

**1 Exclusive Application of our General Terms and Conditions of Purchase / No Restrictions on further Rights and Claims**

- 1.1 Our General Terms and Conditions of Purchase shall exclusively apply to all of our purchases and all types of deliveries and services to us (including, in particular, service and manufacturing orders) if our business partner is a commercial business in terms of art. 14 of the German Civil Code (BGB).
- 1.2 Our General Terms and Conditions of Purchase have priority over our business partners' terms and conditions of business. This priority also applies if our business partners' terms and conditions claim priority. Our General Terms and Conditions of Purchase also apply if we accept delivery from our business partner, knowing that his terms and conditions differ from our own General Terms and Conditions of Purchase or if they are in contradiction.
- 1.3 If, despite the regulations above, our business partner's terms and conditions of business apply, those sections of the other terms and conditions of business which differ from the legal regulations to our detriment are deemed to be inapplicable by mutual consent. We hereby reject all differences of other terms and conditions of business from the legal regulations if these differences are to our detriment.
- 1.4 Any further rights to which we are entitled (e.g. as laid down in the German Civil Code (BGB) or German Commercial Code (HGB)) are neither excluded nor restricted by our General Terms and Conditions of Purchase

**2 Written Form / Written Confirmation of Differing Order Confirmations / Rights to our Documentation, Tools and Models**

- 2.1 Each contracting party is entitled to a written confirmation of the entire content of the contract.
- 2.2 If our business partner's order confirmation differs from what we ordered, our silence with regard to the differing order confirmation shall not imply consent to the differing content of the order confirmation.
- 2.3 Drawings, technical information sheets, samples, tools, models, products and semi-finished products we provide to our business partner for initiating or fulfilling business transactions remain our property; we may

request their return at any time and the business partner may only pass them on or disclose them to third parties (including their clients or suppliers) with our consent.

- 2.4 The business partner will store the items as specified in §2.3 (and similar items) at no charge to us.

**3 Delivery Dates / Liability for Delayed Delivery / No Delivery before Delivery Date / Partial Deliveries / Delivery Disruption due to Force Majeure / No Overall Reservation of Title for Business Partner**

- 3.1 The agreed delivery times and dates are strictly binding on our business partner. If non-delivery, delays or defective deliveries are possible, probable or certain, our business partner must notify us without delay and will state the type and extent of the delivery disruption.
- 3.2 In the event agreed delivery schedules are not observed, legal regulations apply.
- 3.3 We are under no obligation to accept premature delivery.
- 3.4 We are under no obligation to accept partial deliveries.
- 3.5 We may request partial deliveries unless this is unacceptable to our business partner.
- 3.6 War, civil war, export restrictions relating to the further disposal of the services as ordered, legal strike action, legal lockouts and non-culpable operational disruptions or restrictions are deemed to be Force Majeure, which will entitle us to accept belated delivery of services; the obligation to accept services then shall be in effect from the time the disruption is remedied.
- 3.7 Our business partner shall bear the risks of procurement. Circumstances as described in §3.6 shall not affect his duty to deliver. Our business partner's reservation of the duty to perform subject to the correct and punctual delivery of required materials only applies if we have acknowledged such in writing and in particular contractual form.
- 3.8 Our business partner is not entitled to any overall reservation of title.

#### **4 Delivery / Specific Test Report / Packaging**

- 4.1 Delivery is made at the business partner's expense to the place of delivery we specified. If we have agreed to bear freight cost (on the basis of an individual agreement), the business partner shall select the delivery method as specified or in other cases will choose the method of transport or delivery most favorable for us.
- 4.2 The risk of destruction of the delivery item shall pass to us only at the time we take delivery of the said item at our place of delivery.
- 4.3 Unless otherwise agreed, the delivery in addition to the delivery note must also encompass an inspection certificate 3.1 in accordance with EN 10204 or an internationally recognized test report of equal status showing the characteristic data as agreed with the supplier. Initial deliveries, in particular samples, must include full initial sample documentation and all documents in accordance with PPAP/PPF submission level 3.
- 4.4 Our business partner will bear packaging costs. As far as we bear the packaging cost (on the basis of an individual agreement), our business partner will only charge his own cost. If packaging is returned, our business partner will bear the delivery and transport cost for such return.

#### **5 Prices**

- 5.1 The agreed prices are fixed prices. Our business partner may not claim an increase on the agreed price even if prime costs (higher salaries, cost of materials, other increases in production costs) rise.
- 5.2 Payment will be made after receipt of the goods and invoice within 8 days with a 3% discount or net without deductions within 30 days. The day we give payment instructions shall be decisive for determining compliance with payment deadlines.

#### **6 Payment / Non-Assignability**

- 6.1 If partial deliveries or deliveries are accepted prior to the agreed delivery date, the due date of payment shall be as if the said delivery had been made on the agreed date.
- 6.2 Payment claims against us can only be assigned with our written consent; the requirement of the written form can only be waived in writing.

- 7 **Notice of defects:** We shall notify the supplier as soon as any defects of the goods or services have been noticed in the course of our due business procedures, within a period of ten working days after we become aware of these. In this respect, the supplier shall waive any defense of belated notification of defects. Our obligations to inspect for damages and make notices of defects are restricted to inspecting for identity and quantity in the accompanying documents and for any visible external transport damages. As for the remainder, any further obligations of defect inspection and notifications are waived; supplier explicitly waives the defense of incorrect notice of defect in accordance with § 377 HGB (German Commercial Code).

#### **8 Warranty**

- 8.1 The supplier owes flawless condition of the subject matters of contract. The supplier shall above all guarantee that the subject matters of contract meet state-of-the-art standards that they are in compliance with the generally acknowledged statutory technical safety standards promulgated by public authorities and trade associations and are in accordance with applicable legal ordinances.
- 8.2 Statutory provisions on material defects and defects of title shall apply, except as otherwise agreed hereinafter.
- 8.3 We are principally entitled to choose the type of subsequent contractual performance. The supplier may refuse the type of subsequent contractual performance if it is necessarily associated with unreasonably high costs.
- 8.4 In the event the supplier fails to immediately begin to remedy the defect after we made such request, we are in urgent cases - in particular to avert imminent danger or to avoid major damage – entitled to make these repairs at the supplier's expense ourselves or to have these made by third parties.
- 8.5 In the event of any defects of title, the supplier will keep us indemnified against any third-party claims, unless the supplier is not responsible for the defect of title.
- 8.6 With the exception of fraud, claims for defects will become time-barred after three years unless the item in accordance with its customary purpose has been used for a building construction and has caused the defect in that building. The period of limitation

begins at the time the contract item is delivered (passage of risk).

- 8.7 For subject matters of contract which were inoperative while the defect was being investigated and/or during remedy of defect, the ongoing warranty period is extended by the time of inoperativeness.
- 8.8 In the event of replacement or if an improved subject matter of contract has an identical defect or if a defect arises as a consequence of defect repair, the period of limitation will begin anew.
- 8.9 If our company incurs costs due to defective delivery of subject matter of contract, in particular transport, travel, work, installation, dismantling, and material costs or costs for Incoming inspection exceeding normal procedures and scope, the supplier will bear such costs.
- 8.10 Any further claims we may have for violation of contract or violation of any other obligations shall be unaffected

## **9 Product liability**

- 9.1 If any claims are asserted against us based upon product liability, the supplier is obligated to indemnify us from any such third-party claims if and to the extent such damages were caused by any items delivered by the supplier. In the event of fault-based liability this only applies if the supplier acted culpably.
- 9.2 In the event of paragraph 8.1 above, the supplier assumes all costs and expenses, including the costs for any legal action.
- 9.3 Apart from that, legal provisions shall apply.
- 9.4 Before any recall campaign which is wholly or partly the consequence of a defect of the subject of contract delivered by supplier is launched, we will notify the supplier, give him an opportunity to cooperate and discuss with him the options for efficiently handling the campaign unless such information or involvement of the supplier is not possible for reasons of urgency. If a product recall is the consequence of a fault in the subject of contract provided by the supplier, the supplier shall bear the expenses of such product recall.
- 9.5 The supplier is obligated to take out a product liability insurance with adequate coverage sum and to furnish proof thereof upon our request.

## **10 Confidentiality**

- 10.1 The contractual parties agree to keep in strict confidentiality all non-public commercial and technical information of which they become aware in context with this business relationship.
- 10.2 Drawings, models, templates, samples and similar items may not be made available or otherwise disclosed to unauthorized third parties; they may be used exclusively for the purposes of the contract between our company and the supplier and may not be used for supplier's other purposes. Any duplication of these items is admissible only as required for operational needs and under consideration of copyright regulations.
- 10.3 Subsuppliers will be placed under identical obligations.
- 10.4 The contractual parties may advertise this business relationship only with prior written consent.

## **11 Miscellaneous provisions**

- 11.1 Should a provision or a part of a provision in these Terms and Conditions of Business be or become legally ineffective, this shall not affect the effectiveness of the remaining provisions or parts thereof.
- 11.2 The place of performance for the goods or services ordered by us is our company headquarters in Mengen (Baden-Württemberg), Federal Republic of Germany.
- 11.3 The legal relationship between us and our business partners is based exclusively on German law (under exclusion of the CISG); the application of German law (under exclusion of the CISG) also applies to breaches of duty which do not represent any defect of the delivered item or the service provided.
- 11.4 The exclusive place of jurisdiction for all legal proceedings against us in connection with the contractual relationships between us and our business partners lies with the local German court competent for our company headquarters if the supplier is a merchant, legal entity of public law or a special fund under public law. We may, however, bring legal action against our business partners at another place of jurisdiction.