

# CONSIGNMENT WAREHOUSE- AGREEMENT

**BETWEEN:** exceet electronics GesmbH, Wildbichler Straße 2e, 6341 Ebbs/Austria, registered in Innsbruck FN 49553y ("**exceet electronics**")

**AND:** Name of Company, Street Postal Code City / Country, Company registration (the "**Supplier**"),

following arrangements are established:

## 1 Warehouse

- 1.1 The Supplier shall deliver the goods listed in Appendix 1 to a consignment warehouse in exceet electronics's location and give exceet electronics the right to accept the goods.
- 1.2 To this end, exceet electronics shall provide the Supplier with appropriate storage space free of charge and in compliance with the requirements of the goods throughout the period of consignment storage. The storage space may be outside the exceet electronics's premises.
- 1.3 exceet electronics shall mark the goods delivered by the Supplier to distinguish them from those already stored in the warehouse and label these goods as the Supplier's property.

## 2 Stock

- 2.1 The stock of the consignment warehouse may neither fall short of the minimum stock stated in Appendix 1 nor significantly exceed the maximum stock provided therein. For that purpose, the Supplier shall take necessary steps to control the quantity of delivered goods on its own.
- 2.2 In addition to the consignment warehouse, the Supplier shall keep a buffer stock for each contractual product in the Supplier's own estimation (based on its experience), although no less than the average number of defective products of the last four weeks.

## 3 Execution

- 3.1 At least once a calendar quarter, exceet electronics shall provide the Supplier with non-binding quantity forecast in order to better appraise future consumption.
- 3.2 exceet electronics shall also present the Supplier information about consumed stock items by the deadline stipulated in Appendix 1 (a consumption notice). The Supplier shall regard the consumption notice as a subsequent order. The Supplier shall replenish the stock according to the minimum/maximum limits in accordance with the consumption notice and the non-binding quantity forecast.
- 3.3 On the basis of the consumption notice, the Supplier shall issue an invoice as of the day on which the notice was received.
- 3.4 The Supplier will own the contractual products in the consignment warehouse. A consumption notice submitted by exceet electronics will imply that the goods have been sold as agreed and at a price applicable on the day of the notice.

- 3.5** The Supplier will scale down deliveries into consignment warehouse, in case exceet electronics have announced about either an impending technical change or an impending phase out of certain consignment goods. In these cases, supplier delivers according to exceet electronics's quantity forecast, whereby stock can fall below minimum stock but must not exceed the maximum stock.

## **4 Availability**

- 4.1** The Supplier shall ensure that during the validity of this Agreement products are stored continually based on the supplies of the consignment warehouse and the quantity forecast.
- 4.2** Should there be a foreseeable back order, the Supplier shall inform exceet electronics in due time and undertake all efforts to minimize the consequences of the back order.

## **5 Transfer of risk**

- 5.1** exceet electronics shall assume the risk as soon as the goods have been withdrawn from the consignment warehouse.
- 5.2** At its own expense, exceet electronics shall insure the stock in the consignment warehouse against fire, water damage, theft and invasion to the extent of the stock.

## **6 Access to the storage area, and stocktaking**

- 6.1** In the presence of its employee, exceet electronics shall grant the Supplier access to the area where the Supplier's consignment goods are stored. This must be done during work hours on a pre-agreed date.
- 6.2** The Supplier is entitled to request having stock taken once a year. exceet electronics shall bear responsibility for the risk of any inventory shrinkage found during stocktaking. The Parties shall cover resulting inventory costs on their own.

## **7 Commercial Terms**

- 7.1** Deliveries to consignment warehouse will be based on DDU (Incoterms 2010). exceet electronics will bear the import VAT and custom duties. If the Supplier consumes goods from consignment warehouse for other purposes (e.g. shipment to other customer), the Supplier will reimburse the respective import expenses (e.g. VAT, custom duties) to exceet electronics.
- 7.2** Invoices shall be issued at date of consumption notice and payment shall be made by credit transfer within 60 days without discount. exceet electronics will bear expenses of Austrian bank, Supplier will bear expenses of abroad bank.

## **8 Term of the agreement**

- 8.1** This Agreement enters into force for an indefinite period on the day it is signed by both Parties.
- 8.2** Either Party has the right to terminate this Agreement at 3 calendar months' notice before the end of a calendar quarter. The termination must be done in writing.
- 8.3** At the end of the term, exceet electronics shall withdraw the required contractual products listed in the quantity forecast from the consignment warehouse. The Supplier shall take back any exceeding amount. It will be possible to accept more stock at the last applicable, or a lower, price. The Parties can reach an agreement on this matter notwithstanding the aforementioned provisions. The terminating Party shall cover all freight costs arising from the withdrawal of goods from the consignment warehouse.

- 8.4** At the end of the term, exceet electronics will consume remaining goods in consignment warehouse, provided the Supplier has shown satisfactory compliance of chapter 3.4. In case this contract has been terminated by the Supplier, it shall be the obligation of the Supplier to reduce the consignment stock within termination period to a minimum. In this case, stock can fall below minimum stock.

## **9 Governing Law; Jurisdiction**

- 9.1** All disputes arising out of this Agreement or related to its violation, termination or nullity shall be finally settled under the Rules of Arbitration and Conciliation of the International Arbitral Center of Austrian Federal Economic Chamber in Vienna (Vienna Rules) by one or more arbitrators appointed in accordance with these Rules. If the value of the claim does not exceed Euro 150,000.00 (Euro one-hundred and fifty thousand) one arbitrator shall be appointed for decision; if the value of the claim exceeds the above-mentioned amount than three arbitrators shall be appointed for decision. The language to be used in the arbitral proceedings shall be English. The seat of the arbitral court and the venue of arbitration shall be AT 6020 Innsbruck. The parties may however mutually agree on a different place of arbitration.
- 9.2** This Agreement shall be governed by and interpreted in accordance with the substantive laws of the Republic of Austria with exception for its Choice of law rules. The applicability of the United Nation

## **10 Miscellaneous**

- 10.1** This Agreement may not be amended or modified, except in writing and in one single document duly and validly executed by all Parties. The compliance with any condition or covenant set forth herein may not be waived, except on writing duly and validly executed by the waiving party.
- 10.2** All Annexes attached hereto form an integral part of this Agreement.
- 10.3** This Agreement and any rights and obligations hereunder cannot be transferred or assigned in whole or in part without the prior written consent of the other party; provided, however, that CONTEC may transfer or assign this Agreement and/or any rights or obligations hereunder in the course of or any reorganisation or restructuring of the company or to any of its affiliates. In the case of the sale of the company or similar measures (e.g. spin-off), universal succession or other succession prior approved of by exceet electronics Supplier ensures that the rights and obligations under this Agreement are effectively transferred onto the legal successor.
- 10.4** Each party shall bear its own costs and expenses in connection with the preparation, execution and consummation of this Agreement, including, without limitation, any and all professional fees and charges of its advisors.
- 10.5** If any provision of this Agreement is or becomes invalid, ineffective or unenforceable as a whole or in part, the validity, effectiveness and enforceability of the remaining provisions under this Agreement shall not be affected thereby. Any such invalid, ineffective or unenforceable provision shall, to the extent permitted by law, be deemed replaced by such valid, effective and enforceable provision as comes closest to the economic intent and purpose of such invalid, ineffective or unenforceable provision.
- 10.6** This Agreement, including the Annexes hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof. Except as expressly provided herein, all prior agreements or understandings, if any, between the parties with respect to the subject matter hereof shall, upon the execution of this Agreement be null and void. Agreements of a general type or such that were closed with respect to another subject matter shall remain in full effect.
- 10.7** This Agreement shall be executed in two counterparts, one for each of the Parties hereto, each of which shall be an original, but all of which together shall constitute one and the same Agreement.

**Signed for:**  
exceet electronics GesmbH  
Wildbichler Straße 2e  
6341 Ebbs /Austria

**Signed for:**  
Name of Company  
Street  
Street Postal Code City /

authorized signature

authorized signature

name in block letters

name in block letters

position within company

position within company

date

date

**Appendix-1** of Consignment Warehouse Agreement between Name of Company and exceet electronics GesmbH

The Consignment Agreement encloses the following goods and inventory limits:

Article#	Description	Minimum-Inventory	Maximum-Inventory	Deadline for consumption report

Note:

With signature of a new issue of this Appendix, all previous Appendixs (dated before) will automatically loose its validity.

**Signed for:**

exceet electronics GesmbH  
 Wildbichler Straße 2e  
 6341 Ebbs /Austria

**Signed for:**

Name of Company  
 Street  
 Street Postal Code City /

signature

signature

name in block letters

name in block letters

date

date