AMD GmbH

Terms and Conditions of Sale and Purchase

Part A governs sales and deliveries by AMD GmbH to business customers. Part B governs purchases by AMD GmbH from suppliers. Each part must be incorporated into the relevant contract separately.

AMD GmbH, represented by Managing Director Alwin Müller

Postal address: Mörkeweg 12, 26605 Aurich, Germany

Visiting address: Kornkamp 28, 26605 Aurich, Germany

Telephone: +49 4941 973 460 20 · Email: office@amd-germany.com

Part A General Terms and Conditions of Sale and Delivery

1 Scope and precedence of agreements

(1) These terms apply to the sale and delivery of electrical insulation materials, composite materials and technical products by AMD GmbH, hereinafter AMD. They also cover movable goods to be manufactured to customer drawings. They apply exclusively to businesses acting in a commercial or independent professional capacity within the meaning of section 14 of the German Civil Code (BGB), legal entities under public law and special funds under public law.

(2) Any conflicting terms of the customer become part of the contract only if AMD agrees to their application. Performance of a delivery without reservation does not in itself constitute consent. Individually negotiated agreements take precedence, including oral agreements. Mandatory statutory form requirements remain unaffected.

(3) Declarations relating to performance of the contract may be made in text form, in particular by email, unless a stricter statutory form is required. These terms apply to future transactions of the same kind only by corresponding agreement. Amendments do not become part of the contract merely because the customer remains silent.

2 Offers and formation of the contract

(1) AMD's offers are non-binding unless expressly designated as binding or specifying a period for acceptance. A contract is formed when AMD accepts an order, in particular by an order confirmation in text form or by dispatching the goods.

(2) The agreed contractual content is decisive. An order confirmation that differs from the order constitutes a new offer and requires acceptance by the customer. Silence alone does not constitute acceptance; statutory rules concerning commercial letters of confirmation remain unaffected.

(3) Development services, separate advisory services, installation, repairs and processing of materials supplied by the customer require a separate agreement defining the services. This Part A does not contain specific provisions governing contracts for work and services of this kind.

3 Specifications and technical requirements

(1) The goods to be supplied are defined by the agreed item number, material designation, quantity, dimensions and, where applicable, drawing including its revision status. Specifications, samples and inspection requirements incorporated into the contract are binding. Statutory requirements concerning freedom from defects apply in addition.

(2) Inspection certificates, conformity documentation, specific electrical or thermal characteristics, fire behaviour, traceability and shelf-life requirements must be specified in the order unless already required by law. Standards and tolerances apply in the agreed version. No general entitlement to deviate from dimensions or quantities is agreed.

(3) Technical information constitutes a guarantee only if AMD recognisably assumes an additional obligation to warrant the relevant characteristics. Agreed characteristics and statutory rights in respect of defects remain unaffected. Company ISO certifications do not replace product-specific documentation.

(4) The customer must disclose special operating conditions and safety-related requirements before the contract is concluded. The customer is responsible for checking suitability within the specific overall system unless AMD has undertaken that assessment. AMD remains responsible for any advice it is contractually required to provide and for the agreed usability of the goods.

4 Prices and payment terms

(1) Agreed prices are in euros plus VAT where legally due. Shipping, transport insurance and special packaging are charged additionally only if agreed. After conclusion of the contract, prices may be changed only by separate agreement.

(2) Unless otherwise agreed in an individual case, invoices are payable without deduction within 14 calendar days of receipt, but no earlier than delivery. Cash discounts and advance payments require agreement. Invoices are transmitted in a legally permissible form.

(3) In the event of payment default, statutory claims apply, in particular default interest on payment claims in business transactions at nine percentage points above the base interest rate and the statutory flat-rate compensation for late payment, where the applicable requirements are met.

(4) The customer may set off claims that are undisputed or established by a final judgment, as well as counterclaims arising from the same contractual relationship. Rights of retention arising from the same contractual relationship remain unaffected. If, after conclusion of the contract, it becomes apparent that the payment claim is jeopardised by the customer's inability to perform, statutory protective rights apply, in particular section 321 BGB.

5 Delivery dates and impediments to delivery

(1) Agreed delivery dates are binding. Non-binding delivery estimates are expressly identified as such. Where AMD requires documents, approvals or materials from the customer, the delivery period is extended only to the extent that their late receipt actually delays delivery and AMD is not responsible for that delay. AMD must inform the customer of the effects without undue delay.

(2) Events beyond the affected party's reasonable control that were unforeseeable when the contract was concluded and could not be avoided despite reasonable measures may suspend performance obligations for the duration of their

actual effects. The affected party must notify the other party without undue delay of the cause, extent and anticipated duration and cooperate in mitigating loss. Ordinary procurement difficulties and mere cost increases are insufficient.

(3) AMD may withdraw from the contract due to a failure of its own supplier to deliver only if AMD has entered into a corresponding procurement transaction for the customer's order, has not been supplied through no fault of its own and has not assumed a more extensive procurement obligation or guarantee. AMD must notify the customer without undue delay and refund payments received for deliveries that will not be made. The customer's statutory rights remain unaffected.

(4) In the event of delivery default, the customer's rights are governed by law; clause 10 applies to damages. An additional reminder is not required for a delivery date fixed by reference to the calendar where a reminder is dispensable by law.

6 Shipping and transfer of risk

(1) Unless another place of delivery is agreed, delivery is made from the warehouse designated by AMD. At the customer's request, AMD will ship the goods to the agreed destination. Packaging and the means of transport must be suitable for the goods and transport route.

(2) In the case of collection, risk passes to the customer upon handover. For a sale involving shipment, risk passes in accordance with section 447 BGB. Any agreed delivery term providing otherwise takes precedence. Readiness for dispatch alone does not transfer risk; statutory provisions concerning the customer's default in accepting delivery remain unaffected.

(3) Incoterms apply only if a specific rule, named place and edition have been agreed. An agreement concerning freight costs alone does not replace an agreement concerning transfer of risk. Transport insurance will be arranged for the customer's account only by agreement.

(4) Partial deliveries are permitted if they can be used by the customer, delivery of the balance is assured and no unreasonable disadvantages arise. AMD bears additional costs resulting from partial deliveries initiated by AMD. Overdeliveries or underdeliveries require agreement.

7 Call-off orders and changes to orders

(1) Binding total quantities, call-off periods and minimum call-off quantities must be expressly agreed. Forecasts and demand projections are non-binding unless otherwise agreed and do not authorise production at the customer's expense.

(2) Changes to or mutually agreed cancellation of confirmed orders require a separate agreement on price, delivery date and costs already incurred. AMD must substantiate necessary additional costs and deduct expenses saved. Statutory rights of termination and withdrawal remain unaffected.

(3) If agreed call-offs are not made, AMD must set a reasonable additional period before asserting further rights where required by law. Expiry of a call-off period alone does not automatically entitle AMD to invoice goods that have not yet been delivered.

8 Tools and customer documents

(1) Ownership, remuneration, maintenance, storage periods and return of order-specific tools and moulds must be agreed separately. A contribution to costs by the customer does not in itself determine ownership. Tools provided by the customer remain the customer's property.

(2) The customer must ensure that AMD may use the drawings and documents supplied for performance of the order. AMD must point out identifiable ambiguities and identifiable intellectual property risks. Claims for indemnification arising from customer specifications require a breach of duty for which the customer is responsible; any contributory fault on the part of AMD must be taken into account.

9 Inspection and rights in respect of defects

(1) Where the purchase is a commercial transaction for both parties, the duties of inspection and notification under section 377 of the German Commercial Code (HGB) apply. Apparent defects must be notified without undue delay following an inspection practicable in the ordinary course of business; defects not initially identifiable must be notified without undue delay after discovery. The notification should identify the item, quantity and nature of the defect and should, where possible, be made in text form. Statutory exceptions, in particular fraudulent concealment, remain unaffected.

(2) In the event of material defects or defects in title, the customer's statutory rights apply. AMD must be given the necessary opportunity to inspect and provide subsequent performance by repair or replacement. The statutory allocation of the costs of subsequent performance, including any necessary removal and installation costs, remains unaffected.

(3) AMD is not liable for damage caused exclusively by subsequent misuse, unsuitable storage or improper modification by the customer. This does not exclude liability for existing defects or causes for which AMD is responsible.

(4) Statutory limitation periods apply. Statutory limitation periods for defects and rights of recourse within the supply chain remain unshortened. Clause 10 additionally applies to damages claims. A justified notification of defects does not affect permissible rights of retention.

10 Liability

(1) AMD is liable without contractual limitation for intentional or grossly negligent conduct, culpably caused injury to life, body or health, and fraudulent concealment of a defect. Mandatory statutory liability, in particular under the German Product Liability Act, and claims under guarantees given by AMD in accordance with their terms also remain unaffected.

(2) In the event of ordinary negligence, AMD is liable for breach of obligations whose fulfilment enables proper performance of the contract and on whose observance the customer may regularly rely. Compensation is then limited to the loss foreseeable at the time of conclusion of the contract and typical of such a transaction. Otherwise, liability for ordinary negligence is excluded. Paragraph (1) takes precedence.

(3) These provisions apply correspondingly to the personal liability of AMD's legal representatives and persons engaged to perform its obligations. No change to the statutory burden of proof is intended. Statutory rights of withdrawal, price reduction and subsequent performance are not restricted by this clause.

11 Retention of title

(1) The goods delivered remain AMD's property until the purchase price owed for those goods has been paid in full. The customer must handle goods subject to retention of title with care and notify AMD without undue delay of attachments or other interference by third parties.

(2) Resale or processing in the ordinary course of business is permitted. Transfer by way of security or pledging requires AMD's consent. This version does not establish extended retention of title through an advance assignment of resale receivables.

(3) In the event of payment default, AMD may demand return of goods subject to retention of title only where the statutory requirements are met, in particular following effective withdrawal from the contract. No right of unilateral entry or repossession without legal authority is agreed.

12 Confidentiality and data protection

(1) Both parties must use confidential commercial and technical information solely for performance of the contract and disclose it only to persons who need it for that purpose and are bound to confidentiality. Exceptions apply to information lawfully known, publicly available or independently developed, and to disclosures required by law.

(2) This duty continues for five years after the end of the relevant contract and, for trade secrets protected by law, for as long as the legal requirements for protection remain satisfied. Necessary rights of use for the intended use of the goods remain unaffected. Personal data is processed in accordance with applicable data protection legislation; required privacy information is provided separately.

13 Foreign trade and product regulations

Both parties must comply with the export control, sanctions and product regulations applicable to them. The customer must provide the information on destination and end use required for a lawful delivery. Legally prohibited performance will not be rendered. In the event of specific legal impediments, AMD must inform the customer without undue delay and cooperate in finding a lawful solution. Further product-specific or country-specific contractual provisions must be agreed separately where required.

14 Governing law and jurisdiction

(1) German law applies, excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG). Where the customer is a merchant, a legal entity under public law or a special fund under public law, Aurich is the agreed place of jurisdiction for disputes arising from the contractual relationship. Mandatory exclusive jurisdiction remains unaffected.

(2) Where individual terms do not become part of the contract or are invalid, the statutory consequences apply, in particular section 306 BGB. No automatic replacement by a provision that comes as close as possible to the economic purpose is agreed.

Part B General Terms and Conditions of Purchase

1 Scope and agreements

(1) These terms apply to purchases by AMD GmbH, hereinafter AMD, of electrical insulation materials, composite materials and technical products, including movable goods to be manufactured to customer specifications. They apply to businesses acting in a commercial or independent professional capacity, legal entities under public law and special funds under public law.

(2) Supplier terms apply only with AMD's consent. Acceptance of a delivery or payment for it does not in itself constitute consent. Individually negotiated agreements take precedence. Oral individual agreements remain effective; statutory form requirements remain unaffected.

(3) Orders and declarations relating to the contract are to be made in text form, in particular by email. These terms apply to future transactions of the same kind by corresponding agreement. New versions do not become part of the contract merely because the other party remains silent.

2 Orders and order confirmations

(1) The type and scope of the goods, price and delivery date are determined by the purchase order and the documents incorporated into it. The supplier must promptly confirm the order in text form, quoting the AMD purchase order number. Any period for acceptance specified in the purchase order must be observed.

(2) Deviations must be clearly identified and require AMD's consent. A differing confirmation does not establish a contract on the differing terms without AMD's acceptance. Silence alone does not constitute consent; statutory rules concerning commercial letters of confirmation remain unaffected.

(3) Before acceptance, the supplier must point out identifiable inconsistencies or unresolved requirements. Subcontracting customer-specific manufacturing requires AMD's prior consent. The supplier remains responsible for proper performance.

3 Prices and payment

(1) The agreed prices are fixed prices in euros plus VAT where legally due. They include suitable transport packaging and delivery to the agreed receiving location unless otherwise agreed in the individual purchase order. Subsequent surcharges require AMD's consent. Other currencies, advance payments and other payment stages must be agreed separately.

(2) Unless otherwise agreed in the individual purchase order, the payment period is 60 calendar days. It begins on the later of the following two events: receipt of the goods at the agreed receiving location or receipt by AMD of an invoice containing the information necessary for verification. Contractually required delivery documents that are essential for inspection, safe use or lawful marketing of the goods form part of complete delivery. For separately agreed work and services requiring acceptance by law or contract, acceptance takes the place of receipt of the goods. This provision does not introduce an acceptance requirement for deliveries consisting solely of goods.

(3) Invoices must state the AMD purchase order number and the information needed for allocation and verification, in particular the item number, quantity, unit, price and delivery reference. Minor invoice errors do not postpone the start of the payment period. AMD must notify the supplier without undue delay of material ambiguities or missing information. Where these affect only individual invoice items, timely payment of the remaining verifiable items that are due remains unaffected.

(4) In the event of defects, shortages or other non-conforming performance, AMD may withhold payment in whole or in part within the scope of its statutory rights to refuse performance and rights of retention. The amount and duration of the withholding must be reasonable, taking into account the contractual non-conformity and the performance still owed. AMD must notify the supplier without undue delay of the complaint and the amount and grounds of the withholding asserted, and provide the opportunity for inspection and remedy required by law. Any further amount that is undisputedly owed and due must be paid on time.

(5) To the extent and for as long as AMD validly exercises an existing right to refuse performance or right of retention, AMD does not fall into payment default in respect of the amount lawfully withheld. Notification of a complaint alone does not in itself establish a right to withhold payment. Once the grounds for withholding cease to exist, the amount withheld must be paid without undue delay insofar as it is owed and the payment period has expired.

(6) Payments and acknowledgements of receipt do not in themselves constitute either acknowledgement that the goods are free from defects or a waiver of existing claims. Statutory duties of inspection and notification of defects remain unaffected. Otherwise, set-off, rights of retention and the consequences of payment default are governed by statutory provisions.

4 Delivery dates and delay

(1) Agreed delivery dates are binding. Receipt at the receiving location specified in the purchase order is decisive. Dispatch alone does not meet the deadline. The supplier must notify AMD without undue delay of anticipated delays, stating the cause, affected items and a reliable revised date; this does not automatically change the agreed date.

(2) In the event of delay, AMD's statutory rights apply, in particular to subsequent performance, damages and, subject to the statutory requirements, withdrawal or a substitute purchase. No contractual penalty is agreed under these terms.

(3) Partial deliveries, early deliveries and deviations in quantity require prior consent. The supplier bears additional transport costs caused by the supplier. The treatment of excess quantities not ordered must be agreed; no automatic transfer of ownership free of charge is agreed.

5 Delivery and transfer of risk

(1) Unless otherwise agreed, the supplier must deliver at its own cost and risk to the receiving location specified in the purchase order. Risk passes upon handover there to AMD or the designated recipient. Where acceptance has been agreed, acceptance is decisive. Specific responsibility for unloading will be determined in the purchase order where necessary.

(2) Incoterms apply only if a specific rule, named place and edition have been agreed. Responsibility for import clearance, customs duties and taxes in cross-border transactions must be expressly allocated. No general assumption of all import obligations is presumed.

(3) The goods must be appropriately packaged against typical transport risks and clearly labelled. Statutory packaging and take-back obligations must be fulfilled. Delivery notes must state the purchase order number, item number, quantity, unit and agreed batch information. Missing documents must be supplied without undue delay; essential documents relating to performance form part of the delivery owed.

6 Quality and technical documents

(1) The delivery must meet the agreed specifications, intended use and applicable statutory requirements. Specifications, drawings with revision status, sample approvals and inspection plans incorporated into the contract are binding. Approval of a sample does not release the supplier from the obligation to provide conforming series deliveries.

(2) Materials, manufacturer, manufacturing processes, manufacturing location and approved sub-suppliers must not be changed without prior consent where the change may affect agreed product characteristics, approvals or traceability. The supplier must announce such changes sufficiently early to allow AMD to assess their effects.

(3) Inspection certificates, material data, batch records and information on shelf life or storage conditions must accompany the goods where agreed or required by law. On request, the supplier must provide the information needed to comply with applicable chemicals and product safety legislation. For electrical insulation materials, specific characteristics such as dielectric strength, temperature class and fire behaviour must be specified for the relevant product.

(4) Quality inspections by AMD or its customers do not replace the supplier's responsibility. The scope of audits, retention periods and special quality assurance agreements will be agreed separately where necessary.

7 Incoming inspection and notification of defects

(1) Where section 377 HGB applies, AMD must inspect the goods after delivery in the ordinary course of business. The nature and scope of inspection depend in particular on the type and quantity of goods, packaging and agreed inspections. No general waiver of incoming inspections is agreed.

(2) Identifiable defects must be notified without undue delay after inspection; defects not initially identifiable must be notified without undue delay after discovery. The supplier will receive a comprehensible description of the complaint. Neither a delivery note endorsement nor an acknowledgement of receipt constitutes technical acceptance or confirmation that the goods are free from defects.

8 Rights in respect of defects and recourse

(1) AMD has statutory rights in the event of material defects or defects in title. Within the statutory framework, AMD may request repair or replacement. The supplier's statutory rights to refuse a particular remedy remain unaffected. AMD must provide the necessary opportunity for inspection and subsequent performance.

(2) The supplier bears the costs of subsequent performance required by law, including necessary transport, labour and material costs and, where applicable, removal and installation costs. Sorting or substitute procurement measures must generally be agreed in advance. Such measures may be undertaken at the supplier's expense without first setting an additional period for performance only where and to the extent that the statutory requirements are met.

(3) The supplier must assist in identifying the root cause of justified complaints and report the corrective measures taken. A formal 8D report is required only if agreed.

(4) Statutory limitation periods apply, including provisions concerning suspension, recommencement and recourse against suppliers. AMD's statutory claims under sections 445a, 445b and, where applicable, 478 BGB are not restricted. Agreements between AMD and its customers do not extend the supplier's liability without separate agreement.

9 Product liability and recalls

(1) The supplier's liability is governed by statutory provisions. If third parties assert claims against AMD due to a product defect for which the supplier is responsible, AMD may claim indemnification and reimbursement to the extent required by law. Any contribution to the cause of the loss or contributory fault on AMD's part must be taken into account.

(2) In the event of safety risks, the parties must inform each other without undue delay and coordinate remedial measures insofar as this is possible without jeopardising statutory obligations or causing unacceptable delay. Reimbursement of necessary recall or warning costs is governed by statutory responsibility. No general indemnity irrespective of fault is agreed.

(3) Appropriate liability insurance for the products and risks concerned, including the minimum sum insured, must be specified in the supply agreement.

10 Intellectual property rights and supplier documents

(1) The delivery must be free from conflicting third-party rights in the agreed territory of sale and use. AMD must identify additional countries of use unless these are already known to the supplier. Both parties must inform each other without undue delay of asserted intellectual property claims and coordinate their defence.

(2) AMD receives the rights in the accompanying technical documents necessary for contractual use, processing and resale of the goods. More extensive development and exploitation rights require separate agreement. Responsibility for designs mandatorily specified by AMD is determined by law.

11 Materials and tools provided by AMD

(1) Materials, drawings and tools provided by AMD remain AMD's property. The supplier must appropriately identify and store them, use them only for AMD orders and notify AMD of damage or loss without undue delay. Transfer to third parties requires prior consent.

(2) Ownership of specially manufactured tools, any processing of materials provided by AMD, rights of use, maintenance and return must be expressly regulated in the tooling or supply agreement. Payment of a contribution towards tooling costs alone does not replace an ownership agreement.

(3) On request, AMD documents and materials provided by AMD that are no longer required must be returned after completion of the order. Statutory retention obligations, legitimate interests in retaining evidence and statutory rights of retention remain unaffected. Copies retained remain subject to confidentiality.

12 Confidentiality and lawful procurement

(1) Both parties must protect confidential information made available to them and use it solely for performance of the contract. Exceptions apply to information lawfully known, publicly available or independently developed and to disclosures required by law. The duty continues for five years after the contract ends and, for trade secrets, for as long as their statutory protection continues.

(2) The supplier must comply with the labour, environmental and foreign trade laws applicable to its performance and with anti-corruption prohibitions. It must provide AMD with necessary information on provenance, origin and export control where needed for lawful onward supply. Special supply chain obligations will be agreed only where appropriate to the transaction in substantive and legal terms.

13 Impediments to delivery and framework agreements

(1) In the event of unforeseeable events beyond a party's control that cannot be avoided despite reasonable measures, that party must notify the other party of the effects without undue delay and cooperate in mitigating loss. Obligations are suspended only for the actual duration and extent of the impediment. Mere price increases or ordinary procurement shortages are insufficient. Statutory rights to end the contractual relationship remain unaffected.

(2) Unless expressly agreed, forecasts create neither a purchase commitment for AMD nor an entitlement to stock materials at AMD's expense. Binding call-off quantities, binding release periods and compensation on termination must be specified in a framework agreement.

14 Governing law and exclusive jurisdiction

(1) The contract and the rights and obligations arising from it are governed by the law of the Federal Republic of Germany, excluding the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG).

(2) Where the supplier is a merchant, a legal entity under public law or a special fund under public law, the courts in Aurich, Germany, having subject-matter jurisdiction have exclusive territorial and international jurisdiction over all disputes arising out of or in connection with the contract, including its formation, validity and termination. This agreement applies to proceedings brought by either contracting party. Mandatory statutory jurisdiction rules remain unaffected.

(3) Where individual provisions of these terms and conditions of purchase do not become part of the contract or are invalid, the statutory consequences apply, in particular section 306 of the German Civil Code (BGB). No automatic replacement by a provision that comes as close as possible to the economic purpose is agreed.