

Section 1 Scope

1. All business transactions between STS Spezial-Transformatoren-Stockach GmbH & Co. KG (hereinafter referred to as the “**Supplier**”) and the purchaser or party placing the order (hereinafter referred to as the “**Customer**”) shall be governed exclusively by these General Terms and Conditions of Sale and Payment (hereinafter referred to as the “**GTC**”) as a supplement to the other contractual arrangements. The Supplier shall not recognise other terms and conditions specified by the Customer – even in cases where performance has been rendered or payment accepted without reservation – unless the Supplier expressly agrees to their validity in writing.

This also applies to general terms and conditions other than the Customer’s general terms and conditions of purchase, in particular but not limited to the Customer’s quality assurance agreements, framework supply agreements, agreements on material provision, consignment warehouse agreements and confidentiality agreements, unless the provisions therein were negotiated with the Supplier.

2. These GTC only apply to business transactions with entrepreneurs as defined in Section 14 of the German Civil Code (BGB); they also apply to all future business relationships without the need for them to be referred to again until the Supplier provides new GTC.

3. All agreements made between the Supplier and Customer during the contract negotiations must be recorded in writing or in electronically saveable form (“text form” as defined in Section 126b BGB) in order to provide proof thereof and must be confirmed by both parties.

4. Ancillary agreements, subsequent amendments to the contract and the giving of a guarantee, in particular assurances regarding certain features or properties of the products, or the assumption of a procurement risk must be made, given or assumed in text form, unless they were made, given or assumed by authorised representatives. If the Supplier remains silent on the matter, this shall not be deemed to constitute approval.

Section 2 Conclusion of the contract

1. The Supplier’s offers are subject to change; they constitute an invitation to make an offer to conclude a contract.

2. When the Customer places an order for the contractual products, this constitutes an offer to conclude a contract. Unless otherwise stated in the order, the Supplier is entitled to accept this offer to conclude a contract within 14 days of receiving said offer. The offer shall be accepted in text form.

3. Descriptions and photographs of the products in technical documents, leaflets, company brochures, catalogues and price lists, etc. are not binding, unless they were expressly included in the contract; they do not release the Customer from its duty to perform its own checks.

4. In its offer to conclude a contract (order), the Customer must provide all the information needed to fulfil the order. This applies to all deliveries, services, work and other activities to be performed by the Supplier. The information to be provided includes but is not limited to the item description, number of units, dimensions, material, material composition, pre-treatments, processing specifications, handling instructions, storage, standards and any other technical parameters and physical characteristics.

Any missing, incorrect or incomplete information shall be deemed to not have been expressly agreed and shall not create any obligations on the Supplier’s part in relation to claims for performance, warranty claims or claims for damages.

5. If the Customer’s acceptance (order) differs from the Supplier’s offer, the Customer must specify these differences separately. Otherwise, this difference shall not be deemed to have been agreed and the Supplier’s offer shall apply instead.

6. The Supplier is entitled to ask the Customer for any further information required to properly fulfil the order.

7. Orders should be placed in writing or electronically (EDI); orders placed orally or over the phone are fulfilled at the Customer’s risk.

8. If, despite the valid conclusion of a contract, the Customer refuses acceptance or unjustifiably attempts to withdraw from the contract, the Supplier may – without prejudice to the opportunity to claim for higher actual damages (loss of earnings, customer-specific half-finished products, etc.) – charge 10% of the price of the products or services to account for the costs incurred as a result of processing

the order and for loss of earnings. The Customer is entitled to provide evidence that a lower amount of damage was incurred.

9. The Supplier retains ownership rights and all the intellectual property rights in the offers and cost estimates it makes as well as in the drawings, images, samples, calculations, brochures, catalogues, models, tools and other documents and aids made available to the Customer. The Supplier must give its written consent before such items or the contents thereof can be given or disclosed to third parties. This also applies before such items can be used or copied by the Customer or third parties. The Customer must return these items to the Supplier and destroy any copies thereof without being requested to do so if the Customer no longer needs them as part of its normal course of business or if the negotiations do not lead to the conclusion of a contract.

10. The Supplier reserves the right to work on the products or services ordered at another place of business or to outsource such work at no extra cost to the Customer.

Section 3 Call-off contracts

1. In the case of call-off contracts, binding quantities must be communicated to the Supplier by means of a call at least 3 months before the delivery date, unless agreed otherwise. In isolated cases, it may be necessary to extend this deadline, for example due to material delivery times. If this is the case, the Supplier shall inform the Customer of this in good time.

2. The Customer shall cover any additional costs incurred as a result of a late call or subsequent changes to a call in terms of the delivery date or quantity.

3. Unless agreed otherwise, all orders placed as part of a call-off contract must be accepted within one year of the closing the call-off contract without the need for a separate request to this effect to be issued. If this deadline expires, the Supplier is entitled to invoice the Customer for the products and to send them to the Customer at the Customer’s expense and own risk or to withdraw from the contract immediately.

Section 4 Changes

1. A separate contractual agreement is required for any changes to the products or services following the conclusion of the contract.

2. In the event of missing or incorrect information, the Supplier is entitled to make reasonable changes to the products or services. The Customer shall bear any disadvantages resulting from missing or incorrect information, in particular additional costs or losses.

3. Technical changes may be made to the products or services, provided that such changes do not negatively affect the objective of the contract.

Section 5 Delivery, partial delivery, transfer of risk, packaging

1. Deliveries shall be made in accordance with FCA Incoterms 2020 excluding packaging. At the Customer’s request and expense, the products or services shall be delivered to a different destination (sale by delivery to a place other than the place of performance at the request of the Customer). Unless agreed otherwise, the Supplier is entitled to determine the method of delivery (in particular the carrier, transport route and packaging). Disposable packaging shall be disposed of by the Customer.

2. Differences in quantity customary in the Supplier’s industry of up to 5% are generally permissible without the need to consult with the Customer.

3. Partial deliveries are permissible, provided that the partial delivery can be used by the Customer given the purpose of the contract, it is certain that the remaining products or services ordered shall be delivered and this does not result in a considerable additional workload or considerable additional costs for the Customer, unless the Supplier agrees in writing to assume these costs.

4. The risk of accidental loss and accidental deterioration in the quality of the products or services shall be transferred to the Customer by no later than the date on which they are delivered. In the case of delivery to a place other than the place of performance at the request of the Customer, the risk of accidental loss and accidental deterioration and the risk of delay shall be transferred as soon as the products or services are handed to the shipping company, carrier or other person or establishment responsible for shipping. If an acceptance

process has been arranged, this shall be used to determine the transfer of risk. Delivery and acceptance shall be deemed to be done if the Customer is late accepting delivery or performing acceptance.

5. The Customer must immediately assert any claims arising from damage in transit against the delivery company.

Section 6 Acceptance, delivery time

1. The Customer is obliged to accept the delivery as soon as the Supplier has informed the Customer that the products or services ordered are complete. If the Customer does not accept the product or service within two weeks of this notification without refusing to do so, the product or service shall be deemed to have been accepted.

2. In the event of any mutually agreed changes to the products or services ordered, the delivery periods and delivery dates must be renegotiated.

This also applies if the products or services ordered are renegotiated following the conclusion of the contract without any changes actually being made to the order.

3. Delivery periods and delivery dates are subject to the Supplier receiving defect-free and timely deliveries from their sub-suppliers and to there being no unforeseeable disruptions in production.

Section 7 Delays

1. If the Supplier does not observe the delivery date or delivery period, the Customer must specify a reasonable new delivery period in writing. The Customer may withdraw from the contract if this new delivery period expires without any delivery being made for reasons for which the Supplier is responsible.

2. If the Supplier is responsible for the failure to observe agreed deadlines, the Customer may – provided that it can prove that it has incurred damage as a result of the delay – request compensation of 0.5% for each full week of the delay; this compensation may not, however, exceed 5% of the price charged for the (partial) delivery of the product or (partial) performance of the service affected by the delay. This limitation of liability does not apply if it has been agreed that the on-time delivery of products/performance of services is an essential contractual duty or if the failure to observe the deadline was intentional or due to gross negligence on the part of the Supplier.

3. At the Supplier's request, the Customer must inform the Supplier within a reasonable period of time whether, as a result of the delay in delivery or performance, it wishes to withdraw from the contract and/or request compensation instead of receiving the product or service and/or insist on delivery or performance.

4. Transactions with a fixed date within the meaning of Section 376 of the German Commercial Code (HGB) must be expressly confirmed in text form.

5. If the Customer fails to accept the products or services by the agreed delivery date or by the end of the agreed delivery period for reasons for which it is responsible, the Customer shall be in default of acceptance and shall be required to compensate the Supplier for any additional expenses incurred. In particular, the Supplier is entitled to invoice the Customer for storage costs for each commenced month of delay amounting to 2% and no more than 5% of the total cost of the products or services. The parties are entitled to provide evidence of the existence of higher or lower storage costs.

6. The Supplier is entitled to choose a suitable storage location at the Customer's expense and risk and to insure the products or services at the Customer's expense.

Section 8 Force majeure

1. In the event of force majeure, the Supplier's delivery periods shall be extended by the duration of the disrupting incident plus a reasonable adjustment period.

Force majeure means any incidents for which the Supplier is not responsible and which are beyond the Supplier's control, such as war, natural disasters, pandemics, epidemics, industrial disputes, strikes, traffic disruptions, orders from public authorities, business interruptions, significant operational disruptions (e.g. lack of materials or power cuts at the premises of the Supplier, any commissioned sub-contractors or sub-suppliers), including if the Supplier was already behind schedule when these circumstances arose. The Supplier shall inform the Customer of the start and end of any such incidents immediately on becoming aware thereof. The aforementioned incidents also count as force majeure events if, due to political or other developments or reasons, they could already be reasonably expected when the contract entered into force and if the force majeure event had already arisen when the contract entered into force.

2. If incidents of the type defined in Paragraph 1 above or circumstances as defined in Section 313 BGB cause significant changes to the economic importance or the contents of the products/services or have a significant effect on the Supplier's business, the Supplier shall be entitled to make reasonable changes to the contract taking into account the principles of good faith. If this is not economically justifiable, the Supplier shall be entitled to withdraw from the contract. The Customer shall not be entitled to claim any compensation (e.g.

compensation for damages) if the Supplier withdraws from the contract in this way. If the Supplier intends to make use of this right of withdrawal, it must inform the Customer thereof immediately after becoming aware of the implications of the incident even if an extension of the delivery period had initially been agreed with the Customer.

3. The Customer shall only be entitled to exercise a right of withdrawal and a right to arrange emergency production elsewhere reserved for such incidents if this has been agreed or negotiated with the Supplier.

Section 9 Terms and conditions of payment

1. Unless agreed otherwise, all prices are quoted net in euros ex works from Stockach and are subject to the statutory amount of value-added tax applicable at the time of invoicing. Additional costs such as packaging, freight and delivery costs, customs charges, assembly costs, insurance and bank charges shall be calculated separately. The Supplier shall only insure the products or services to be delivered at the Customer's request and expense.

2. If labour, material or energy costs change considerably during the term of open-ended contracts or contracts with a term of more than 12 months, the Supplier shall be entitled to request negotiations on a reasonable adjustment of the price taking these factors into account. The Supplier shall also be entitled to make a reasonable amendment to the agreed price if changes occur before or during the fulfilment of the order as a result of mistakes in the information or documents provided by the Customer or the Customer otherwise requesting changes.

3. Unless agreed otherwise, invoices shall be paid within 30 days net of receipt of the invoice. They must be paid in full without any deductions. In the event of non-payment, the Customer shall be in default of payment without the need to be sent a reminder. Price reductions or discounts shall only be granted if agreed separately. Partial payments must be agreed separately in writing.

4. If the Supplier has multiple outstanding claims for payment against the Customer and if the Customer does not attribute its payments to a specific claim, the Supplier shall be entitled to specify the outstanding claim to which the payment is to be attributed.

5. In the event of delays in payment, the deferment of payments or partial payments, the Supplier shall be entitled to charge interest on the late payment at a rate equivalent to a standard bank rate of at least 10 percentage points p.a. above the ECB's base interest rate and to withhold all further performance until all outstanding invoices have been settled. The Supplier reserves the right to provide evidence that the damage incurred was higher.

6. If the Supplier has reasonable doubts concerning the Customer's solvency or creditworthiness, e.g. due to slow payment practices, the Supplier shall be entitled to request that the Customer make security deposits or cash payments in return for the provision of its services (concurrent performance). If the Customer does not comply with this request within a reasonable deadline set by the Supplier, the Supplier shall be entitled to withdraw from the part of the contract not yet fulfilled or to suspend deliveries until the payments are received. The setting of a deadline can be dispensed with if the Customer is discernibly unable to make any security deposits.

7. The Customer is only entitled to offset counterclaims against payments due to the Supplier if the Customer's counterclaims are undisputed by the Supplier or have been declared legally final and absolute. This prohibition of set-off does not apply to counterclaims arising from the same contractual relationship. The assignment of claims made against the Supplier must be agreed to by the Supplier in text form.

8. The Customer shall only have a right of retention if the counterclaim relates to the same contractual relationship and is undisputed or has been declared legally final and absolute. If the Supplier's performance is indisputably defective, the Customer shall only be entitled to withhold payment to the extent that the withheld amount is reasonably proportionate to the defects.

9. The payment deadlines continue to apply if there are delivery delays for reasons for which the Supplier is not responsible.

10. To ensure that the Supplier is exempt from turnover tax in the case of deliveries within the European Union (intra-community deliveries), the Customer must provide the Supplier with a confirmation of receipt. This means that after receiving the products or services, the Customer must fill in a form provided by the Supplier to confirm in writing that it, as the purchaser, has received the products or services as an intra-community delivery.

11. If the Supplier does not include turnover tax on its invoice, in particular because the Supplier assumed on the basis of the information provided by the Customer that the delivery was an "intra-community delivery" within the meaning of Section 4 Number 1 b in conjunction with Section 6 a of the German Turnover Tax Act (UStG) and if the Supplier is retroactively charged value-added tax (Section 6 a Paragraph 4 UStG), the Customer must pay the Supplier the amount of value-added tax charged. This obligation applies regardless of

whether the Supplier is retroactively required to pay turnover tax, import turnover tax or comparable taxes in Germany or abroad.

Section 10 Obligation to inspect the deliveries and to provide notification of defects

1. The Customer must inspect the products or services immediately after delivery in accordance with Sections 377 and 381 HGB or comparable national or international regulations and must inform the Supplier immediately in writing or in text form of any defects it finds during this inspection as well as of any defects it finds at a later date. Otherwise, any defects shall be deemed to have been accepted.
2. Unless agreed otherwise with the Supplier, the Customer must not continue to use or make use of defective products or services.
3. The Customer shall immediately provide the Supplier with a representative amount of the defective parts. The Customer shall give the Supplier a reasonable and sufficient amount of time to check the defect reported. If complaints are unjustified, the Supplier reserves the right to charge the Customer for the time taken to investigate the complaint.
4. The reporting of defects does not release the Customer from its duty to observe its payment obligations.

Section 11 Warranty

1. Liability for defects shall be based on the agreements between the Supplier and Customer concerning the quality of the products or services as determined from the agreed specifications, drawings, technical information and other (technical) documents. The STS product data sheet provided by the Supplier shall be decisive in determining said quality.

If a certain aspect of quality was not agreed, the presence of a defect shall be determined in accordance with the statutory provisions. If the products or services are defective when the transfer of risk takes place, the Supplier shall be entitled at its own discretion to rectify the defect, provide a replacement or issue a credit note within a reasonable period of time. The Customer may only attempt to rectify the defect itself or commission a third party to do so with the Supplier's consent. In urgent cases, such attempts are only permissible if the Supplier has been given a reasonable amount of time to rectify the defect but was unable to do so successfully.

2. In cases where third-party products are supplied, including in cases where they have been fitted into or otherwise used in the delivered products, the Supplier shall be entitled to initially limit its liability to the assignment of warranty claims which the Supplier is able to assert against its sub-supplier, unless the claim is not able to be satisfied through the assigned right or the assigned claim cannot be enforced for other reasons.

3. At the Supplier's request, the delivered item about which the complaint has been made must be returned to the Supplier free of transportation charges. If the reporting of the defect was justified, the Supplier shall reimburse the Customer for the costs of the least expensive method of delivery. The Customer shall not be entitled to claim expenses it incurs for the purpose of arranging supplementary performance, in particular transportation, travel, labour, material and replacement costs, insofar as these expenses are increased because the products or services were subsequently used at a location other than the original place of fulfilment; otherwise, the Supplier shall only reimburse the Customer for the necessary expenses. This shall apply mutatis mutandis to the Customer's rights to compensation for expenses in accordance with Section 445a BGB, provided that the last contract in the supply chain is not a purchase by a consumer.

4. The same warranty terms apply to replacements and rectified products as to the item originally delivered.

5. The Customer shall bear any costs incurred by the Supplier as a result of the unjustified reporting of defects.

6. Warranty claims against the Supplier may only be asserted by the immediate Customer and may not be assigned without the Supplier's consent.

Section 12 Legal defects, intellectual property rights

1. The Supplier warrants subject to the provisions of Section 12 herein that the products it supplies do not breach the intellectual property rights of any third parties in Germany. It has not performed any further investigations into whether the products ordered by the Customer infringe patents or any other intellectual property rights of third parties.

2. Orders fulfilled on the basis of drawings, sketches or other information provided to the Supplier shall be fulfilled at the Customer's own risk. If the Supplier infringes on third-party intellectual property rights as a result of performing such orders, the Customer shall indemnify the Supplier against any claims made by the owner of these intellectual property rights.

3. With the exception of the circumstances outlined in Paragraph 1 Sentence 1 above, the Supplier shall not be held liable for any infringements of intellectual property rights resulting from the use of the products or services or from the combination or use of the products

or services with other products. If a third party makes claims against the Supplier in this regard, the Customer shall indemnify the Supplier against any such claims.

4. In the event of such legal defects, the Supplier shall be entitled to procure the required licences or to rectify the defects by changing the product or service to a reasonable extent at the Customer's expense.

5. Unless agreed otherwise, the Supplier's liability for the infringement of a third party's intellectual property rights shall be limited to intellectual property rights which are registered and published in Germany.

6. The aforementioned obligations of the Supplier only exist to the extent that the Customer notifies the Supplier in writing of the claims made by the third party immediately after becoming aware thereof without acknowledging that an infringement has taken place and the Supplier reserves the right to take all defensive action and engage in settlement negotiations. If the Customer ceases using the delivery in order to mitigate the damage or for other important reasons, the Customer must inform the third party that this discontinuation of use does not constitute an acknowledgement that an intellectual property right has been infringed on.

7. The Customer is prohibited from reproducing the Supplier's products itself or from arranging for a third party to do so. The Customer is also prohibited from passing on technical or commercial documents for the purposes of comparing or reproducing the products.

Section 13 Limitation period

1. The limitation period for claims and rights relating to defects in the products and services as well as the resulting damage is one year. This does not apply if longer periods are required by mandatory law. The limitation period commences in accordance with statutory provisions.

2. The limitation period as defined in Paragraph 1, Sentence 1 above does not apply in cases of intent, if the Supplier fraudulently conceals the defect or has provided a quality guarantee, in the case of claims for damages due to personal injury or the restriction of the freedom of another person, in the case of claims under the German Product Liability Act (ProdHaftG) and in the event of a breach of duty due to gross negligence or the breach of essential contractual duties.

3. Supplementary performance measures do not suspend the limitation period for the original performance, nor do they cause the limitation period to begin again from scratch.

Section 14 Liability

1. The Supplier shall bear unlimited liability for damages resulting from death, bodily injury or harm to health which can be attributed to a negligent breach of duty on the part of the Supplier or to an intentional or negligent breach of duty on the part of the Supplier's legal representatives or assistants (persons used to perform the Supplier's obligations) as well as in the case of mandatory strict liability, in particular in accordance with the German Product Liability Act and in cases of guarantee liability.

2. The Supplier shall be liable for other damages which can be attributed to an intentional or grossly negligent breach of duty on the part of the Supplier or to an intentional or grossly negligent breach of duty on the part of the Supplier's legal representative or vicarious agents (persons used to perform the Supplier's obligations). In this case, the liability shall be limited to typically occurring damage which was foreseeable when the contract was concluded. In the event of simple negligence, the Supplier shall only be liable in the event of a breach of an essential contractual duty. The liability shall be limited to foreseeable damage typical for the contract in question.

3. Claims for damages for personal injury and claims arising from the German Product Liability Act shall be subject to the legal provisions.

4. Limited liability agreements arising from the contract also apply to claims from the Customer under tort law.

5. Liability for damages shall not go beyond the liability set out in the above provisions. The Customer may only make recourse claims against the Supplier to the extent that the Customer has not made any agreements with its own customer which go beyond the statutory claims for compensation for defects and damages. The Supplier shall not be liable in cases where the Customer has effectively limited its liability towards its purchaser.

6. Insofar as the Supplier's liability is limited or excluded, this limitation or exclusion of liability shall also apply to the personal liability of the Supplier's employees, colleagues, representatives, vicarious agents (persons used to perform the Supplier's obligations) and assistants.

7. Insofar as the Supplier's liability is limited or excluded, the Customer must indemnify the Supplier from third-party claims on request.

8. The Customer must inform the Supplier immediately of any claims made against it by third parties in connection with the Supplier's products or services.

Section 15 Retention of Title

1. The Supplier shall retain ownership of the products or services until the Customer has paid in full all the amounts owing to the Supplier as a result of its business relationship with the Customer.

2. The Customer is not entitled to pledge the products or services or to transfer ownership thereof by way of security.

3. If the Supplier's property is processed, combined or intermixed with the property of third parties, the Supplier shall acquire ownership of the new item in accordance with the provisions of Section 947 BGB.

If the processing, combining or intermixing results in the third-party item being regarded as the main item, the Supplier shall acquire co-ownership, the share of which shall be determined by the value of its product in proportion of the value of the third-party item at the time of the processing.

4. If the Supplier acquires ownership of an item through performing its obligations for the Customer, the Supplier shall retain ownership of this item until all the outstanding amounts owed as a result of the business relationship with the Customer have been paid.

5. The Customer must keep the reserved items carefully and, wherever necessary, perform maintenance and repair works at its own expense and in good time. The Customer must take out extended coverage (EC) insurance at its own expense to insure the reserved items at replacement value against theft, breakage, fire, water damage and other risks. If it fails to do so, the Supplier shall be entitled to arrange such insurance cover at the Customer's expense. In the event of damage, the Customer must inform the Supplier of this immediately after becoming aware of the damage. The Customer shall hereby assign to the Supplier any claims it makes against its property insurer in this regard. The Supplier shall accept this assignment. Any security claims arising in the event of damage must also be assigned to the Supplier.

6. The Customer is entitled to sell or process as part of its regular course of business the items to which the Supplier retains (co-)ownership, provided that it fulfils its obligations arising from the business relationship with the Supplier. In such cases, the accounts receivable from the sale shall be assigned to the Supplier in the ratio of the value of the property secured by the reservation of ownership to the total value of the sold items. The Customer shall still be entitled to collect the accounts receivable even following the assignment. The Supplier's power to collect these accounts receivable itself shall remain unaffected by this, but the Supplier agrees not to collect the accounts receivable provided that the Customer meets its payment obligations. If the Customer fails to meet its payment obligations, the Customer must, at the Supplier's request, disclose the accounts receivable assigned to the Supplier and their debtors, give the Supplier all the information it needs to collect the accounts receivable, issue the Supplier with the relevant documents and inform the debtors of the assignment.

7. The Customer's power of disposal over the Supplier's reserved property and the Customer's right to collect accounts receivable assigned to the Supplier shall expire as soon as the Customer stops meeting its payment obligations or as soon as an application is made for the opening of insolvency proceedings. In such cases and in the event of the Customer breaching the contract in any other way, the Supplier shall, after issuing a warning, be entitled to demand that the Customer return the delivered items which are still subject to reservation of ownership. The Customer must return these items. The repossession and seizure of the reserved items by the Supplier shall only be construed as a withdrawal from the contract if this has been expressly declared by the Supplier.

8. The Customer shall inform the Supplier immediately if the Supplier's reserved property is at risk, especially in the event of insolvency, illiquidity and enforcement measures. At the Supplier's request, the Customer must provide the Supplier with all the information it requires about the inventory of items of which it retains (co-)ownership and about the accounts receivable assigned to the Supplier and must also inform its purchasers of the assignment. The Customer shall support the Supplier with all measures which are necessary to protect the Supplier's (jointly owned) property and shall bear the resulting costs.

9. For all the amounts owed under the contract, the Supplier shall have a right of lien against the Customer's items which fall into the Supplier's possession as a result of the contract. This right of lien may also be asserted for amounts owed from previously supplied products or services, provided that they relate to the product or service being supplied.

The right of lien shall apply to other claims arising from the business relationship, provided that this right is undisputed or has been declared legally final and absolute. Sections 1204 et seq. BGB and Section 50 Paragraph 1 of the German Insolvency Act (InsO) shall apply accordingly.

10. If the realisable value of the securities exceeds the amount owed to the Supplier by more than 10%, the Supplier shall release securities at its discretion at the Customer's request.

Section 16 Code of Conduct

1. The Customer is aware of the Supplier's Code of Conduct, which can be found at www.sts-trafo.com. The Customer must ensure that its suppliers and sub-suppliers also observe all the provisions laid down in this Code of Conduct.

2. If the Customer fails to observe any of the obligations laid down in this Code of Conduct, the Supplier is entitled, without prejudice to further claims, to withdraw from the contract or to terminate the contract. If it is possible to remedy the breach of obligation, this right of withdrawal or termination may only be exercised if the Customer fails to remedy the breach after a reasonable period of time.

Section 17 Exportability and importability

If an export has not been agreed with the Supplier, the Supplier shall not be obliged to check whether authorisation is required for the products delivered by it to be exported. The Customer shall bear the risk for the exportability and importability of the products ordered.

Section 18 Place of fulfilment, place of jurisdiction, applicable law

1. The place of fulfilment for the ordered products, services and payments is the Supplier's place of business in Stockach.

2. The place of jurisdiction shall be chosen at the Supplier's discretion and shall be either the competent court at the Supplier's place of business or the Customer's place of business.

3. The business relationships with the Customer shall be governed exclusively by the law of the Federal Republic of Germany. The United Nations Convention on Contracts for the International Sale of Goods (CISG) does not apply.

4. In the event that any parts of these GTC are invalid, this shall not affect the validity of the remaining provisions.