

## General Terms and Conditions of Purchase

### § 1

#### General and scope of application

- (1) These General Conditions of Purchase (GPC) shall apply to all our business relations with our suppliers ("Vendors").
- (2) The GPC shall only apply if the Seller is an entrepreneur within the meaning of § 14 BGB (German Civil Code), a legal entity under public law or a special fund under public law.
- (3) These General Terms and Conditions shall apply exclusively. Deviating, conflicting or supplementary General Terms and Conditions of the Seller shall only become part of the contract if and to the extent that we have expressly agreed to their application in writing. This requirement of consent shall apply in any case, for example even if we accept the Seller's deliveries unconditionally in full knowledge of the Seller's General Terms and Conditions.
- (4) Individual agreements made with the Seller in individual cases (including collateral agreements, contract supplements and contract amendments) shall take precedence over these GPC. Subject to proof to the contrary, the content of such agreements shall be governed by a written contract or our written confirmation.
- (5) Declarations and notifications by the seller (e.g. notification of defects, setting of a deadline, rescission, etc.) must be made in writing, i.e. in written or text form. Legal formal requirements and further evidence shall remain unaffected.
- (6) References to statutory provisions shall only have clarifying significance. Even without such clarification, the statutory provisions shall apply insofar as they are not amended or excluded by these GPC.

### § 2

#### Orders

- (1) Our order shall be deemed binding at the earliest upon written confirmation. If the order contains obvious errors (e.g. spelling mistakes) or is recognizably incomplete, the seller must inform us of this for the purpose of correction. Otherwise, the contract shall be deemed not to have been concluded.
- (2) If an order or delivery call-off is not confirmed in writing by the Seller within two weeks of the order date, we shall no longer be bound by the order or delivery call-off. Delayed acceptance shall be deemed a new offer and shall require our written acceptance
- (3) Supplier contracts (orders and acceptance) and delivery call-offs as well as their amendments must be made in writing; delivery call-offs can also be made by remote data transmission.
- (4) We shall be entitled to demand changes to the design and execution of the delivery item within the scope of reasonableness for the supplier. The effects, in particular with regard to additional and reduced costs as well as delivery dates, are to be regulated proportionately and amicably.
- (5) If the delivery of a sample to us has been agreed, the purchase contract shall be subject to the condition precedent of approval of the sample (sample purchase, § 454 BGB) unless otherwise agreed.
- (6) Any deviation from an approved sample shall require our prior written consent, which the Seller shall apply for by submitting a new sample. The same applies to deviations from release protocols.

### § 3

#### Prices and terms of payment

- (1) The price stated in the order is binding. All prices are inclusive of statutory value added tax, unless this is shown separately.
- (2) In the absence of a written agreement to the contrary, the price includes shipping (including packaging materials) and transport to our delivery address as well as the costs of any transport and liability insurance.
- (3) Unless otherwise agreed in individual cases, the agreed price shall become due for payment within 30 calendar days of complete delivery and performance as well as receipt of a proper invoice. If we pay within 14 calendar days, the granting of a discount of 3% of the net invoice amount shall be deemed to have been agreed.
- (4) Payment shall be made by bank transfer. Any discrepancies must be reported to us immediately.
- (5) We do not owe any interest on the due date. The statutory provisions shall apply to default in payment.
- (6) We shall be entitled to set-off and retention rights to the extent permitted by law. We are entitled to withhold due payments if we are still entitled to claims from incomplete or defective services against the seller.
- (7) The seller shall only be entitled to a right of set-off and retention in the event of legally established or undisputed claims.
- (8) Without our prior written consent, which may not be unreasonably withheld, the Seller shall not be entitled to assign his claims against him or have them collected by third parties. In the event of an extended reservation of title, consent shall be deemed to have been granted. If, contrary to sentence 1, the Seller assigns his claim to us to a third party without our consent, the assignment shall nevertheless be effective. In this case, however, we may at our discretion make payment to the Seller or the third party with discharging effect.

#### **§ 4**

##### **Delivery time, delivery period and delay in delivery**

(1) The delivery time stated by us in the order is binding. The seller is obliged to inform us immediately if he is likely not to be able to meet the agreed delivery times.

(2) The receipt of the goods by us shall be decisive for compliance with the delivery date or the delivery period. The seller must make the goods available in good time, taking into account the usual time for loading and dispatch. Deliveries shall be made in accordance with our instructions.

(3) In the event of delay on the part of the seller, we may - in addition to further legal claims - demand lump-sum compensation in the amount of 0.5% of the net price per completed calendar week, but no more than 5% of the net price of the goods delivered late. We reserve the right to prove that a higher damage has occurred; the seller reserves the right to prove that a lower damage has occurred.

(4) In the event of slight negligence by the Seller, compensation for damages shall be limited to additional freight costs and, after fruitless setting of a grace period or in the event of loss of interest in the delivery, to the additional expenses for covering purchases.

#### **§ 5**

##### **Delivery, Transfer of Risk, Acceptance, Packaging**

(1) Without our prior written consent, the Seller shall not be entitled to have the performance owed performed by third parties. The involvement of a subcontractor is therefore subject to approval.

(2) The delivery condition "free house" shall be deemed agreed between us and the seller unless otherwise agreed. Delivery shall be made to the place specified or agreed by us. If nothing has been agreed or specified, delivery shall be made to our registered office in Roth. The respective place of destination is also the place of performance for the delivery and a possible subsequent performance (obligation to delivery).

(3) The delivery shall be accompanied by a delivery note stating the date, content of the delivery and our order identification (date and number). If the delivery note is missing or incomplete, we shall not be responsible for any resulting delays in processing and payment. Separately from the delivery note, a corresponding dispatch note with the same content shall be sent to us.

(4) The risk of accidental loss and accidental deterioration of the goods shall pass to us upon delivery at the place of performance. If we are in default of acceptance, this shall be equivalent to handover or acceptance.

(5) The statutory provisions shall apply to the occurrence of our default of acceptance. However, the Seller must also expressly offer his services to us if a specific or determinable calendar period has been agreed for an action or cooperation on our part (e.g. provision of material). If we are in default of acceptance, the Seller may demand reimbursement of his additional expenses in accordance with the statutory provisions (§ 304 BGB). If the contract relates to an unrepresentable item to be manufactured by the seller (individual production), the seller shall only be entitled to further rights if we have undertaken to cooperate and are responsible for the failure to cooperate.

(6) The packaging material in which the ordered goods are delivered is to be taken back at our request at the expense of the seller.

#### **§ 6**

##### **Confidentiality and retention of title**

(1) The contracting parties undertake to treat as business secrets all commercial and technical details which are not in the public domain and which become known to them through the business relationship.

(2) We reserve ownership rights and copyrights to illustrations, plans, drawings, calculations, execution instructions, models, templates, samples, product descriptions and similar documents. Such documents shall be used exclusively for the contractual performance and shall be returned to us at the end of the contract or its completion. The named documents may not be handed over or otherwise made accessible to unauthorized third parties. This obligation to maintain secrecy shall also apply after termination of the contract and shall not expire until and to the extent that the knowledge contained in the documents provided has become generally known. The duplication of such documents by the Seller is only permissible within the framework of operational requirements.

(3) The contracting parties may only advertise their business relationship with prior written consent.

(4) Any processing, mixing or combination (further processing) of items provided by the Seller shall be carried out on our behalf. The same shall apply to further processing of the delivered goods by us, so that we shall be deemed to be the manufacturer and shall acquire ownership of the product at the latest upon further processing in accordance with the statutory provisions.

(5) The transfer of ownership of the goods to us must take place unconditionally and regardless of the payment of the price. If, however, in individual cases, we accept an offer by the Seller to transfer ownership conditional on the payment of the purchase price, the Seller's retention of title shall expire at the latest upon payment of the purchase price for the delivered goods. We shall remain authorised to resell the goods in the ordinary course of business, even before payment of the purchase price, with advance assignment of the resulting claim (alternatively validity of the simple retention of title extended to the resale). This excludes all other forms of retention of title, in particular the extended retention of title, the forwarded retention of title and the retention of title extended to further processing.

## § 7

### Defective delivery

- (1) If the delivery item is defective, our claims shall be based on the statutory provisions, unless otherwise specified in the following provisions.
- (2) In accordance with the statutory provisions, the Seller shall be liable in particular for ensuring that the goods have the agreed quality upon transfer of risk to us.
- (3) We shall immediately notify the Seller in writing of any defects in the delivery as soon as they have been determined in accordance with the circumstances of a proper course of business. Our obligation to inspect shall be limited to defects which become apparent during our incoming goods inspection after external inspection and taking into account the delivery documents (e.g. transport damage, wrong and short deliveries) or which are identifiable by random sampling. In all other respects it depends on the extent to which an examination, taking into account the circumstances of the individual case, is feasible in the ordinary course of business. Our obligation to give notice of defects discovered later shall remain unaffected.
- (4) In the event that operational safety is endangered, in the event of danger of unusually high damages or in order to maintain our ability to deliver to our customers, we may, after informing the Seller, carry out the rectification ourselves or have it carried out by third parties. Any costs incurred as a result shall be borne by the Seller. He shall be liable for all damages and expenses incurred directly or indirectly by us due to defects of the goods. The expenses for an incoming goods inspection exceeding the usual scope shall also be liable for compensation if at least parts of the delivery have been identified as defective. This shall also apply to a partial or complete inspection of the delivery received in the further course of business at our premises or those of our customers. Insofar as the Seller makes use of third parties for the provision of services, he shall be liable for these as for vicarious agents.
- (5) The supplier shall also reimburse any expenses incurred by us or our customers in connection with the early prevention, defence against or reduction of damage (e.g. recall actions) arising prior to or in connection with liability events for defects.
- (6) The Seller shall reimburse the expenses which we are legally obliged to bear towards our customers and which are attributable to defects in the delivery made by the Seller.
- (7) Our liability for damages in the event of an unjustified demand to remedy defects shall remain unaffected; in this respect, however, we shall only be liable if we have recognised or grossly negligently failed to recognise that no defect existed.
- (8) Irrespective of our statutory rights and the provisions in paragraphs 4 to 7, the following shall apply: If subsequent performance by the Seller has failed or is unreasonable for us (e.g. due to particular urgency, endangerment of operational safety or imminent occurrence of disproportionate damage), we shall not be required to set a deadline for remedying the defect (self-delivery); we shall inform the Seller of such circumstances without delay, if possible in advance.
- (9) In addition, we shall be entitled to reduce the purchase price or withdraw from the contract in the event of a material defect or defect of title in accordance with the statutory provisions. In addition, we shall be entitled to compensation for damages and expenses in accordance with the statutory provisions.

## § 8

### Quality and documentation

- (1) For his delivery, the Seller shall comply with the rules of technology recognised at the time of delivery, the safety regulations, the applicable laws of the applicable legal system and the agreed technical data. Changes require our prior written consent. For initial sampling, reference is made to the VDA publication "Assuring the Quality of Deliveries - Supplier Selection / Production Process and Product Release / Quality Performance in Series / Declaration of Ingredients". Only after we have accepted the sample may series delivery begin. Irrespective of this, the seller must constantly check the quality of the delivery items. The contracting parties shall inform each other about the possibilities of quality improvement.
- (2) If the type and scope of the tests as well as the test equipment and methods have not been firmly agreed between us and the Seller, we shall be prepared, at the Seller's request, to discuss the tests with the Seller within the framework of our knowledge, experience and possibilities in order to determine the required state of the art of the test technology. In addition, we shall inform the Seller of the relevant safety regulations upon request.
- (3) In the case of the parts specially marked in the technical documents or by separate agreement, e.g. with "D", the Seller shall also record in special records when, in what manner and by whom the items supplied were tested with regard to the features requiring documentation and what results the required quality tests have produced. The test documents must be kept for 15 years (20 years for the D-series) and submitted to us if required. The Seller shall, to the extent permitted by law, oblige upstream suppliers to the same extent. As instructions, reference is made to the VDA publication "Documentation and Archiving - Guidelines for the Documentation and Archiving of Quality Requirements and Quality Records - especially in the case of Critical Features".
- (4) Insofar as authorities responsible for vehicle safety, exhaust emission regulations or similar require an insight into our production process and the test documents in order to check certain requirements, the seller agrees, at our request, to grant them the same rights in his company and to provide all reasonable support in this respect.
- (5) The necessary re-qualification tests in accordance with ISO TS 16949 shall be carried out at our discretion. Corresponding records shall be made available free of charge once a year upon our request.
- (6) The Seller guarantees that his deliveries comply with the provisions of Regulation (EC) No. 1907/2006 on the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH Regulation). The substances contained in the Seller's products are pre-registered, if required by the provisions of the REACH Regulation, or registered after the expiry of the transition periods, unless the substance is excluded from registration. The Seller shall provide safety data sheets in accordance with the REACH Regulation or the information required in accordance with Article 32 of the REACH Regulation. Upon request, the seller shall also provide the information required under Article 33 of the REACH Regulation. In the event that the Seller breaches any of the aforementioned obligations, we shall be entitled at any time to cancel the relevant order immediately and refuse acceptance of the relevant delivery without incurring any costs for us.
- (7) The Seller shall fully comply with the environmental requirements of German and European law including Directive 2011/65/EU and Directive 2015/863/EU. The Seller shall reimburse us for all damages and expenses (including legal costs) resulting from a breach of the aforementioned environmental regulations for which the Seller is responsible.

## **§ 9**

### **Supplier regress**

(1) Our legally determined recourse claims within a supply chain (supplier recourse in accordance with §§ 445a ff. BGB) are entitled to us without restriction in addition to the claims based on defects. In particular, we shall be entitled to demand from the Seller exactly the type of subsequent performance which we owe to our customer in individual cases. Our statutory right of choice (§ 439 para. 1 BGB) is not restricted by this.

(2) Before we acknowledge or fulfil a claim for defects asserted by our customer (including reimbursement of expenses), we shall notify the seller and request a written statement on the facts of the case. If a reliable statement is not made within a reasonable period of time and no amicable solution is reached, the claim for defects actually granted by us shall be deemed to be owed to our customer. In this case, the seller shall be responsible for providing proof to the contrary.

(3) Our claims arising from supplier recourse shall also apply if the defective goods have been further processed by us or another entrepreneur, e.g. by installation in another product.

## **§ 10**

### **Product Liability**

(1) If the seller is responsible for product damage, he shall indemnify us from claims of third parties to the extent that the cause lies within his sphere of control and organisation and he himself is liable in the external relationship

(2) Within the scope of his obligation to indemnify, the Seller shall reimburse expenses pursuant to §§ 683, 670 BGB (German Civil Code) which arise from or in connection with claims asserted against third parties, including recall actions carried out by us. We will inform the seller - as far as possible and reasonable - of the content and scope of recall measures and give him the opportunity to comment. Further legal claims remain unaffected.

(3) The Seller shall take out and maintain product liability insurance with a reasonable sum insured. Proof shall be furnished at our request.

## **§ 11**

### **Industrial property rights**

(1) The Seller shall be liable for claims arising from the infringement of industrial property rights and applications for industrial property rights (industrial property rights) in the case of contractual use of the delivery items, of which at least one from the family of industrial property rights is published either in the Seller's home country, by the European Patent Office or in one of the states of the Federal Republic of Germany, France, Great Britain, Austria or the USA.

(2) The Seller shall indemnify us and his customers against all claims arising from the use of such industrial property rights.

(3) This shall not apply if the Seller has manufactured the delivered goods in accordance with drawings, models or other similar descriptions provided by us or in accordance with our specifications and knows or, in connection with the products developed by him, does not need to know that industrial property rights are thereby infringed.

(4) Insofar as the Seller is not liable pursuant to para. 3, we shall indemnify him against claims by third parties asserted against the Seller on the basis of a corresponding infringement of industrial property rights.

(5) The contracting parties undertake to inform each other immediately of any risks of infringement that become known to them and of any alleged cases of infringement and to give each other the opportunity to counteract such claims amicably.

(6) At the Purchaser's request, the Seller shall notify the Purchaser of the use of published, published own and licensed industrial property rights and applications for industrial property rights in the delivery item.

## **§ 12**

### **Limitation of Claims**

(1) The mutual claims of the contracting parties shall become time-barred in accordance with the statutory provisions, unless otherwise specified below.

(2) Notwithstanding § 438 para. 1 no. 3 BGB, the general limitation period for warranty claims shall be 3 years from the passing of risk. The 3-year limitation period shall also apply mutatis mutandis to claims arising from defects in title, whereby the statutory limitation period for claims in rem for surrender by third parties (§ 438 para. 1 no. 1 BGB) shall remain unaffected; furthermore, claims arising from defects in title shall not become statute-barred under any circumstances as long as the third party can still assert the right against us, in particular in the absence of a limitation period.

(3) The limitation periods of the sales law including the above extension shall apply - to the extent permitted by law - to all contractual claims for defects. Insofar as we are also entitled to non-contractual claims for damages due to a defect, the regular statutory limitation period (§§ 195, 199 BGB) shall apply here, unless the application of the limitation periods of the sales law in individual cases leads to a longer limitation period

## **§ 13**

### **Adequacy of the level of compensation**

(1) When determining the amount of the compensation claims to be fulfilled by the seller - compensation for damages due to delay in delivery, liability for defects, compensation for damages in addition to performance, compensation for damages due to infringement of industrial property rights - the economic circumstances of the seller, type, scope and duration of the business relationship, any causation and/or fault contributions on our part in accordance with § 254 BGB (German Civil Code) and a particularly unfavourable installation situation of the supplier part shall be adequately taken into account in favour of the seller. In particular, the replacement services, costs and expenses to be borne by the seller must be in reasonable proportion to the value of the supplied part.

**§ 14**

**Limitation of Claims**

- (1) The business relationship between us and the Seller and these GPC shall be governed by the law of the Federal Republic of Germany to the exclusion of international uniform law, in particular the UN Convention on Contracts for the International Sale of Goods.
- (2) If the Seller is a merchant within the meaning of the German Commercial Code, a legal entity under public law or a special fund under public law, the exclusive - also international - place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship shall be our registered office in Roth. However, we are also entitled to sue at the place of performance of the delivery obligation in accordance with these GPC or a prior individual agreement or at the general place of jurisdiction of the seller.
- (3) The choice of the place of jurisdiction shall not affect any overriding statutory provisions, e.g. regarding exclusive statutory powers.
- (4) Should there be any discrepancies between the German and English versions of these GPC, only the German version shall prevail.