

Enclosure to Order No. xxxxxxx

GENERAL TERMS AND CONDITIONS FOR TOOL ORDERS BY E+E ELEKTRONIK GmbH TO SUPPLIERS
(Tool Terms)

As a supplement to the E+E ELEKTRONIK General Conditions of Purchase, which are hereby explicitly accepted as contract conditions, these Tool Conditions regulate the commissioning of the Supplier by E+E ELEKTRONIK to manufacture E+E ELEKTRONIK-specific tools and to provide samples of products that were produced by the Supplier with the aid of these tools. The Tool Conditions are part of the (tool) order and are to be countersigned and returned together with the order confirmation to E+E ELEKTRONIK; their validity is independent of the countersignature.

REGULATION OF OWNERSHIP:

Tools/molds/samples/fixtures/design documents and data (hereinafter simply "tools") manufactured by the Supplier become, in the moment of their manufacture, the sole property of E+E ELEKTRONIK, yet remain with the Supplier for production purposes, who keeps them gratuitously until they are provided to or destroyed for E+E ELEKTRONIK. Such tools can be withdrawn contemporaneously by E+E ELEKTRONIK at any time, without giving any reasons, by payment of any accounts receivable of the order, except when the tools are essential requirements for the Supplier for the production of shipments which the Supplier is obliged to supply to E+E ELEKTRONIK.

USAGE RESTRICTIONS:

Tools as well as similar information and documents must be used exclusively for orders from E+E ELEKTRONIK. Any use or transmission to third parties is permissible only after explicit, previous, and written authorization from E+E ELEKTRONIK.

PROVISION OF SAMPLES AND RELEASE:

Before the beginning of series production, an agreed quantity of samples coming from the ordered tools must be provided (initial sampling). Inasmuch as the samples conform to drawings and fulfill the quality requirements, E+E ELEKTRONIK issues a release (acceptance). If, due to deviations discovered, no release can be accorded, a new sample must follow immediately (second sampling).

If no sample conformant to the drawing is presented within two months of the initial sample, E+E ELEKTRONIK is entitled to withdraw from the tool order unless the Supplier can prove that he has not caused the situation intentionally or negligently. In this case the tool costs will not be borne, or, if the parties so agree in the individual case, partially borne by E+E ELEKTRONIK as a courtesy to the customer. The unsuitable tools are to be immediately destroyed or to be made unusable in a manner that prevents any E+E ELEKTRONIK know-how embodied in the tool from being otherwise used.

TOOL GUARANTEE:

The Supplier guarantees E+E ELEKTRONIK to design the tools in such a way that an output quantity (minimum service life of the tool) of **XXX.XXX.XXX** "good" parts (number of parts to be manufactured with the tool in the agreed product quality for these parts) is attained, unless in individual cases a differing agreement has been reached. In particular, all costs incurred within this quantity for tool maintenance and servicing as well as the costs of manufacture of a new tool within the output quantity are borne by the Supplier. For new manufacture, the (above) Regulation of Ownership applies accordingly.

Any changes to the tools and tool inserts relevant to dimension and quality made through repairs or corrections must result in new samples according to these conditions and be released by E+E ELEKTRONIK.

TOOL IDENTIFICATION, STORAGE AND USE:

The tools are to be provided with durable and readily visible identification as the property of E+E ELEKTRONIK. In addition, a tool data sheet is to be issued according to E+E ELEKTRONIK guidelines.

The Supplier shall take out a property insurance for the tools, the associated aids/fixtures, and the tool design data, covering at least the perils of fire, water pipe damage, and damage by natural forces (including storm/hail). For the tools from E+E ELEKTRONIK, a separate sum insured on a first loss basis (replacement value) in the amount of EUR 1 million or higher, if necessary, is to be agreed. The Supplier shall provide evidence of the insurance protection and any changes to it, without solicitation.

TOOL MAINTENANCE AND SERVICING:

The Supplier shall keep the ordered tool free of charge for an indefinite period so that it remains functional in the event of an additional manufacturing requirement and can be reused at any time, inasmuch and as long as it is possible at respectively reasonable cost.

DUE DATE:

The compensation agreed upon for the manufacture and transfer of tool ownership shall become due as agreed in writing, but no later than upon release of the samples.

Engerwitzdorf,

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E+E ELEKTRONIK GmbH