

## § 1 Validity

(1) All deliveries, performances and offers are exclusively subject to these general terms and conditions of delivery. These terms are part of all contracts concluded by us with our suppliers on the deliveries and performances offered by them. They also apply to all future deliveries, performances or offers to the contractor, even if they have not been agreed separately.

(2) The general terms and conditions of our suppliers or third parties do not apply, even if we do not separately contradict to their validity in individual cases. Even if we refer to a letter containing general terms and conditions of the supplier or a third party or referring to such, this does not imply a confirmation of the validity of such general terms and conditions.

## § 2 Orders and contracts

(1) Orders and agreements are only binding if they have been placed or confirmed in written form by our purchasing department. Performances which have not been ordered in written form are not binding for us and will not be paid, even if such performances are delivered at our personnel's request.

(2) We are entitled to change time and destination of the delivery as well as the type of packaging at any time via written notification within a period of at least 5 calendar days before the agreed date of delivery. The same applies to modifications of product specifications, as far as these can be realized without considerable additional expenditures within the scope of the usual production process of the supplier. In these cases, the notification period according to the previous sentence is at least 14 calendar days. We will reimburse the supplier the accruing, proven and appropriate additional costs caused by the respective modifications. If such modifications cause delays in delivery which are not avoidable in the usual production and business operations of the supplier with reasonable efforts, the originally agreed delivery date is postponed correspondingly. The supplier will notify us in time, but at least within 3 calendar days after receipt of our letter in writing about the expectable additional costs or delays in delivery after careful evaluation according to Section 1.

(3) We are entitled to terminate the contract in written form stating the reason, if we cannot use the ordered products in our business operations due to circumstances occurring after the conclusion of the contract. In this case we will reimburse the supplier the partial performance delivered by him.

(4) The delivery item has to correspond to the specifications declared by us as well as the respectively applicable DIN and VDE directives and similar regulations. Hazardous substances are to be packaged and labelled according to the applicable laws. The latest versions of the respective safety data sheets are to be provided before delivery. Equally, dangerous goods have to be packaged and labelled as well as transported according to the applicable laws of the respective countries (incl. countries of transit). The classification of dangerous goods or, if necessary, the note "No Caution" must be indicated on the delivery note.

The delivery resp. performance is to be effected in compliance with the legal and official directions applicable for us at the delivery date. This especially applies to EU regulations, laws based on EU directives, the equipment safety law, accident prevention directions and other directions of health and safety as well as to the current state of safety and industrial medicine.

If not agreed differently, the CE label must be attached clearly visible; the declaration of conformity and the risk analysis must also be delivered. Packaging should principally be recyclable reusable packaging and consist of ecofriendly material. Packaging material should be produced without CFC, be chlorine-free, chemically inactive, neutral to ground water and nontoxic when burned. The Packaging material must be labelled with authorized recycling symbols, e. g. RESY or substance symbols, e. g. PE.

(5) All deliveries to be effected on the basis of our orders must be advised at least 1 (one) workday before receipt of goods via sending a preliminary delivery note. In case of non-observance we reserve the right to charge the additional costs to the supplier.

## § 3 Prices, terms of payment, indications of invoice

(1) The price specified in the order is binding. If nothing else has been agreed, our prices are fixed prices. Unilateral changes in price are not admissible.

(2) In default of a deviant written agreement, the price includes delivery and transport to the destination address mentioned in the contract, including packaging.

(3) If the price does not include the packaging according to the previous agreement and if the reimbursement for the packaging – not just provided on loan – is not expressly specified, it must be calculated at a verifiable net cost price. At our request, the supplier must take back the packaging at his expense.

(4) If not agreed differently, we will pay the purchase price within 14 days upon delivery of the goods and receipt of invoice minus 3% cash discount or net within 30 days. For the punctuality of the payments owed by us, the receipt of our transfer order at our bank is sufficient.

(5) Our order number, our item number, quantity delivered and delivery destination must be specified in all order confirmations, preliminary delivery notes, delivery papers and invoices. All pieces or units must be marked with a label which also contains the previously mentioned information.

If one or more of these information are missing and if the processing within the scope of our usual business operations is delayed due to this, the periods of payment mentioned in paragraph 4 prolong according to the period of delay. Apart from that, we reserve the right to charge the supplier the additional costs resulting from non-observance.

(6) In case of delayed payment we owe default interest of five percentage points above the base rate according to § 247 of the German Civil Code (BGB).

(7) The invoices must contain our order number (in case of call-off orders, additionally the number of call-off order) and the supplier number. If the goods are received later than the invoice or if the invoice is incomplete, the day of receipt of the goods resp. the day of receipt of the correct invoice is decisive for the calculation of the cash discount period.

## § 4 Delivery time and delivery, transfer of risks

(1) The delivery period mentioned in the order (delivery date or period) is binding. Premature deliveries without our written consent are not admissible.

(2) The supplier is obliged to inform us in written form immediately if circumstances preventing the observation of the delivery time occur or become identifiable.

(3) If the day of the latest delivery can be specified from the contract, the supplier is in default upon the expiration of this day, without requiring a reminder from us.

(4) In case of delayed delivery we unrestrictedly possess the legal claims, including the right of withdrawal and the damage claim instead of the performance after the effectless expiration of a decent grace period.

(5) We are entitled to claim towards the supplier for a contract penalty of 0.5%, maximum 5% of the respective order value for every commenced week of delayed delivery in case of delayed delivery, after a previously written threat. The contract penalty must be counted against the damage caused by delay to be compensated by the supplier.

(6) The supplier is not entitled to make partial deliveries without our previous written consent.

(7) Even if consignment was agreed, the risk is not transferred to us before the goods are handed over to us at the agreed destination of delivery.

(8) For his deliveries, the supplier must observe the agreement of quality assurance concluded with us.

If not agreed differently with the supplier, we refer to the directive of the German Association of the Automotive Industry (VDA) "Assuring the quality of deliveries in the automotive industry – supplier assessment, first sampling", Frankfurt/M. (current edition) for the first sample testing. The quality of the delivery items must be checked by the supplier continuously.

If we and the supplier did not agree on type and extent of the test as well as on the testing equipment and methods, we, at the supplier's request, will provide experience and possibilities within the scope of our expertise in order to discuss with him the test for identifying the required state of the testing technology. Apart from that, we will inform the supplier at his request about the safety regulations to be applied.

Apart from that, the supplier must observe the VDA guideline "Components subject to documentation of automotive manufacturers and their suppliers – execution of the documentation", Frankfurt/M. (current edition). He must also state separately and in written form, when, in which way and by whom the delivery items have been checked and which results the required quality tests showed. The testing documents must be kept for 10 years and submitted to us, if necessary. The supplier must oblige the pre-suppliers equally within the scope of the legal possibilities. The contracting parties will inform each other about the possibilities of quality improvements.

If the authorities responsible for the vehicle safety, exhaust regulation or the like, request insight into the production procedure and our testing documents in order to verify specific requirements, the supplier consents at our request to give to these authorities the same rights in his company and give every reasonable support.

## § 5 Property protection

(1) We reserve the title or copyright of orders and contracts placed by us as well as drawings, figures, calculations, descriptions and other documents provided to the supplier. The supplier must neither make them accessible to third parties nor disclose them, use them himself or through third parties or copy them without our explicit consent. He has to return these documents to us completely at our request if he no longer needs them in the proper course of business or if negotiations do not result in the conclusion of a contract. Copies possibly made by the supplier must be destroyed in this case. This excludes only the storage within the scope of legal duties to preserve records as well as the data storage within the scope of the usual data protection.

(2) Tools, installations and prototypes we provided to the supplier or that were manufactured for purposes of the contract and that we were charged for separately by the supplier remain our property or become our property. They have to be marked by the supplier as our property, kept carefully, protected against all kinds of damage and only be used for the purposes of the contract. Each of the contracting parties bears half of the maintenance and repair costs of these items if no deviant agreement was made. The supplier has to bear the complete costs if they result from defects of the items manufactured by him or from improper use by him, his employees or other vicarious agents. The supplier will inform us instantly about all damages (not only insignificant ones) to these items. At our request, he is obliged to hand these items back to us in proper state, if he does not need them anymore for the performance of the contracts concluded with us.

(3) Retentions of title of the supplier only apply if they refer to our payment obligations for the respective products to which the supplier reserves the title. In particular, extended or prolonged title retentions are inadmissible.

#### **§ 6 Warranty claims**

(1) In case of defects, we unrestrictedly possess the legal claims. However, in deviation, the warranty period is 36 months.

(2) Deviations in quality and quantity are deemed notified in time if we notify the supplier within 14 workdays from the receipt of the goods. Hidden material defects are deemed notified in time if the notification to the supplier is effected within 7 workdays after their detection.

(3) We do not waive warranty claims when accepting or approving submitted samples or tests.

(4) Upon the supplier's receipt of our written notice of defects, the statute of limitation of warranty claims is restricted. In case of compensation delivery or defect removal, the warranty period restarts for replaced or repaired components. This is excluded if, according to the supplier's behaviour, we must assume, that he did not feel obliged to take this measure but effected the compensation delivery or defect removal only as a gesture of goodwill or similar.

#### **§ 7 Product liability**

(1) The supplier is responsible for all personal or material damages claimed by third parties that result from a defective product delivered by him. Furthermore he is obliged to indemnify us against the liability resulting from this case. If we are obliged to effect a product recall towards third parties due to a defective product delivered by the supplier, the supplier bears all the costs related to the product recall.

(2) The supplier is obliged to maintain a product liability insurance with an insured sum of at least EUR 2,500,000 at his own expense. If no deviant agreements were made in individual cases, this insurance does not have to cover the risk of product recall or penalty damages or similar. The supplier will send us a copy of the liability policy at any time at our request.

#### **§ 8 Property rights**

(1) In relation to his delivery, the supplier assumes the responsibility to ensure that no property rights of third parties are violated in countries of the European Union, North America or other countries in which he manufactures products or has products manufactured.

(2) The supplier is obliged to indemnify us against any claims third parties might file against us due to the violation of commercial property rights mentioned in paragraph 1. He is also obliged to reimburse us for all necessary expenditures related to the claim. This claim applies independently of the supplier's fault.

#### **§ 9 Non-disclosure**

(1) The supplier is obliged to keep secret the order conditions as well as all information and documents provided for this purpose (excluding publicly accessible information) and to use them only for the execution of the order. He will return them to us immediately at our request after the execution of enquiries or after the transaction of orders.

(2) Without our previous written consent, the supplier must not refer to the business relation in advertising material, brochures, etc. and must not exhibit manufactured delivery items.

(3) The supplier will oblige his subcontractors according to § 9.

#### **§ 10 Assignment**

The supplier is not entitled to transfer his claims from the contractual relationship to third parties. This does not apply in the case of claims for money.

#### **§ 11 Place of fulfillment, place of jurisdiction, applicable law**

(1) The place of fulfillment for both parties is Treuen and the exclusive place of jurisdiction for all conflicts resulting from the contractual relationship is Chemnitz.

(2) The contracts concluded between us and the supplier are subject to the law of the Federal Republic of Germany, excluding the UN Convention on Contract for the International Sale of Goods (CISG).