

The ordering party's conditions of purchase have exclusive validity. The ordering party does not recognise deviating conditions of the supplier, the exception being if the ordering party explicitly agrees to their validity. The ordering party's conditions of purchase also have validity if the ordering party accepts the delivery or pays this without reservation although it is aware of contradictory or deviating supplier conditions.

I. Orders and other Declarations

Orders are only binding if they are placed by the ordering party in writing. All other declarations, including amendments to the written form clause, shall require the written confirmation of the Purchasing Department in order for them to be effective. The ordering party may within the scope of reasonability for the supplier demand modifications to the construction and design of the delivered object. Hereby, consequences especially with regard to the additional and reduced costs and the lead times shall be mutually agreed upon.

II. Prices

Unless agreed otherwise, the prices are deemed to be free place of destination - free sidings in the case of deliveries made by goods wagon - including packaging.

If a price is deemed to be "ex works" or "ex warehouse" the ordering party shall bear only the most inexpensive freight costs.

III. Invoicing and Payment

Payment shall be made in a form to be selected by the ordering party by the end of the month following the one in which merchandise and invoice were received. A delivery made prior to the agreed date shall have no effect on the period of payment which is in relation to the said date. If the ordering party makes the payment within a period of 14 days after receipt of the merchandise, he shall be entitled to deduct a prompt payment discount of 3%, in case of payment within a period of 30 days after receipt of the merchandise, he may deduct a prompt payment discount of 2%. If the invoice should be received later than the merchandise, the date of receipt of the invoice is deemed to be decisive with regard to the calculation of the time limit for deducting a prompt payment discount.

IV. Passing of the Risk, Acceptance, Title Rights

1. The agreed prices notwithstanding the risk shall be passed to the ordering party at the time of receipt at the delivery address stipulated by the ordering party in case of delivery without setup or installation and at the time of successful acceptance by the ordering party in case of delivery with setup and installation. Commissioning or use shall not be deemed a replacement for the acceptance declaration by the ordering party.
2. The title to the delivered merchandise shall be passed to the ordering party upon payment. Any form of extended reservation of title shall be excluded.

V. Assignment / Setting-off

1. The supplier shall not be entitled to assign its claims against the ordering party or have them collected by a third party without prior written approval of the ordering party which he is not entitled to refuse inequitably. Should the supplier assign the claims he has against the ordering party to a third party contrary to clause 1, the assignment shall still be effective. The ordering party may however pay to the supplier or a third party according to its choice; this shall then have a discharging effect.
2. The supplier may only set-off against undisputed claims or such as have been finally and conclusively declared by judgement.

VI. Lead Times, Delivery Dates

Agreed dates shall be binding. If the supplier realises that he is unable to adhere to agreed lead times and dates, he shall be obliged to immediately inform the ordering party of this in writing.

Should reasons for which neither the supplier nor his suppliers are responsible force him to exceed the lead time, he shall be obliged to provide the ordering party of written notification of this without delay. Should he fail to provide such written notification, he may only plead these grounds if the ordering party is obviously aware of the grounds and their hindering consequence.

VII. Quality / Scope of Performance

The supplier is aware that the ordering party mainly manufactures for the automobile industry and that the parts which are to be delivered must therefore conform to the standards stipulated for the automobile industry. The supplier is obliged to permanently orientate the quality of the products to be supplied to the latest state of the art and inform the ordering party of improvement and technical modification possibilities.

The supplier shall be obliged to set up and maintain a suitable documented quality assurance system of a type and scope which corresponds to the latest state of the art. He shall be obliged to keep records, especially concerning his quality inspections and make these available to the ordering party upon request.

In order for the ordering party or a third party to assess the effectiveness of its Quality Assurance System, the supplier hereby agrees to Quality Audits being carried out.

Assembly, operating and storage instructions are to be delivered with the merchandise in the German language free of charge. The same shall apply with regard to documents concerning maintenance and repair documents. The ordering party shall be entitled to copy said instructions and documents, use them for the obtaining of replacement and reserve parts and to edit them.

The supplier has a duty to maintain sufficient third-party product liability cover which especially also covers the risk of recall costs.

VIII. Safety, Environmental Protection

1. Deliveries and services of the supplier shall conform to the legal requirements, especially with regard to the safety and environmental requirements including the ordinances concerning dangerous substances, the EU-Reach regulation, the law on electrics and electrical appliances and the safety recommendation of the competent German professional committees and associations, e.g. VDE, VDI, DIN. The supplier shall observe the stipulations resulting from these legal requirements and meet the respective measures. The respective certifications, test certificates and proofs shall be supplied free of charge.
2. The supplier shall be obliged to determine and observe the current standard of the directives and laws relevant for his deliveries and services concerning restriction of substances. He shall not use prohibited substances. He shall declare substances to be avoided and dangerous substances according to the valid laws and directives together with the respective specifications. If applicable, the safety data sheets shall be submitted together with the offers and in case of the first delivery along with the delivery note (at least in German or English). Information about exceeding substance restrictions and delivery of prohibited substances shall be provided to the ordering party immediately.
3. In case of deliveries and provision services, the supplier shall be solely responsible for observation of accident prevention regulations. Accordingly required protective devices as well as possible instructions of the manufacturer shall be delivered free of charge.

IX. Import and Export Regulations, Customs

1. For deliveries and services provided from an EU country outside Germany the supplier shall be obliged to state his sales tax identification number.
2. Imported merchandise shall be delivered duty paid. The supplier shall be obliged in the scope of ordinance (EC) No. 1207 / 2001 at his cost to provide required declaration and information, to allow inspections by the customs authorities and to provide required official confirmations.
3. The supplier shall be obliged to inform the ordering party about any obligation to obtain permits in case of (re-) exports according to German, European and US export and customs regulations as well as export and customs regulations of the country of origin of the goods and services extensively and in writing.

X. Social Responsibility

The supplier shall be obliged to observe the legal regulations with regard to treatment of staff, environmental protection and work safety and to strive in his activities to reduce negative impacts on humans and the environment. The supplier shall observe the principles of the Global Compact Initiative of the UN. These concern principally the protection of international human rights, the right to collective negotiations, abolishment of forced labour and child labour, abolishment of discrimination with regard to recruitment and employment, responsibility for the environment and prevention of corruption.

XI. Warranty Claims

1. The supplier is responsible for ensuring that its delivery has the agreed condition. In so far as the condition is not agreed to, the supplier is responsible for ensuring that its delivery is suitable for the use stipulated in the contract, after further processing by us if appropriate or that it is otherwise suitable for customary use and that it is of a condition which can be expected when taking the quality requirements pursuant to Section VII into account.
2. Warranty commences upon the complete delivery of the scope of delivery and performance even in the case of capital goods and machines or as from the acceptance, if such has been agreed to.
3. The statutory period of limitation has validity for warranty claims unless otherwise stipulated in the order. The period of limitation recommences in the case of repaired or replaced parts.
4. All faults reported during the period of limitation are to be remedied by the supplier without delay, so that the ordering party does not incur any costs. The ordering party can as an alternative demand that the supplier deliver an item which is free from faults. The supplier shall bear all of the costs of the remedying of the fault or the replacement delivery including all additional expenses (e.g. freight costs).
If the supplier should not remedy the fault within a reasonable period set by the ordering party, or should an urgent case be given, on the basis of which it is unreasonable to set a period for the supplier, the ordering party is entitled to have the required measures taken at the expense of the supplier. The ordering party may especially replace damaged parts himself or have them replaced by a third party or obtain replacements from a third party. The statutory entitlement to repudiation, diminution or compensation remains unaffected, especially in the case of a recall.
5. Should the ordering party return faulty merchandise to the supplier, the ordering party shall be entitled to recharge the supplier with the invoiced amount plus a lump sum operating cost of 5 % of the price of the faulty merchandise. The ordering party reserves the right to claim higher expenses. The supplier shall be entitled to claim lower or no expenses.
6. The supplier shall exempt the ordering party from any claims that might be brought about against the ordering party by third parties – for whichever legal ground – on the basis of a factual or a legal fault or any other fault of the product delivered by the supplier, and shall

refund the ordering party the necessary costs of the respective legal assertion of his rights.

7. If the ordering party takes the products manufactured or sold by him back on the grounds of the defectiveness of the subject matter of the contract delivered by the supplier or if the ordering party's selling price is reduced or claims otherwise asserted against the seller, he can assert a claim against the supplier without a time-limit having to be set as is customary. The ordering party can demand compensation for the expenses which he is to bear in the relationship with his customer.
8. Notwithstanding the provisions in XI.3., the period of limitation in the cases stipulated under XI.6 does not end 2 months after the time in which the ordering party has met its liabilities towards his customer, at latest, however, 5 years after delivery by the supplier.
9. If a fault is detected within a period of 6 months of the passing of the risk, it is assumed that the fault already existed at the time the risk was passed, the exception being if this presumption incompatible with the type of fault.

XII. Duty of Examine and Inform about Defects

Goods receipt inspections by the ordering party shall only be executed with regard to apparent defects. Concealed defects shall be communicated by the ordering party as soon as they are discovered in the course of proper business procedures. The supplier shall waive the objection of delayed information about defects for all defects reported within fourteen days upon discovery.

XIII. Repeated Performance Infringements

If the supplier supplies deliveries and services that are generally the same or similar again in a defective manner or delayed after written notice the supplier shall be entitled to immediate rescission. The ordering party shall be entitled in this case to declare rescission also with regard to such services that the supplier would have to deliver as a result of a different contractual relation with the ordering party.

XIV. Contractual Right of Rescission

Subject to the rights with regard to a conduct by the supplier in breach of contract, the ordering party is entitled to withdrawal from the contract in part or as a whole without grounds being given. In such a case, it is obliged to pay for all supplies and/or performances and pay reasonable remuneration for acquired materials and completed work; supplementary Section 649 S. 2, 2nd clause BGB (German civil code) shall apply. The ordering party has the right to take over material and/or semi-finished products including any special operating materials subject to reasonable conditions.

The ordering party also has a right to repudiate if court composition or insolvency proceedings are commenced in the supplier's assets or if the supplier ceases to make payments.

XV. Intellectual Property Rights, Secrecy

1. The supplier releases the ordering party and shall be liable to all claims of third parties resulting from violation of intellectual property rights and intellectual property rights applications (intellectual property rights) in the event of contractual use of the delivered objects, of which at least one has been entered or applied for and published in the register of the patent and/or trademark office of the home country of the supplier, of Germany, France, the United Kingdom, Austria, the European Union or the USA.

The supplier shall release the ordering party and his customers from any claims resulting from use of such intellectual property rights and shall compensate the ordering party for all pertaining costs and damages in the event of such infringement of intellectual property rights.

This shall not apply insofar, as the supplier has manufactured the delivered objects according to drawings, models, or other descriptions or information of like kind submitted by the ordering party and does not know or with reference to the products manufactured by him does not need to know that doing so is an infringement of intellectual property rights.

The contract partners undertake to inform each other without delay of infringement risks that become known and alleged cases of infringement and to provide each other with the opportunity to act upon any respective claims unanimously.

Upon inquiry by the ordering party, the supplier shall communicate the use of published and unpublished own and licensed intellectual property rights of third parties with regard to the delivered object.

2. All information and documents submitted to the supplier by the ordering party and his representatives shall be subject to property right and copyright protection without explicit necessity to state this. Without prior written consent by the ordering party, information and documents shall not be copied nor made available to third parties or used in any way that deviates from their originally intended use.
3. The supplier shall keep confidential all information and documents transmitted to him by the ordering party, and he shall not use them for orders of third parties or leave them directly or indirectly to third parties.
4. All work results such as inventions, know-how or other results, achieved by the supplier or his employees or his vicarious agents in connection with the works carried out for the ordering party shall be deemed the property of the ordering party exclusively - with the exception of use by the supplier - without limitations in time and space.
5. The supplier shall inform the ordering party immediately and in writing about any work results received in connection with the activity pertaining to the order and he shall hand over all information and

documents, such as drawings, as well as other recordings and written documents, including models. Insofar as said work results have resulted in inventions capable to be protected, the ordering party shall be entitled to apply for intellectual property rights in his own name in Germany as well as abroad. In any case, the supplier shall compensate his employee inventors if necessary.

6. The supplier shall be obliged to take all organizational and legal measures, such as laying claim to the inventions of his employees, as well as to make such statements necessary so as to enable the ordering party to enjoy the aforementioned rights.
7. All work results handed over to the ordering party and the supplier's rights of use thereof shall be deemed compensated for by the contractual compensation of the supplier.

XVI. Provision of Material

1. The material provided by the ordering party shall remain his property and shall be kept by the supplier free of charge and with the care of a diligent businessman and separate from his other material and label it as property of the ordering party. Said material shall only be used in order to execute the order of the ordering party. Damage to the provided material shall be replaced by the supplier.
2. If the supplier processes the provided material or if he transforms it, this activity is executed on behalf of the ordering party. The ordering party shall become directly owner of the new objects created this way. If the provided material only constitutes a part of the new objects, the ordering party shall acquire shared property of the new objects in the proportion that is equal to the value of the provided material contained therein.

XVII. Drawings, Execution Documents, Tools

Drawings and other documents, devices, models, tools and other production means which are placed at the disposal of the supplier remain the property of the ordering party. Unless otherwise agreed in the tool agreement, ownership of tools and other production means which are paid for by the ordering party is transferred to the ordering party upon payment being made. They are to be correctly stored, handled with care and reasonably insured for the ordering party. The ordering party can at all times demand that tools and production means which are its property are handed out. The foregoing objects are not to be scrapped without written approval of the ordering party.

All drawings, documents, devices, models, tools and other production means are not to be made available to third parties. They are not to be used for other contractual uses, e.g. for deliveries to third parties. They are to be carefully stored for the ordering party by the supplier and it is to bear the costs.

XVIII. Prohibition of Advertising / Maintenance of Secrecy

1. The use of queries, orders and the ordering party's related correspondence for advertising purposes requires express and written approval of the ordering party.
2. The supplier is to maintain secrecy towards third parties pertaining to all operational processes, facilities, systems, documents, etc. with regard to the ordering party and his customers of which he gains knowledge in connection with his activity for the ordering party, such a duty also having validity after submission of the individual offers or completion of the contract. He shall subject his vicarious agents and other agents to corresponding duties.

XIX. Place of Performance, Jurisdictional Venue

1. Place of performance for all deliveries is the place of receipt stipulated by the ordering party.
2. The jurisdictional venue is the registered office of the ordering party or the supplier's general jurisdictional venue, the choice to be made by the ordering party.

XX. Applicable Law

All legal relationships entered into between the ordering party and the supplier are subject to the law of the Federal Republic of Germany including the Act pertaining to the Convention on the International Sale of Goods (CISG) from 11 April 1980 in its latest version.

XXI. Data Protection

In accordance with Section 33 BDSG (German Federal Data Protection Act), the ordering party draws attention to the fact that he will store the supplier's data within the scope of the Federal Data Protection Act.

XXII. Applicable Version

The German version is the applicable version for any interpretation of these General Terms of Purchase.

XXIII. Partial invalidity

Should single provisions in these General Terms of Purchase be invalid in part or as a whole, this has no effect on the full validity of the remaining provisions.