
1. Scope and Subject Matter of the Contract

- a. Exclusively only our terms and conditions of purchase apply; we do not accept any of the Supplier's terms or conditions that are in conflict with or deviate from our terms and conditions of purchase unless we have expressly agreed to such other terms and conditions in writing. The terms and conditions of purchase also apply where we accept our performance without any reservations despite being aware of the supplier's terms and conditions that are in conflict with or deviate from our terms and conditions of purchase.
- b. All arrangements between us and the Supplier for the performance of this Contract shall be set out in writing herein.
- c. Our terms and conditions of purchase shall also apply to all future transactions with the Supplier.
- d. These terms and conditions of purchase apply only to companies, legal entities under public law or special property funds under public law.

2. Order

- a. An order is considered to be placed only after it has been sent in writing. Orders submitted orally or by telephone are binding upon us only if we subsequently confirm it by sending such orders in writing.
- b. We are bound by our order for two weeks. The order shall be confirmed in writing. If no objection is confirmed or raised within 3 working days, the order is considered accepted and confirmed.
- c. Our drawings, plans and other documents relating to the quality of ordered goods and tolerance specifications are binding. The Supplier shall obtain the information about the type and scope of performance by familiarizing themselves with those documents. In case of obvious errors, spelling errors and incorrect calculations in such documents, we bear no liability. The Supplier shall inform us of any identifiable errors or missing documents so that our order can be corrected and renewed.
- d. Deviations in quantity and quality as well as subsequent changes in the order shall be confirmed in writing.
- e. We reserve all rights, including intellectual property rights, in our illustrations, drawings, calculations and other documents; they may be disclosed to third parties only subject to our express written consent. They shall be returned to us immediately upon completion of the order with no special request being required.

3. Delivery Terms

- a. Agreed delivery times and dates are binding and shall apply commencing from the order date. The goods shall be handed over at the place of delivery designated by us within the term or on the day of delivery. The Supplier shall immediately inform us in writing if they are unable to comply with the agreed delivery date or delivery term or if they wish to deliver the goods earlier. Our duty to inform shall be without prejudice to our rights arising from delays in performance.
- b. If the Supplier gets in default, we shall be entitled to demand, subject to a notice, a contractual penalty amounting to 0.15% of the net order value for each commenced calendar day up to a maximum of 5% of the net order value and/or the delivery value and/or to withdraw from the Contract, which shall be without prejudice to the enforcement of the legal claims resulting from a delay in performance. The paid contractual penalty will be set off against the claim for damage compensation.
- c. We are not obliged to accept any shipment before the expiry of the delivery term.

4. Delivery - Packaging

- a. Deliveries shall take place at the place of destination under DDP or CPT (INCOTERMS, 2020 Revision).
- b. The Supplier shall provide the packaging at their own expense and at our request, they shall take it back after the delivery. Unless exceptionally otherwise agreed, packing is charged at cost. The Supplier shall use the packaging specified by us and ensure that the packaging protects the goods against damage.

5. Documentation

- a. Invoices, delivery notes and packing slips shall be attached to each shipment in duplicate. Those documents shall contain the following information:
 - I. order number,
 - II. quantity and unit of quantity,
 - III. gross and net weights and calculated weight if applicable,
 - IV. product description with our product number, and
 - V. residual quantity in case of partial deliveries.
- b. As concerns freight shipments, a separate shipping letter shall be sent to us on the day of shipment.

6. Prices

- a. The prices stated in our order are binding fixed prices unless the Supplier reduces their prices in general.
- b. Prices are stated including the statutory VAT on delivery to the place of destination subject to DDP or CPT (INCOTERMS, 2020 Revision).
- c. The Supplier shall not provide us with less favorable prices or terms or conditions than the Supplier provides other customers with where such customers offer the Supplier identical or equal terms or conditions in any given case.

7. Invoice - Payment

- a. Invoices are issued separately for each order. Payments shall be made only after full acceptance of the goods without defects or full performance without defects and upon receipt of the relevant invoice and the manufacturer's receipt confirmation. This shall also reasonably apply to partial deliveries.
- b. Invoices can only be processed if they have been issued in accordance with clause 5 (a). The Supplier shall be liable for all consequences resulting from a failure to comply with this obligation unless they prove that they are not liable for such non-compliance.
- c. We will pay the purchase price with a 3% discount within 14 days from the delivery and receipt of the invoice or net within 60 days of the invoice receipt.
- d. The Supplier's receivables from us may only be assigned to third parties with our consent. Payments shall be made only to the Supplier.
- e. The Customer may accept only undisputed or legally established claims. The Customer is entitled to exercise the right of retention only in connection with the counterclaims resulting from the contractual relationship subject to the right of retention. We have the right to a setoff and retention to the extent provided by law.

8. Defect Inspection – Liability for Deficiencies

- a. The consignee shall inspect the supplier's goods within a reasonable time for any deviations from quality and quantity. A complaint is deemed to be submitted in a timely manner where the supplier receives it within five working days from the receipt of the goods or from establishing hidden defects.
- b. We have the right to submit full legal claims; in any case, we are entitled to require that the Supplier, at our discretion, either remove any defect or deliver new goods. The right to damage compensation and it, in particular, means damage compensation instead of performance, shall remain expressly reserved.
- c. In case of a risk of delay or extreme urgency, we are entitled to remove any defect ourselves at the Supplier's expense. The costs incurred in this way shall be borne by the Supplier.

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- d. The limitation period is three years from the transfer of risk.
 - e. Unless otherwise agreed in preceding provisions, the liability for deficiencies shall be governed by legal regulations.

9. Liability for Damage

The Supplier shall be fully liable to us for any damage caused by them or their agents, and this regardless of the degree of fault, in accordance with legal provisions.

10. Product Liability

- a. Where the Supplier is liable for damage to the product, they shall hold us harmless, upon the first request, in respect of any third-party claims for damage compensation provided that the relevant cause falls under their area of competence and organization and if they themselves are liable in relation to third parties.
- b. As part of the Supplier's liability for damage pursuant to clause 10, the Supplier is also obliged to pay all costs pursuant to Sections 683 and 670 of BGB and Sections 830, 840 and 426 of BGB, which arise as a result of or in connection with the recall action that we perform. We will inform the Supplier, as far as possible and appropriate, of the content and extent of the recall measures taken and give them the opportunity to provide an opinion, which shall be without prejudice to all other statutory claims.
- c. The Supplier shall have a product liability insurance policy with a flat-rate coverage amounting to EUR 10 million for damage to health/property. Where we have the right to further claims for damage compensation, such claims shall remain unaffected.

11. Title

- a. The Supplier warrants that their delivered goods and their use do not infringe any patents or other third-party rights.
- b. Upon the first request, the Supplier shall hold us and our customers harmless in respect of all third-party claims arising from the exercise of such rights; we may not enter into any agreement with a third party without the Supplier's consent.
- c. The Supplier shall also indemnify us for the costs that we inevitably incur as a result of or in connection with any third-party claims.
- d. The limitation period for such claims is 10 years from the order confirmation.

12. Force Majeure

War, civil war, export or trade restrictions due to political situation changes as well as strikes, lockouts, interruptions, operating restrictions, etc., i.e. the Events that prevent us from performing or are unacceptable for

the performance of the Contract are considered *force majeure* and shall relieve us of the obligation to provide timely performance

throughout their duration. The parties shall inform each other about such a situation and adapt their obligations in good faith to the changed circumstances.

13. Retention of Title - Provision - Tools

- a. We reserve the title to the parts, if any, we deliver to the Supplier. Processing or transformation of parts by the Supplier shall be deemed to be performed by our company. If the goods subject to the retention of title are processed with other items that do not belong to our company, we acquire the co-ownership title to the new goods at the time of processing and this proportionally to the ratio between the value of our goods (the purchase price exclusive of VAT) and other processed items.
- b. If the goods ordered by our company are inseparably combined with other items that do not belong to our company, we acquire the co-ownership title to the new goods at the time of their combining and this proportionally to the ratio between the value of the goods subject to the title retention (the purchase price exclusive of VAT) and other items subject to combining. If such combining occurs so that the Supplier's goods can be considered to be the main goods, it shall be deemed to be agreed that the Supplier shall transfer the co-ownership title to us in a relevant proportion. The Supplier shall transfer the exclusive ownership or co-ownership to us.
- c. We retain the title to tools; the Supplier shall use the tools exclusively only for the production of the goods we have ordered. The Supplier shall insure the tools belonging to our company at the value of new items and at their own expense against the damage caused by fire, water and theft. The Supplier hereby assigns all claims for compensation under such insurance to us and the company hereby accepts the assignment. The Supplier shall carry out the necessary maintenance and inspections of our tools as well as all repairs and renewals in a timely manner. The Supplier shall notify us immediately of any faults. The Supplier's failure to do so due to their negligence shall be without prejudice to the claims for damage compensation.
- d. Where our security exceeds by more than 20 % the purchase prices of all our goods subject to the title retention, which have not yet been paid for, we will release the security at our discretion at the Supplier's request.

13. Trade Secret

The Supplier shall treat our orders and all related business and technical data, in particular illustrations, drawings, calculations and other documents and information, with strict confidentiality as a trade secret. Such information may only be disclosed to third parties with our express written consent. The obligation to maintain confidentiality shall apply even after the termination of this Contract; it shall cease to exist if the know-how contained in such submitted illustrations, drawings, calculations and other documents becomes generally known.

14. Governing Law

The contractual relationship and other business relations between us and the Supplier shall be governed exclusively by German law with exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).

15. Form of Declarations

Legally relevant declarations and notices that are to be submitted by the Supplier to us and any third party shall be executed in writing.

16. Miscellaneous

- a. Should any provision be or become invalid, other provisions shall remain in force.
- b. The place of performance and payment is the registered office of our company.
- c. If the Supplier is a trader, a legal person under public law, a special property fund under public law or no jurisdiction of a general court in Germany is determined, the exclusive jurisdiction shall have the court competent according to the registered office of our company. However, we are also entitled to file an action against the Supplier at the place of the Supplier's registered office.