

General Terms and Conditions of Delivery of Twenty-One Semiconductors GmbH

Status: 2019-07-03

§ 1 Scope of application

- (1) The following General Terms and Conditions of Delivery (GTCD) apply to all deliveries, services and offers of Twenty-One Semiconductors GmbH (hereinafter called "Vendor").
- (2) These are an integral part of all contracts concluded by the Vendor with its contractual parties (hereinafter also referred to as the "Ordering Party or Parties"), covering the deliveries and services provided by the Vendor. They are also applicable for all future business transactions, without the need to make a renewed reference each time to the General Terms and Conditions of Delivery.
- (3) General terms and conditions of the Ordering Party or of third parties differing from these GTCD shall not be binding for the Vendor, even if the buyer refers to such terms and conditions and the Vendor does not explicitly reject those terms and conditions. Even if the Vendor refers to correspondence which contains terms and conditions of the Ordering Party or of third parties or makes mention of such, this does not suggest any agreement to the validity of such terms and conditions.
- (4) The latest current and binding version of the GTCD is published on the website of Twenty-One Semiconductors GmbH under www.21semiconductors.com.

§ 2 Offer and conclusion of contract

- (1) All offers made by the Vendor are made subject to change and as non-binding offers, unless they are explicitly marked as binding or unless they contain a fixed time limit for acceptance. The Ordering Party may accept orders or commissions within four weeks of their receipt. Orders and commissions from customers only lead to the conclusion of a contract if the customer receives a written order confirmation.
- (2) The sole authoritative document for the legal relations between Ordering Party and Vendor is the purchase contract concluded in writing, including these GTCD. These reflect completely the arrangements made between the parties of the contract concerning the object of agreement. Oral promises by the Vendor before the conclusion of this contract are not legally binding and oral agreements by the contracting parties are replaced by the written contract, unless it is expressly stated therein that they will continue to be binding in each case.
- (3) Supplements and modifications to the agreements reached, including these GTCD, require written form in order to become valid. With the exception of the executive directors or authorized signatories, no employees of the Vendor are authorized to make oral agreements differing from the written contract.
- (4) Statements of the Vendor about the subject matter of a delivery or service (such as weights, measurements, utility values, carrying or loading capacity, tolerances or

technical specifications) as well as representations thereof (e.g. drawings and images) are only approximate except where usability for the contractual purpose requires full conformity. They are not a guaranteed characteristic of state, but a description or distinctive features of the delivery or service. Differences which are customary in the trade, which are the result of legal provisions or which represent technical improvements, as well as the replacement of components by parts of equivalent value, are permissible in so far as they do not detract from the applicability for the purpose contractually envisaged.

- (5) The Vendor reserves to himself the property or copyright of all biddings and quotations as well as of every drawing, figure, calculation, handout, catalogue, model, tool and any further document or auxiliary material placed at the Ordering Party's disposal. Without the express agreement of the Vendor, the Ordering Party may not make these objects, or the content of them, accessible to third parties or make them known to third parties, or have them used or reproduced, either by himself or by third parties. On request of the Vendor, the Ordering Party is obliged to restitute the mentioned items and to abolish every possible reproduction if no more required or if negotiations will not result in a contract conclusion. Exceptions to this are solely the storage and use of electronic data for data backup purposes.

§ 3 Prices and payment

- (1) Prices shall apply for all deliveries and services included in the order confirmation. Additional or special services shall be charged separately. If additional services of the Vendor become necessary due to service alteration or infringement of co-operation duties or obligations of the Ordering Party, an additional remuneration shall be paid in accordance with the Vendor's current prices plus the applicable statutory value-added tax.
- (2) Prices are given in EUROS ex works plus packaging, shipping costs, legal value added tax, customs for export deliveries plus duties and other official charges.
- (3) Where the agreed prices are based upon the list prices of the Vendor, and where the delivery is to be made more than four months after the conclusion of contract, then the list price of the Vendor valid at delivery shall apply (in each case minus an agreed percentage or fixed discount).
- (4) The Vendor is authorized to demand advance payments for already performed services or part services accepted by the Ordering Party.
- (5) In the absence of any written agreement to the contrary, the invoice amounts are to be paid in full within 10 days after receipt of a proper invoice. The relevant date of payment is the date the payment is credited to the account of the Vendor. Unless otherwise agreed, payment by cheque will not be accepted. If the Ordering Party does not pay by the due date, then interest will be charged on the outstanding amounts at a rate of min. 5% p. a. as from the due date; the application of higher interest rate and additional damages in case of late payment remains unaffected.
- (6) Offsetting with counter-claims of the customer with or the retention of payments by the customer because of such claims shall only be permissible to the extent the counter-claims are undisputed or bindingly established in court or arise from the same contract under which the supply in question took place.
- (7) The Vendor may perform or provide outstanding deliveries or services only against prepayment or collateral security if he obtains knowledge, after closing the contract,

of circumstances which are apt to substantially impair the Operating Party's creditworthiness and which jeopardize the satisfaction by the Operating Party of the Vendors accounts receivable under the given contractual relationship (including other individual orders covered by the same framework contract).

§ 4 Delivery and delivery date

- (1) All deliveries shall be made ex works.
- (2) Terms and deadlines announced by the Vendor in advance are always only approximate unless a fixed term or a fixed deadline is expressly promised or agreed. If shipping has been agreed, delivery dates and deadlines refer to the time of transfer to the forwarding agent, freight carrier or other third party specified for carrying out the dispatch.
- (3) The Vendor is authorized - without limiting his further rights of delay of the Ordering Party – to demand a prolongation of delivery and performance period from the Ordering Party for the period the Ordering Party does not fulfil its contractual obligations.
- (4) The Vendor is not liable for impossibility of delivery or for delays in delivery in so far as these have been caused by force majeure or other events which were not foreseeable at the time of concluding the contract (e.g. operating disruptions of all kinds, difficulties in procuring materials or power, transport delays, strikes, lawful lockouts, workforce, energy or raw materials shortages, difficulties in procuring necessary official approvals, official measures or non-delivery or incorrect or late delivery by suppliers), for which the Vendor is not responsible. As far as such incidents make delivery or service for the Vendor difficult or impossible and the obstruction is not only of temporary duration, the contract partners are eligible to withdraw from the contract. In case of obstacles of a temporary duration, the terms for supplies and services will be extended or the delivery and completion deadlines will be postponed by the period of the obstruction plus an appropriate run-in period. In so far as the Ordering Party cannot be expected to accept the supply or service as a result of the delay, he may withdraw from the contract by means of an immediate written notification to the Vendor.
- (5) The contractor is entitled to partial deliveries and partial services, if
 - the partial delivery can be used by the customer within the scope of the contractual intended use,
 - the supply of the remaining ordered goods is guaranteed and
 - the Ordering Party does not thereby become subject to significant extra or additional costs (except if the Ordering Party declares itself prepared to assume these costs)
- (6) If the Vendor defaults a delivery or service or if a delivery or service is anyway infeasible, the Vendor's liability is limited to compensation in accordance with Section 8 of these general terms and conditions of delivery.

§ 5 Place of fulfilment, despatch, packaging, transfer of perils and acceptance

- (1) The place of fulfilment for all obligations arising from the contractual relationship shall be the registered office of Vendor, unless otherwise specified and agreed between the parties. If the Vendor is also responsible for the installation, then the place of execution is located at the place of installation.
- (2) Kind of transport and packing are subject to the dutiful discretion of the Vendor.
- (3) At the latest, the transfer of risks to the Ordering Party occurs with the handover of the delivery item (whereby the commencement of the loading process is decisive) to the forwarding agent, freight carrier or other third party specified for carrying out the dispatch. This also applies in the case of partial deliveries or if the Vendor has contracted to perform other services such as shipping or installation. If dispatch or handover is delayed due to circumstances whose cause lies with the Ordering Party, the transfer of risks to the Ordering Party takes place on the day when the Vendor is ready for dispatch and has notified this to the Ordering Party.
- (4) Any storage costs arising after the transfer of risk shall be borne by the Ordering Party. In case of storage by the Vendor, the storage costs amount to 0.25% of the invoice amount of the objects of supply to be stored per week of elapsed time. The right to claim for additional storage costs or request proof of lower storage costs remains reserved.
- (5) The shipment will be covered against theft, breakage-, transport-, fire- and water risk only on express demand and cost of the Ordering Party.
- (6) Insofar as an acceptance has to take place, the object of the contract is considered to have been accepted when 14 working days have elapsed since the delivery or installation and the Ordering Party did not deny acceptance of the provided service in writing designating the defects. Acceptance cannot be withheld because of insignificant defects. If the Ordering Party learns of deviations over the contractually defined requirements, it immediately has to inform the Vendor in writing. The aforesaid applies accordingly to any partial services.

§ 6 Guarantee, notification of defects and serving the guarantee

- (1) For R&D services the Vendor guarantees the application of scientific care and adheres to the accepted rules and the latest state of technology, but not that he will achieve any research- or development objectives.
- (2) The warranty period starts one year after delivery or if acceptance is agreed, one year from acceptance. This period does not apply to damage compensation claims of the Ordering Party stemming from injury to life, limb or health of a human being or in cases where there is deliberate intent or gross negligence of the Vendor or that of his representatives or agents in fulfillment, which shall become statute-barred according to the legal regulations.
- (3) The delivered objects are to be examined with care immediately after being received by the Ordering Party to a third party determined by the Ordering Party. The objects are deemed to be approved if the Vendor does not receive notice of the defect – either immediately evident or recognized as a result of an immediate careful examination – in writing and with an exact description of the defect within five working days from the arrival of the object of the contract or within five working days of the defects being discovered or the time at which the defect was recognizable without a closer examination by the Customer during normal use of the

object of the contract. Upon being required to do so by the Vendor, the Ordering Party must ensure that the object of the contract found to be defective is sent back to the Vendor without freight costs being charged. Should the notice of defects be justified, the Vendor refunds the costs of the most economic means of transport. This does not apply for increased costs arising from the object of the contract being located at any place other than the place where it was intended to be used.

- (4) In the case of material defects of the delivered object of the contract the Vendor is obliged and authorized to choose within a reasonable period of time between repairing or replacing the object. Should this turn out to be unsuccessful, i.e. it turns out that either a repair or replacement would be impossible, or it would be unreasonable to expect the Ordering Party to accept the repair or replacement, or the repair or replacement would lead to an unacceptable delay, the Ordering Party can withdraw from the contract or reduce the payment by an appropriate amount.
- (5) Moreover, if the Vendor is responsible for the defect, the Ordering Party can demand damages from the Vendor in accordance with the circumstances named in Section 8.
- (6) In the case of defects of components from other manufacturers that the Vendor cannot eliminate for reasons connected with licensing law or for technical reasons, the Vendor can choose between enforcing guarantee claims against the manufacturer(s) and sub-suppliers on the account of the Ordering Party or assign these claims to the Ordering Party. Guarantee claims against the Vendor exist for defects of this type according to other circumstances and in accordance with these GTCD only if litigation concerned with enforcing the aforementioned claims against the manufacturer(s) and sub-suppliers was unsuccessful or – e.g. because of a case of insolvency – has no chance of success. During the legal dispute the statute of limitations of the relevant guarantee claims of the Ordering Party against the Vendor does not apply.
- (7) Warranty is excluded if the Ordering Party, alters the object of the contract or has it altered by third parties without Vendor's approval, and thus the eliminating of the defects becomes impossible or is only to implement with an unreasonable amount of effort. At all events the Ordering Party has to bear the additional costs for the elimination of defects arising from this alteration.
- (8) No guarantee is given for any individual case of delivery of used goods agreed with the Vendor.

§ 7 Intellectual property rights

- (1) In accordance with this Section 7 the Vendor guarantees that the delivery of goods or provision of services of the Vendor is not subject to commercial property rights or copyright of third parties. Each contractual partner (Vendor and Ordering Party) will inform immediately in writing the other partner if claims because of the infringement of such rights are being enforced against him.
- (2) In the case that deliveries of goods or provision of a service of the Vendor infringe commercial property rights or copyright of a third party, the Vendor will at his choice and cost modify the object being delivered/provided or exchange them to such an extent that any third party rights are no longer infringed, with the objects of delivery or provision continuing to fulfil the contractually agreed purposes and functions, or that the Ordering Party will – as a result of a relevant licensing contract being

concluded for the object to be delivered – be granted a usage right of the goods to be delivered or services to be provided. If he does not succeed in doing this within a reasonable period of time, the Ordering Party is authorized to withdraw from the relevant contract or to diminish the agreed payment by an appropriate amount. Any claims for damages on the part of the Ordering Party are subject to the limitations of Section 8.

- (3) In the case of infringement of the law arising from the products of other manufacturers supplied by the Vendor, the Vendor can choose between enforcing guarantee claims against the manufacturer(s) and sub-suppliers on the account of the Ordering Party or assign them to the Ordering Party. Claims against the Vendor exist in these cases in accordance with Section 7 of these GTDC only if litigation concerned with enforcing the aforementioned claims against the manufacturer(s) and sub-suppliers was unsuccessful or – e.g. because of a case of insolvency – has no chance of success.

§ 8 Liability for compensations caused by fault

- (1) The Vendor's liability for damages, irrespective of the legal cause and in particular be-cause of a delivery being delayed or not being made at all, or because the delivered goods are defective or do not correspond to what was ordered, or because of a violation of the contract, violation of duties in contractual negotiations and impermissible conduct is limited, so far as the Vendor is culpable in the case concerned, in accordance with this Section 8.
- (2) The Vendor is not liable in the case of simple negligence of his organs, legal representatives, employees or any other vicarious agents, so far as it is not a case of the violation of duties crucial to the contract. Crucial to the contract is the obligation for the timely delivery and installation of goods or provision of services that and free of legal deficiencies and material defects, which impair its proper use to more than an inconsiderable degree and also for advisory, protective and custodial duties agreed in writing that shall enable the Ordering Party to use the object of the contract in a manner according to the contract, or for the protection of life or limb of the personnel of the Ordering Party or third parties, or the protection of the property of the Ordering Party from considerable damage.
- (3) In so far as the Vendor is liable for damages on the grounds of and in accordance with Section 8 paragraph 2, this liability is restricted to damage, that the Vendor at the time of the conclusion of the contract foresaw as a possible result of a contractual violation or in consideration of the circumstances known to him or that he should have known, or he should have foreseen when applying normal commercial diligence. Indirect damage and damage arising as a consequence of defects of the object of the contract are moreover only eligible for replacement insofar as such damage is typically to be expected by a planned use of the object of the contract.
- (4) In the event of liability for simple negligence, the Vendor's liability for damages to property and any further financial losses resulting therefrom shall be limited to the order value, even if this is a case of infringement of obligations essential to the contract.

- (5) The preceding exclusions and restrictions of liability are valid to the same extent to the advantage of the organs, legal representatives, employees and other vicarious agents of the Vendor.
- (6) Insofar as the Vendor gives technical information or is active in an advisory capacity and this information or advice is not the part of the contractually agreed extent of the goods to be delivered or services are provided, it will be provided without charge and to the exclusion of all liability.
- (7) The restrictions of this Section 8 do not apply to the Vendor's liability for intent, for guaranteed characteristics, injury to life and limb, impairment to health, or according to the law on product liability.

§ 9 Reservation of title

- (1) The Vendor reserves the right to the property of the sold goods until the full payment of all of the current and future claims from the purchase contract and a current business relationship (secured claims).
- (2) The goods subject to reservation of title may neither be pledged to third parties, nor assigned as collateral before the full payment of the secured claims. In the event of application for the opening of insolvency proceedings or access of third parties (such as pledges or other seizures), the Ordering Party shall inform the Vendor of such an event without delay in writing.
- (3) In the event that the Ordering Party acts in breach of contract, in particular in the event of non-payment of the due purchase price, the Vendor shall be entitled to withdraw from the contract in accordance with the statutory regulations and/or demand that the goods to be returned on the basis of the reservation of title. The claim for returning of the goods does not automatically mean cancellation of the agreement; the Vendor shall rather be entitled to claim return of the goods and to reserve the right of cancellation. In the event that the Ordering Party does not pay the due purchase price, the Vendor may only assert such rights if he has previously set the Ordering Party a reasonable period for payment without result or if the setting of such a period is superfluous according to the statutory regulations.
- (4) Until a retraction pursuant to lit. c) below, the Ordering Party shall be permitted to resell and/or further process any goods subject to the reservation of title in the ordinary course of business. In this case the following provisions shall apply in addition.
 - a) The reservation of title covers the products resulting from the processing, mixing or connecting of our goods up to the resulting products' full value, and the Vendor shall be deemed to be the manufacturer. In case of processing, mixing or combining goods with products of a third party, the title of which is retained, the Vendor shall acquire co-ownership in such processed goods in proportion to the invoice value. Furthermore, the same applies for the resulting product as for the supplied goods which are subject to retention of title.
 - b) The Ordering Party assigns to the Vendor now and immediately all claims against third parties arising from the resale of the goods or products equal to the amount of his approximate share of joint ownership pursuant to the aforementioned clause as security. The Vendor explicitly accepts this assignment. The obligations of the Ordering Party stated in Section 9 paragraph 2 shall also apply in view of the assigned claims.

- c) The Ordering Party shall still be authorized to collect such receivables after assignment. The Vendor commits to not collecting the claim as long as the Ordering Party appropriately complies with its payment duties, no other lack of its financial capacity occurs and he does not invoke the reservation of ownership according to Section 9 paragraph 3. If this is the case, we may request the Ordering Party to notify us about the assigned claims and the relevant debtors, to provide all information necessary for the collection, to furnish all accompanying documents and to inform the debtors (third parties) about such assignments. Furthermore, the Vendor shall be entitled in such a case to revoke permission for further processing and selling of goods, still under reservation of title.
- d) If the realizable value of the collateral items exceeds claims of the Vendor by more than ten per cent he shall upon request of the Ordering Party release collateral items at his own choice.

§ 10 Final clauses

- (1) If requirements of the written form are made within the scope of these GTDC, a communication in text form, in particular by means of fax or e-mail, will always be sufficient to meet this requirement, provided that a signed declaration is submitted.
- (2) The ineffectiveness or infeasibility of single regulations and conditions or other contractual agreements between the parties does not affect the validity of the other agreements. In the event of the ineffectiveness of one or more provisions the parties shall agree on a substitute provision which most closely reflects the commercial aims of the ineffective provision. The same applies accordingly to any omission in the agreement.
- (3) The contract language is German.
- (4) In case of any different interpretation of translations, the German wording shall be decisive. The same applies to these GTDC.
- (5) If the Ordering Party is a commercial agent, a corporate body under public law, a separate fund under public law or has no general jurisdiction in the Federal Republic of Germany, the exclusive place of jurisdiction for all possible disputes arising from the business connections between Vendor and Ordering Party shall be Stuttgart or the domicile of the buyer, according to the choice of the Vendor. In legal proceedings brought against the Vendor exclusive place of jurisdiction for all disputes shall be the domicile of the Vendor. Any mandatory provisions of applicable law providing for exclusive jurisdiction shall remain unaffected by this clause.
- (6) The relations between the Ordering Party and the Vendor are governed solely by the law of the Federal Republic of Germany. The United Nations Convention on Contracts for the International Sale of Goods dated 11th April 1980 (CISG) does not apply.
- (7) Should the contract or these General Terms and Conditions of Delivery contain any escape clauses, then the regulations that would have been agreed upon with respect to the economic goals of the contract and the scope of these General Terms and Conditions of Delivery (if the escape clauses had been recognized in advance) shall apply and be legally binding.