



## PURCHASE AGREEMENT

### PARTIES OF THE AGREEMENT:

**BUSINESS OWNER:** WAGNER KABLO SANAYİ VE TİCARET A.Ş.  
Address: Antalya Serbest Bölgesi 1. Cadde 4. Sokak No:6 PK.8 Konyaaltı / Antalya TURKEY  
Telephone: +902423105300  
Fax: +902423105395

From now on shall be referred to as “CUSTOMER”.

**SUPPLIER:**.....  
Address:.....  
Telephone:.....  
Fax:.....

Shall be jointly referred to as “PARTIES”.

### HEREAS:

Customer requires the delivery from the SUPPLIER for the supply of Goods as herein specified and for this purpose the CUSTOMER requested a proposal from the SUPPLIER for the delivery of the goods;

The SUPPLIER represents that it is capable and competent to deliver the goods in accordance with the agreed plans and specifications, and the CUSTOMER has accepted the said offer of the SUPPLIER subject to the terms and conditions hereunder:

NOW, THEREFORE, in accordance with the mutual covenants and stipulations herein contained, the CUSTOMER and the SUPPLIER, hereby agree as follows:

WAGNER KABLO A.Ş SATINALMA SÖZLEŞMESİ (ENG) F357\_2 YT:31.07.2017\_Rev.Tarih/No:16.08.2018/01



## 1. AGREEMENT

The general terms and conditions ("Terms and Conditions") set forth herein shall constitute an integral part of all purchase orders, and shall cover them all, made by the CUSTOMER for all agreed transactions and for the provision of the goods by the SUPPLIER. Each such agreement or purchase order shall be referred to herein as the "Agreement". The term "Affiliate" shall mean any entity, which, directly or indirectly, controls, is controlled

by or is under common control with Supplier or Customer.

These Terms and Conditions shall constitute all of the terms and conditions of any Agreement between PARTIES relating to the purchase by CUSTOMER and sale by SUPPLIER of goods unless specifically agreed otherwise by both Parties.

Any terms and conditions set forth on any document or documents issued by either Party either before or after issuance of this document are hereby explicitly rejected and disregarded by either Party. No Agreement constitutes an acceptance by other Party of any other terms and conditions and both Parties do not intend to enter into an agreement other than under these Terms and Conditions. Any changes in these terms and/or the Agreement must be specifically agreed to by both Parties in writing.

Any purchase order of Customer is expressly made conditional on Supplier's assent to all of the terms contained in the 'Customer Purchase Order' without deviation. Acceptance by Supplier of a purchase order may be evidenced by:

- (i) Supplier's written assent or the written assent of any authorized representative of Supplier,
- (ii) Supplier's delivery of the goods,

Supplier shall confirm or reject any purchase order in writing within three (3) days from receipt thereof. If Supplier fails to confirm or reject any purchase order within such 3-days period, Supplier is deemed to have accepted the purchase order and is bound to supply the goods in accordance with the terms thereof.

## 2. DELIVERY

Supplier shall deliver the goods in accordance with the terms of the purchase order and/or the agreed delivery schedule. Delivery time is from PO receipt date to committed delivery date (ETA customer site) or (ETD supplier site). In the event Supplier for any reason anticipates difficulty in complying with the agreed delivery date, Supplier shall notify Customer the status of the current supply situation in a timely manner, especially of risks of on-time delivery.

Supplier shall use its best efforts to accommodate any reasonable request by Customer to reschedule

confirmed delivery dates, or to change other parts of any Agreement. Upon Customer's request, Supplier shall without delay provide information in writing concerning the status of any order, shipments due, payments, and such other items relating to the business flow between Supplier and Customer as Customer may request.

Supplier undertakes to inform Customer immediately when it anticipates constraints on its capacity to supply goods as ordered by Customer, in which case Supplier will exert commercially reasonable efforts to ensure that Customer's requirements will be adequately serviced.

Supplier ensures on-time delivery of goods to Customer. In cases of emergencies, such as flood, fire and explosions beyond the control of the Supplier or other cases of force majeure, Supplier shall manage, on best effort basis and by appropriate measures, on-time delivery of parts to Customer, but shall not be liable for delay brought by force majeure.

Supplier's sole failure to comply with the on-time delivery may cause Customer to be assessed a late fee by its own customers, as such, Customer shall be entitled to recover from Supplier damages incurred as specified below, provided the actual charges are reasonable and agreed by supplier and customer

- (i) Late delivery, including but not limited to, any additional costs to Customer for expediting shipment of the goods, and
- (ii) Supplier's cancellation of a confirmed purchase order for goods that customer has already committed to its customer, including but not limited to, any additional costs to Customer on account of higher prices of goods sourced from other suppliers at shorter lead times.

On the other hand, Customer shall not accept any advance delivery without prior notice and agreed by Customer.

Customer may either return Product delivered more than five (5) business days before the Delivery Date to Supplier freight collect or accept the Product and make payment according to the purchase order Delivery Date.

### 3. **DELIVERY TYPE**

All goods shall be delivered by "INCO-TERMS" (International Commercial Terms), unless otherwise agreed in writing by CUSTOMER in respect of specific orders or deliveries.

### 4. **LOGISTICS EXPENSES**

Shipping expense and the Parties obliged to pay shall be defined as follows:

| INCO-TERM                 | Local Charges Forwarding +Local delivery (Origin) | Freight Charges (Main Carrier) | Brokerage Charges (Destination) | Duties & Taxes (If Applicable) | Local Delivery Charges (Destination) |
|---------------------------|---|--------------------------------|---------------------------------|--------------------------------|--------------------------------------|
| DDP                       | Supplier  | Supplier                       | Supplier                        | Supplier                       | Supplier                             |
| DAP                       | Supplier  | Supplier                       | Customer                        | Customer                       | Customer                             |
| DAT                       | Supplier  | Supplier                       | Customer                        | Customer                       | Customer                             |
| CIP                       | Supplier  | Supplier                       | Customer                        | Customer                       | Customer                             |
| CPT                       | Supplier  | Supplier                       | Customer                        | Customer                       | Customer                             |
| CFR                       | Supplier  | Supplier                       | Customer                        | Customer                       | Customer                             |
| CIF                       | Supplier  | Supplier                       | Customer                        | Customer                       | Customer                             |
| FCA                       | Supplier  | Customer                       | Customer                        | Customer                       | Customer                             |
| FAS                       | Supplier  | Customer                       | Customer                        | Customer                       | Customer                             |
| FOB                       | Supplier  | Customer                       | Customer                        | Customer                       | Customer                             |
| (EXW)<br>Factory delivery | Customer  | Customer                       | Customer                        | Customer                       | Customer                             |

#### 5. UNRESTRICTED USABILITY

Unless otherwise agreed upon in the specification and/or during the purchase of items, no part shall be older than 12 months at the time of delivery to Customer. Otherwise Customer can - for any complaint attributable to itself –or without any reason may reject the delivery.

In the event that the goods available for delivery to Customer is more than the required date code as stipulated in this agreement, Supplier shall notify Customer in writing and request for a confirmation of acceptance of such goods prior to delivery. If Supplier fails to obtain such confirmation, Customer reserves the right to reject the delivery and Supplier shall be responsible for all costs incurred by Customer as a result of such deliveries.

#### 6. COMPLIANCE WITH LAW

Supplier represents and warrants to Customer to the extent so granted by Original Manufacturer that the goods will and have been designed, manufactured and delivered and/or the services will have been performed in compliance with all applicable laws and regulations including, without limitation, environmental, health and safety laws and regulations such as the Certification on Restriction on Hazardous Substances. In the event of dangerous or hazardous goods, Supplier shall make commercial effort to provide to Customer written and detailed specifications of the composition of such goods and of all laws, regulations and other requirements relating to such goods in order to enable Customer to properly transport, store, process and use such goods.

## 7. WARRANTY/LIABILITY

Supplier shall guarantee that the products delivered to the Customer are original and without any material or labour defect and that the material conform to the mutually agreed specifications. To the extent no specifications have been agreed, the deliveries and services shall be fit for the specified use agreed between Parties, and otherwise, the deliveries and services shall be fit for the normal use and the quality shall be as such as usual in deliveries and services of the same kind. It is also agreed that in case the defect is found to be a material original defect, supplier liability is extended up to the prescribe warranty period made by the manufacturer for the part.

In the event of complaint, Supplier shall immediately undertake all investigations that appear necessary and shall notify Customer promptly, usually within Five (5) working days at most, of the causes and of the actions taken to correct such complaints. Supplier shall participate fully in uncovering the causes of the complaint, even if the cause of the complaints is in dispute between Parties.

In the case of non-compliance with agreed upon quality levels or any other demonstrable quality deterioration of delivered Goods, both parties shall consult and negotiate feasible solution including but not limited to suspend or reject deliveries in whole or in part. Supplier cannot request compensation from WAGNER KABLO due to such suspension or rejection.

On the other hand, Customer may, at its discretion and without prejudice to any other right or remedy available under the Agreement or at law or equity, reject the goods which do not comply with the provisions of the this Section 7 (hereinafter referred to as goods having a “defect” or “defective goods”) by written notice to Supplier. In the event of such rejection or if Customer detects any goods having a defect after acceptance thereof, Customer, at its option, shall be entitled to a full refund of the purchase price of the defective goods, or may require Supplier to remedy promptly the non-conformance or to replace the defective goods within Five (5) days from suppliers acceptance of rejection.

In such event Supplier shall be responsible for direct, reasonable and documented expenses and cost

## 8. TARGETS –OF THE SUPPLIER

Supplier shall perform its best efforts to meet the following targets.

|                                  |       |
|----------------------------------|-------|
| Timely Delivery of Orders:       | 100%  |
| Compliance with Amount of Orders | 100%  |
| Quality PPM Target:              | 0 PPM |

## 9. PRICING

The prices agreed upon in the respective Individual Contract are binding for parts delivered within the contract period subject to Article 9. However, in the event of substantial increases in the purchase



volume, Customer reserves the right to renegotiate prices.

In LTA (Long Term Agreement) purchase agreements Customer may request a reduction of 1% to 5% depending on the productivity growth. For clarification, prices changes shall only take effect upon agreement of the Parties; until such time, the last agreed upon prices shall continue to remain in effect. Supplier shall make no price increase without the approval of the Customer.

## 10. ANNUAL PRICES

The prices for all Goods identified in the respective Individual are fixed in an annual periods. The Parties shall negotiate the prices for the following year in time prior to its beginning. These prices, in turn, apply to the negotiated year and constitute the maximum prices for the remaining term of the Individual Contract. Unless otherwise specified, the terms of the latest agreement shall prevail.

## 11. LABELING

The labeling conditions as required by Customer shall apply. The following items should be included on the label with corresponding barcodes on the inner package of the Goods regardless of packaging type such as Tape & Reel, Tray, Tube, Carton or Paper box & Plastic bag. Standard Label version OTL3 is demanded. Odette Transport Label Version 3

Customer Item Code  
Manufacturer Part No.  
Lot No.  
Date code:  
Quantity:

## 12. INVOICING

SUPPLIER shall indicate the following information in the Invoice:

Customer Item Code,  
Manufacturers Part Number,  
Purchase Order Number,  
Quantity,  
Unit Price,  
Amount,  
Delivery Type,  
Payment Term,  
Customs Tariff Number,  
Origin of the Product.



### 13. PAYMENT

Subject to acceptance of the goods by Customer, payment shall be made upon a properly submitted Original copy of Invoice. If the original copy of invoice is not available during the time of delivery, Supplier shall submit the original copy of Invoice within working 10 days from date of receipt of Goods.

The payment term is calculated based on the invoice date. However, if the delivery of the goods is delayed and the original invoice is not accompanied by it, the payment may be delayed.

Supplier acknowledges and agrees that any debt of Customer to Supplier may be paid on behalf of Customer or by any of its Affiliates and/or any third party designated by Customer. Supplier will treat such payment as if it were made by Customer itself and Customer debt to Supplier will automatically be satisfied and discharged for the amount paid by such Affiliate or third party.

### 14. CANCELLATION/ RESCHEDULING

If not otherwise stipulated in a separate agreement, Customer may under due consideration, cancel a scheduled purchase orders without compensation base on the following terms:

- Standard part - cancelable if not ship
- Not Standard - Cancelable upon agreement with Supplier prior delivery date
- Custom part - Cancelable outside of quoted lead time prior delivery date
- NCNR part - cannot be cancelable but allow reschedule within 3 months from agreed delivery date

### 15. CONTINUITY OF SUPPLY

In the event that Supplier intends to discontinue manufacture or sell a certain part, Supplier shall notify Customer of this intention in writing with sufficient time as follows:

Standard Products: 6 months advance notice

Customer-specific Products: 12 months advance notice



This is to enable Customer and its end customer to place orders for its remaining needs while qualifying a replacement, the new line and/or the new manufacturing site.

## 16. EPIDEMIC FAILURE

For purposes of this agreement, an “Epidemic Failure” will be deemed to have occurred if, with respect to either:

The Goods shipped by Supplier or any of its authorized distributors during a ninety (90) days period or the total installed base of Goods, more than three (3%) percent of such Goods fail because of the same or similar defect or five (5%) percent fail due to cumulative defects.

In the case of Epidemic Failure, both Parties will cooperate to implement the following procedure:

- (i) The Party that discovers the failure will promptly notify the other party;
- (ii) Within two (2) business days Supplier will give an initial response to Customer indicating its preliminary plan for diagnosing and addressing the problem;
- (iii) Both Parties jointly exert all commercially reasonable efforts to diagnose the problem and plan a workaround or more permanent solution;
- (iv) Supplier will apply its engineering change order procedure in appropriate circumstances for hardware problems originating in the manufacturing process;
- (v) Supplier will prepare and consult with Customer regarding an appropriate recovery plan as well as an appropriate workaround, as an interim solution, if one is needed; and
- (vi) Both Parties shall mutually agree on a recovery plan.

In the event the failure was due to fault of the Supplier, the Supplier’s shall be responsible for direct and documented cost, provided, however, the amount payable by the Supplier shall be negotiated and agreed between Customer and Supplier.

## 17. INSPECTION

Customer shall have the right to inspect or test the goods at all times and places. Payment, inspection, testing or acceptance of any goods by Customer shall not relieve Supplier of any of its obligations under the Agreement, nor shall it constitute acceptance or approval of any Goods or constitute or operate as a waiver of any defect, nonconformity or any rights or remedies available under the Agreement or at law or equity.

## 18. INDEMNIFICATION

Without prejudice to any other right or remedy available to Customer under the Agreement or at law or equity, Supplier shall defend, indemnify and hold Customer and its officers, directors, employees and agents (the “WAGNER Personnel”), its Affiliates and their successors and assigns, and



WAGNER customers, harmless from and against all liabilities, claims, suits, losses, damages, costs and expenses (including reasonable attorney's fees), whether direct or indirect, arising from or relating to:

- (i) A breach by Supplier of any of its obligations, representations or warranties hereunder, including, without limitation, any third party claims in connection with any such breach,
- (ii) Claims that arise as a result of the negligent acts or omissions of Supplier or its personnel, and
- (iii) A third party's claim arguing that the goods constitute infringement, violation or misappropriation of any intellectual property right or other proprietary right of a third party.

In relation to item (iii) above, without prejudice to any other right or remedy available to Customer under the Agreement or at law or equity, Supplier, at the option of Customer:

- (i) Shall procure the right for Customer to continue to use the goods at no extra cost to Customer ,
- (ii) Modify the goods so as to make it non-infringing,
- (iii) Replace the goods with non-infringing ones,
- (iv) At Customer request, accept the cancellation of the services and the return of the goods and refund to Customer the amount paid therefore.

The aforesaid indemnification shall be upon the Supplier's receipt such indemnification to the extent from Original Manufacture.

#### 19. **CONFIDENTIAL INFORMATION**

The obligations of Supplier in respect of confidential information relating to Customer and customers of Customer shall be governed by this Agreement. The terms of this Agreement are proprietary and confidential. Neither party will share or disclose Document, Information, Sketch, Data, Price, Images, Video Record etc, except as required to perform their obligations hereunder.

#### 20. **TERMINATION**

This Agreement shall continue in effect for 1 year. The term will automatically renew unless either party gives written notice of its intent to terminate the agreement at least ninety (90) days prior to the end of the current term. In case of termination due notice, either parties cannot claim any compensation. Validity of the Individual Contracts remains unaffected by termination of this Agreement. That is, the terms and conditions of this Agreement continue to be valid for such Individual Contract until the end of its respective term.



## 21. MISCELLANEOUS

If provisions of this Agreement should become ineffective in whole or in part, this shall not effect the effectiveness of the remaining provisions hereof. In such an event, the Parties shall agree upon a provision to replace the ineffective provision that reflects as closely as possible the economic intent of the ineffective provision. The same rule shall apply to matters with respect to which this Agreement is silent.

## 22. GOVERNING LAW AND DISPUTE RESOLUTION

With respect to the disputes arising from the Contract, Antalya Courts and Enforcement Offices shall be authorized.

All disputes arising out of or in connection with the Agreement shall first be attempted by both parties to be settled through consultation and negotiation in good faith and a spirit of mutual cooperation. All disputes that are not settled within a period of thirty (30) days from the date the relevant dispute first arose can be filed at the Customer's domicile and the language of the arbitration shall be Turkish.

## 23. SEVERABILITY

In the event that any provision(s) of the Agreement or these Terms and Conditions shall be held invalid or unenforceable by a court of competent jurisdiction or by any future legislative or administrative action, such holding or action shall not negate the validity or enforceability of any other provisions hereof.

REPRESENTATIVE OF THE SUPPLIER  
NAME / TITLE / DATE / SIGNATURE / COMPANY STAMP

WAGNER KABLO A.Ş. REPRESENTATIVE  
NAME / TITLE / DATE / SIGNATURE / COMPANY STAMP



**ANNEX A:**

Affiliated companies of WAGNER KABLO SANAYI VE TICARET A.Ş.

- (i) Wagner Cable Systems Europe GmbH  
Tax Nr: 99032/22959  
Commercial Registration Nr: HRB 764098  
VAT-ID Nr: DE317082926  
EORI Nr: DE575 917 753 198 313  
Address: SCHULZE-DELITZSCH-STR.28, 70565 STUTTGART /GERMANY
- (ii) Wagner Elektronik Sanayi ve Ticaret A.Ş.  
Tax Nr: 789 055 7317  
Company Registration Nr: 90782  
Commercial Registration Nr: 89329  
Address: SERBEST BÖLGE 4.SK. NO:10 KONYAALTI/ANTALYA
- (iii) Wagner Oto Elektrik Sanayi ve Ticaret A.Ş.  
Tax Nr: 789 055 5357  
Company Registration Nr: 49449  
Commercial Registration Nr: 43159  
Address: ANBAR SERBEST BÖLGE MAH. 11.CAD.NO:6 MELİKGAZI/KAYSERİ

| Rev No. | Rev. Date  | Remarks                                 |
|---------|------------|---|
| 1       | 16.08.2018 | Wagner Kablo A.S. affiliates are added. |
|         |            |   |
|         |            |   |
|         |            |   |
|         |            |   |