

## Terms of Purchase

### 1. General information - Scope

- (1) Only our Terms of Purchase will apply; unless we have expressly consented otherwise in writing, we will not acknowledge any of Supplier's conditions which oppose or deviate from our Terms of Purchase. Our Terms of Purchase will apply even if we accept Supplier's delivery without reservation despite being aware of Supplier's conditions which oppose or deviate from our Terms of Purchase.
- (2) All agreements must be in written form, but this is also deemed met if communication is sent using fax or email.
- (3) Our Terms of Purchase apply only toward entrepreneurs, legal entities under public law and special funds under public law.
- (4) Our Terms of Purchase will also apply to all future transactions with Supplier.

### 2. Offer - Tender documents

- (1) We will honour our offer for two weeks after Supplier has received it.
- (2) We reserve the ownership rights and copyrights to illustrations, drawings, calculations and other documents. They may not be made available to third parties without our express written consent. They must be used exclusively for production based on our order and returned to us unsolicited after that order has been processed. They must be kept secret from third parties.

### 3. Prices - Payment conditions

- (1) The price shown in the order is binding. Unless otherwise agreed in writing, the price includes delivery "free domicile", including packaging.
- (2) The legal VAT will be shown separately.
- (3) We can process invoices only if they include the order number according to the specifications in our order. Supplier shall be responsible for all consequences ensuing from non-compliance with this obligation.
- (4) Unless otherwise agreed in writing, we shall pay the purchase price with a 2% discount if we pay it within 14 days from delivery and receipt of invoice, or net within 30 days from receipt of invoice.
- (5) We are entitled to rights of offsetting and retention to the statutory extent.
- (6) If delivery is not contractual - especially if it is defective - we may withhold the payment until proper fulfilment is provided, without losing any rebates, early-payment discounts or similar payment benefits.
- (7) If prepayments are made, we may demand a directly enforceable bank guarantee.

### 4. Delivery period

- (1) The delivery period shown in the order is binding.
- (2) Supplier shall inform us in writing without undue delay if circumstances arise or become recognisable to that party which reveal that the agreed delivery period cannot be complied with. Such notification will not remedy the entry of default.
- (3) If delivery is late, we will be entitled to the statutory claims without restriction. In particular, we may demand damage compensation due to non-fulfilment after a reasonable grace period expires to no avail.

## 5. Transfer of risk - Documents - Shipping

- (1) Supplier shall deliver the goods at that party's expense and risk to the receiving location we have prescribed.
- (2) Supplier shall include our exact order number on all shipping documents and delivery notes, failing which we will not be responsible for the inevitable delays in processing. Unless these GTB stipulate otherwise, DDP Incoterms 2010 will apply to the delivery.
- (3) If transport is provided with motor vehicles in a combined shipment or in goods transport, such delivery must not incur any additional costs for us. We hereby reject any cartage costs.
- (4) We have concluded an internationally valid transport insurance. Therefore, deliveries must be made uninsured. We are known as a "forbidden customer" for the purposes of carriage, logistics and storage insurance. Premiums for transport insurance may not be charged. Supplier shall bear the costs for any invoiced amounts.

## 6. Inspection for defects - Statutory warranty

- (1) §377 HGB (German Commercial Code) does not apply to our contractual relationship.
- (2) We are entitled to the statutory warranty claims without restriction. This notwithstanding, we are entitled to demand repair or replacement from Supplier at our discretion. In this case, Supplier shall bear all necessary expenses to rectify the defect or provide replacement delivery. We expressly reserve the right to damage compensation instead of performance.
- (3) The time limit for claims related to material defects is 24 months from delivery.

## 7. Product liability - Leave of absence - Liability insurance protection

- (1) If Supplier is responsible for a product defect, Supplier shall indemnify us at first request from damage compensation claims from third parties to the extent to which the cause lies in Supplier's organisation and sphere of control and Supplier itself is liable in its external relationship.
- (2) Within this context, Supplier shall also reimburse us for any expenses in accordance with § 683, 670 BGB which result from or in connection with a product recall we have carried out or warning notice we have sent. We shall inform Supplier about the content and scope of the product recall action we will carry out and, if possible and reasonable, give Supplier the opportunity to make a statement of position.
- (3) Supplier shall maintain product liability insurance with a flat-rate coverage level of at least five million euros per incident of personal injury or material damage. This will not affect any further damage compensation claims to which we are entitled.

## 8. Proprietary rights

- (1) Supplier ensures that its delivery will not breach any third-party rights in or outside Germany, since we also deliver the products to our customers abroad.
- (2) If a third party asserts claims against us for any such breach, Supplier shall indemnify us from those claims at first written request. We may not make any agreements with such a third party without Supplier's consent, and especially may not conclude any settlements, unless Supplier is in default with the indemnification.
- (3) Supplier's obligation to indemnify us entails all expenses we necessarily incur from or in connection with the claims asserted by a third party.

## 9. Supplier's declarations

- (1) The obligation to issue Supplier's declarations in accordance with Reg. EC No. 1207/2001 is an essential component of the contracts formed on the basis of these Terms of Purchase. If long-term Supplier's declarations are used, we must be notified of any changes of origin status with the respective order confirmation without us having to request such notification.
- (2) If the Supplier's declarations contain insufficient information or are inaccurate, and we are obligated by the customs authorities for that or any other reason to submit an information sheet INF 4 regarding the origin of the goods, Supplier shall provide us with such sheets on request which are complete, error-free, and which have been confirmed by the customs office.
- (3) If Supplier's indication of origin is incorrect, causing our own declarations of origin to be incorrect, Supplier shall be liable for any charges from the customs authorities or other financial disadvantages we or our customers suffer thereby.

## 10. Quality, safety, environmental protection, energy efficiency and documentation

- (1) The deliveries and services must comply with statutory provisions, agreed technical data and the safety and environmental provisions, including the Directive on Hazardous Substances, the Act Governing the Sale, Return and Environmentally Sound Disposal of Electrical and Electronic Equipment (ElektroG), and the safety recommendations of the competent German expert panels and associations, such as the VDE, VDI and DIN. Relevant certificates, test certificates and other documentation must be included in the delivery at no charge. The delivery object may not be altered without our prior written consent.
- (2) When making its deliveries, Supplier shall comply with the applicable regulations of the European Union and the Federal Republic of Germany. These include the REACH Regulation (Regulation (EC) No. 1907/2006), the Act Governing the Sale, Return and Environmentally Sound Disposal of Electrical and Electronic Equipment (ElektroG) as a national implementation of the Restriction of Hazardous Substances Directive 2002/95/EC (RoHS) and the Global Automotive Declarable Substance List (GADSL).
- (3) Supplier shall inform us without undue delay about relevant regulations, and especially about quality or possibilities for use, and shall consult with us to coordinate suitable measures to take in individual cases. The same applies if and to the extent that Supplier realises such changes will occur.
- (4) The Safety Data Sheets (SDS) must be issued in German with the tenders and, on first delivery, with the delivery note.
- (5) When making deliveries or rendering services, Supplier shall be solely responsible for compliance with the accident prevention regulations. Protective regulations required thereunder, and any manufacturer's instructions, must be included in the delivery at no charge.
- (6) The contract partner shall judge the extent to which its manufacturing processes and those of its sub-suppliers are environmentally friendly and meet health protection requirements. The contract partner is hereby urged to continually improve the environmental situation in its business operations and in those of its sub-suppliers. This particularly includes:
  - Resource-conserving use of energy and materials
  - Reducing emissions
  - Reducing waste while increasing the percentage of recovered waste
  - Using environmentally friendly packaging

## 11. Retention of title - Provision - Tools - Confidentiality

- (1) Any parts we provide to Supplier remain our property. Any processing or restructuring of those parts by Supplier will be deemed performed for us. If the goods we still own are processed along with other objects not belonging to us, we will acquire co-ownership of the new item in the ratio of the value of our goods to the other processed objects at the time of processing.
- (2) If the item we provide is inseparably mixed with other objects not belonging to us, we will acquire co-ownership of the new item in the ratio of the value of the item we still own to the other mixed objects at the time of mixing. If the mixing occurs so that Supplier's item is considered the main item, it is hereby agreed that Supplier shall transfer proportional co-ownership to us; Supplier shall hold sole ownership or joint ownership in safe custody for us.
- (3) Our tools will remain our property. Supplier shall use those tools exclusively to manufacture the goods we have ordered. Supplier shall insure the tools belonging to us against damages from fire, water and theft (at their original value). Supplier shall at its expense carry out any necessary maintenance and inspection work in a timely manner. Supplier shall notify us of any malfunctions without undue delay. If Supplier culpably fails to do so, damage compensation claims will remain unaffected.
- (4) Supplier shall treat as strictly confidential any illustrations, drawings, calculations and other documents and information it receives. They may be disclosed to third parties only with our express written permission. That nondisclosure obligation will survive this contract's execution, and will expire if and to the extent that the production know-how contained in the illustrations, drawings, calculations and other documents has become generally known.

## 12. Liability

- (1) We will not be liable to compensate for Supplier's damage compensation claims against us, regardless of legal grounds, but especially due to breach of contractual obligations or tort.
- (2) This does not apply to:
  - damages resulting from injury to life, limb or health based on a breach of duty for which we are responsible, and/or
  - other damages based on an intentional, fraudulent or grossly negligent breach of duty on our part, and/or
  - liability pursuant to the Product Liability Act.
- (3) The negligent breach of an obligation if that obligation makes proper contract execution possible in the first place, its breach jeopardises the attainment of the contractual purpose, or if the employer may normally rely on it being complied with. In such a case (provided the breach of duty is not grossly negligent or intentional), we shall be liable only up to the amount of foreseeable damage. Claims cannot be made for loss of prospective profit, saved expenses, third-party damage compensation claims, or for other direct and indirect consequential damages based on only ordinary negligence, unless a quality feature we have guaranteed aims to safeguard Supplier against such damages. We will not be liable for the breach of other obligations with ordinary negligence. Liability pursuant to item 12(2) remains unaffected.

### 13. Place of jurisdiction - Place of fulfilment - Choice of law

- (1) If the ordering party is a registered trader or legal entity under public law or special fund under public law, our registered office will be the exclusive place of jurisdiction, although we may also sue the ordering party at its registered office.
- (2) If Supplier has its registered office in a country that is neither an EU or EFTA member state (EFTA member states are Iceland, Norway, Switzerland, and Liechtenstein), either Party may have any disputes which arise from or in relation to this Agreement conclusively decided in accordance with the Rules of Arbitration of the International Chamber of Commerce (ICC), by three arbitrators nominated in accordance with that code. The arbitration proceedings will be held in Dusseldorf, Germany. The applicable substantive law will be the laws of the Federal Republic of Germany under the exclusion of
  - the conflict-of-laws provisions of private international law as well as
  - the regulations of the United Nations Convention on Contracts for the International Sale of Goods (CISG; the Vienna Convention).The language of the arbitration proceedings will be German.
- (3) Unless otherwise stipulated in the order confirmation, the place of fulfilment will be our registered office.
- (4) This Agreement and its formation are subject exclusively to the laws of the Federal Republic of Germany with exclusion of the CISG.