

Standard Terms and Conditions of Purchase

§ 1 General Provisions– Area of Application

- (1) Exclusively our Terms and Conditions of Purchase shall apply; we will not accept any supplier's terms and conditions that are to the contrary or deviate from our Terms and Conditions of Purchase, unless we expressly approved their validity in writing. Our Terms and Conditions of Purchase shall also apply if we accept delivery without reservation knowing that the supplier's terms and conditions are to the contrary or deviate from our Terms and Conditions of Purchase.
- (2) All agreements made between us and the supplier for the purpose of the performance of the contract must be set down in this contract in writing.
- (3) Our Terms and Conditions of Purchase shall also apply to all future business with the supplier.
- (4) Beyond this, the legal regulations apply.

§ 2 Quotation - Quotation Documents

- (1) We reserve the property rights and copyrights of illustrations, drawings, calculations and other documents; they must not be made accessible to third parties without our explicit consent in writing. They are to be used exclusively for manufacturing on the basis of our order; they are to be returned to us after the order has been processed. They are to be kept confidential towards third parties, accordingly provision of § 9 paragraph (5) of these standard terms and conditions of purchase shall also apply.

§ 3 Prices – Terms of Payment

- (1) The price stated in the order shall be binding. In the absence of a written agreement to the contrary, this price shall include delivery DDP (Delivery Duty Paid) according to Incoterms 2010. Returning the packaging shall be subject to special agreement.
- (2) Invoices can only be processed if they - in accordance with the requirements in our order - show the order number indicated on the order.
- (3) Unless agreed otherwise in writing, we shall pay the purchase price within 14 days, calculated from delivery and receipt of invoice, with a cash discount of 3 % or net within 30 days of receipt of invoice. Decisive for the beginning of the payment deadline is the respective later date.
- (4) We shall be entitled to rights of set-off and retention to the extent permitted by law. In case of defective delivery or delay in delivery we are entitled to retain proportionate payment until proper fulfilment of the order.

§ 4 Delivery Time

- (1) The delivery time stated in the order shall be binding.
- (2) The supplier shall be obliged to inform us immediately in writing if circumstances arise or become known that result in the supplier not being able to adhere to the stipulated delivery time.
- (3) In the event of a delay in delivery, we shall be entitled to the statutory claims. We shall in particular be entitled to demand compensation for damages upon ineffectual expiry of a reasonable grace period.
- (4) If the agreed date for putting an operating resource or a tool into service is not complied with negligently, a contractual penalty of 0.5 % of the contract amount up to a maximum of 5 % will be charged per commenced week. A waiting period of 1 week shall be agreed; thereafter the contractual penalty shall become effective without further notice of default. Not the delivery date but the date of putting into service shall serve as basis for the calculation.

§ 5 Passage of Risk – Documents

- (1) Unless agreed otherwise in writing, delivery shall be carriage free. Concerning the passage of risk the legal regulations apply.
- (2) The supplier shall be obliged to state our order information (order number, item number, business order number, additional texts, etc.) on all shipping documents and delivery notes; if the supplier fails to do so, we shall not be responsible for delays in processing.

§ 6 Inspection of Defects – Warranty

- (1) We shall be entitled to the full statutory warranty claims; irrespective of this and at our option we shall be entitled to demand either rectification of defects or a replacement delivery from the supplier. In such cases, the supplier shall be obliged to bear all expenses necessary for the rectification of defects or replacement delivery. We shall expressly reserve the right to compensation for damages, in particular the right to claim damages for non-performance.
- (2) If a defect has still not been rectified after three attempts, the right of rectification of any defects shall turn into the right of rescission or reduction.

§ 7 Product Liability – Indemnity – Liability Insurance Cover

- (1) Insofar as the supplier is responsible for a product damage, the supplier is obliged, upon initial request, to release us from any third-party claims for damages insofar as they originate from its domain and organisational area and the supplier is liable vis-à-vis third parties.
- (2) Within the scope of its liability for cases of damage within the meaning of the paragraph (1), the supplier is also obliged to replace any expenses pursuant to §§ 683, 670 BGB [*German Civil Code*] and pursuant to §§ 830, 840, 426 BGB that arise as a result of or in connection with a recall campaign carried out by us. We will inform the supplier - to the extent possible and reasonable - about the content and extent of the recall measures to be carried out and give the supplier the opportunity to make representations. Other legal claims shall remain unaffected.
- (3) The supplier shall be obliged to maintain product liability insurance with a lump-sum insured of EUR 2.5 m one-off per event of personal injury/damage to property; should we be entitled to further damage claims, these shall remain unaffected.
- (4) In case the supplier files for insolvency, the disclosure of the source codes, forms, models, tools etc. shall be deemed to be agreed.

§ 8 Patent Rights

- (1) The supplier shall be responsible for ensuring that no third-party rights are infringed within the Federal Republic of Germany in connection with the supplier's delivery.
- (2) If claims are asserted against us by a third party due to such an infringement, the supplier shall be obliged to indemnify us from these claims upon first request in writing; without the supplier's consent, we are not entitled to make agreements of any kind with the third party, in particular to effect a compromise.
- (3) The supplier's duty to indemnify shall refer to all expenses that we necessarily incur as a result of or in connection with claims arising from a third party.

§ 9 Retention of Title – Provision – Tools – Confidentiality – Customer Protection (Non-Competition Clause)

- (1) Insofar as we make parts available to the supplier, we shall retain title to these. Any processing or alterations carried out by the supplier shall be performed for us. If our goods subject to retention of title are processed together with other objects that do not belong to us, we shall acquire co-ownership of the new item in a ratio of the value of our item (purchase price plus VAT) to the other processed objects at the time of processing.
- (2) If the goods provided by us are inseparably mixed with other objects that are not owned by us, we shall acquire co-ownership of the new goods in a ratio of the value of the goods subject to retention of title (purchase price plus VAT) to the other mixed objects at the time of mixing. If the items are mixed in such a manner that the supplier's item is to be regarded as the main item, it shall be deemed to be agreed that the supplier transfers pro rata co-ownership to us; the supplier shall hold the sole ownership or the co-ownership in safe custody for us.
- (3) We shall retain the title to tools; the supplier shall be obliged to use the tools only for manufacturing the goods ordered by us. The supplier shall be obliged to insure the tools belonging to us at replacement value at the supplier's own expense against damage caused by fire, water and theft. At the same time the supplier herewith assigns all compensation claims arising from this insurance; we herewith accept this assignment. The supplier shall be obliged to carry out any necessary maintenance and service work on our tools as well as all maintenance and repair work in due time and at the supplier's own expense. We must be notified immediately of any breakdowns; if the supplier culpably fails to do so, the damage claims shall remain unaffected.
- (4) Insofar as the security interests to which we are entitled pursuant to paragraph (1) and/or paragraph (2) exceed the purchase price of all our goods subject to retention of title that have not been paid by more than 20 %, we shall be obliged at the supplier's request to release the security interests at our option.
- (5) The supplier shall be obliged to maintain secrecy of all confidential information and data. Confidential information and data shall be illustrations, drawings, calculations, technical expertise, operating and process data, prices,

customer and supplier information and other documents. They may only be disclosed to third parties with our explicit consent. The obligation to maintain confidentiality shall also apply after fulfilment of this contract; it shall expire if and insofar as the production knowledge contained in the illustrations, drawings, calculations and other documents made available has become generally known.

- (6) The supplier shall commit himself/herself not to use personal data and files received due to the supplier's work for us, in any way for himself/herself or disclose these to third parties. In particular, the supplier shall commit himself/herself not to establish business contact directly with our customers and not to work for them, neither directly or via third parties.

The supplier shall not use, neither for himself/herself nor for third parties, the documents and information s/he received from us or from our customers in connection with the performance of the contract or the need and characteristic s/he gained knowledge of in the course of this.

For each case of contravention the supplier shall be obliged to pay a contractual penalty and damages.

The supplier shall commit himself/herself to return to us all documents, data-carrying media, plans, sketches, specimen, tools and forms/models as well as all other work papers including any copies received for the performance of the contract. In this respect the supplier waives any right of refusal of performance and of retention. At the same time the supplier assures to return in full and to destroy or delete all customer-specific files existing on his/her site. For each case of violation of these obligations, the supplier shall be obliged to pay a contractual penalty and damages.

A **restraint on competition** is ensured by means of the agreed customer protection, which shall be valid for a period of 5 years after the contract was concluded. The agreement shall only apply to the delivered articles, their article groups and products of the same kind.

§ 10 Place of Jurisdiction – Place of Performance

- (1) If the supplier is a full merchant, our place of business shall be the place of jurisdiction; however, we shall be entitled to institute proceedings against the supplier at the court of his/her residence.
- (2) Unless specified otherwise in the order, our place of business shall be the place of performance.

1st, July 2017