use a payment already made to refuse either the free replacement of the defective products in our factory, or the repair by us at its own expense of the said products, or possibly the reimbursement of the total value

of the products in the event that they are definitively refused.

**6.2 Refusal and returns of products**

Any product that does not comply with the specifications of the purchaser's order will be refused and must be taken back by the seller within a maximum of ten (10) days following the purchaser's notice of refusal. After this period, the refused products will be returned to the vendor at his own risk and peril, carriage forward. The purchaser agrees to pay only for the quantities ordered. Unless the purchaser expressly agrees otherwise in writing, any excess will be held at the risk and expense of the seller for a period not exceeding ten (10) days from the date of delivery. If at the end of this period, the seller has not taken back the products or sent instructions for shipment at its expense, the purchaser shall return the products exceeding the quantities ordered to the seller at the seller's risk and expense.

**Article 7 - Transfer of risk and ownership.**

The transfer of risks will be made in accordance with Incoterms®2020 applicable to the order. If no Incoterms®2020 is applicable or in the absence of any indication, the transfer of risks will take place at the same time as the transfer of ownership. In accordance with French law N°80-335 of 12 May 1980, the seller remains the owner of the product delivered until actual payment of the agreed price.

**Article 8 - Confidentiality, intellectual and industrial property**

**8.1 Confidentiality**

Any drawing, plan, equipment, prototype, sample, document, data, or any other material and/or information provided by the purchaser, or provided by the seller but paid for by the purchaser as part of the price of the products, will be considered as confidential information belonging exclusively to the purchaser. The seller agrees to treat as strictly confidential any material and/or information belonging to the purchaser disclosed hereunder and to prevent any communication or disclosure of the material or information to any third party without the prior written consent of the purchaser. No written or oral communication or publication concerning the order or its contents may be made without the prior written consent of the purchaser.

**8.2 Intellectual and industrial property**

The seller guarantees that the products supplied do not infringe any patent, licence rights, designs and models, copyright, trademark rights or any other intellectual or industrial property right of a third party. The seller declares that it is the holder of all rights to use, manufacture and sell the products and that the purchaser

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will have the right to use and resell the products. The seller undertakes to guarantee the purchaser against any action by a third party claiming industrial property rights to all or part of a supply designed and/or executed by the seller. The seller agrees to defend the purchaser against any claim or action for infringement of intellectual or industrial property rights belonging to a third party, to pay all costs incurred by the purchaser in the defence against any such claim or action, including a reasonable amount covering legal and expert fees, and to compensate the purchaser for any damage, loss or injury suffered by the purchaser arising directly or indirectly from such claim or action.

such conciliation proves impossible, the Commercial Court of our registered office shall have sole jurisdiction, even in the event of an appeal in warranty, multiple defendants or summary proceedings.

**Article 9 – Environmental protection**

It is the responsibility of the seller to comply with applicable environmental laws and regulations. More specifically, it is incumbent upon it, as far as necessary, to comply with European regulations relating to the Limitation of Hazardous Substances (LSD Directive) and the management of Waste Electrical and Electronic Equipment (WEEE Directive). It is also the responsibility of the seller to comply with any additional environmental standards communicated to it by the purchaser. In particular, Diehl Power Electronic reserves the right to require the seller to comply with ISO 14001 standards.

**Article 10 - Conflict Minerals / Dodd Frank Act**

The supplier is furthermore obligated to promptly and to the best of its knowledge and belief provide all information requested by us or our customers as to whether any so-called conflict mineral from the DR Congo or its neighboring countries are contained in the delivered products in terms of the US-American Dodd Frank Act and, as the case may be, render any further assistance for the purpose of complying with the Dodd Frank Act which our customer may request. This shall apply mutatis mutandis insofar and as soon as a comparable set of rules comes into force within the EU.

**Article 11 - General Data Protection and Regulation (GDPR)**

In the context of business relations, the seller's personal data may be collected, used, processed and kept, in a secure manner, in order to exchange information on the products or services offered. The seller may at any time request the consultation, correction or deletion of his personal data by contacting our DPO "Data Protection Officer", Camille DHUICQ at the following email address: [Camille.Dhuicq@diehl.com](mailto:Camille.Dhuicq@diehl.com) .

**Article 12 - Applicable Law and Jurisdiction**

The contracts resulting from our orders are governed by French law. In the event of a dispute or contestation, the parties will seek conciliation, possibly through their respective professional organisations. In the event that