

Terms and Conditions

1. Applicability

- 1.1. Only these conditions of purchase shall govern all agreements. We will not recognize conditions of the supplier which contradict our conditions, unless we have expressly agreed to their applicability. These conditions of purchase also apply if we accept or pay for delivery without reservation while knowing of the supplier's contradictory or deviating conditions.
- 1.2. These conditions of purchase also apply in their respective version for future contracts governing deliveries or services, without requiring express reference to these conditions in each individual case. The supplier shall be promptly informed of changes to the conditions of purchase.

2. Conclusion and Content of the Contract, Modifications

- 2.1. If the Supplier does not accept an order within two weeks of receipt, we shall be entitled to revoke the order. Delivery call orders become binding at the latest three working days after receipt if the Supplier has not objected in the interim.
- 2.2. When Supplier accepts valid orders, either by confirming the order or delivering the goods, a binding contract shall be deemed as established. Such a contract shall be subject exclusively to the provisions of these General Terms and Conditions of Purchase, the corresponding purchase order and any annexes. Our General Terms and Conditions of Purchase shall not be amended by either tacit agreement or acceptance of the goods or other practices or trade customs.
- 2.3. Individual agreements with the Supplier, including ancillary agreements, additions and modifications, shall take precedence. A written agreement or our written confirmation shall govern the contents of such agreements.
- 2.4. Legal declarations and notices submitted by the Supplier after conclusion of the contract (e.g. deadlines, declaration of rescission) require the written form to become effective.
- 2.5. Supplier shall bear all costs incurred in preparation for concluding the contract, in particular the costs of preparing cost estimates.
- 2.6. We may, to a reasonable extent, request changes to the construction and design of the delivery item, if such changes become necessary due to order changes or to short-notice and diverging new orders of our customers. Consequences of any changes, particularly with regard to increased or decreased costs as well as delivery dates, are to be arranged as appropriate by mutual agreement.

3. Prices and Payment

- 3.1. All prices are deemed to be fixed prices. Payment shall be made by the payment method of our choice within 14 days with a 3% discount or within 60 days from delivery/acceptance of the goods and receipt of a proper invoice.
- 3.2. A delivery made prior to the agreed date shall not affect the deadline for payment linked with the agreed date of delivery.
- 3.3. With delivery of goods, but no later than two months after delivery or acceptance, the supplier shall present an invoice that fulfills all relevant legal and tax requirements.

4. Transfer of Risk, Acceptance, and Ownership Rights

- 4.1. Unless agreed otherwise, delivery shall be made "delivery duty paid" (Incoterms 2020 DDP) and shall include the return of the packaging in circulation to Supplier. If the supplier has accepted a setup or installation obligation, risk is transferred upon acceptance by us of the performance rendered.
- 4.2. Ownership of the delivered goods is transferred to us upon payment at the latest. Any prolonged or expanded reservation of ownership is excluded.

5. Delivery Deadlines and Dates

- 5.1. Adherence to the agreed deadlines is essential to the purpose of the contract and all dates in the contract are binding. If the supplier anticipates problems in adhering to a date or in fulfilling other obligations, the supplier must notify us immediately.
- 5.2. If the supplier is in default, we may demand a penalty in the amount of 0.3% of the net price per completed week day, but in total not more than 5% of the net purchase price of the delayed goods. We are entitled to demand the contract penalty in addition to performance and, as a minimum sum, the damages owed in accordance with the statutory provisions; the right to claim further damages shall remain unaffected. If we accept the delayed performance, the contract penalty may be claimed until the final payment. If the supplier is not at fault, there is no obligation to pay the contract penalty.

6. Force Majeure

- 6.1. Force majeure, breakdowns for which the affected party is not responsible, riots, acts of public authorities or any other unforeseeable, unavoidable and serious events shall release the Contractual Partners from their obligation to perform for the duration of the disturbance and to the extent of its effects.
- 6.2. If the duration of the disturbance is not of an immaterial duration and leads to a significant decrease of our product need, we shall be entitled to cancel the part of the Delivery Agreement which has not yet been fulfilled, without prejudice to any other rights we may have. However we shall have no right of cancellation if we are responsible for the event that hinders performance.
- 6.3. Supplier shall notify us immediately in writing or text form of any delay within the meaning of Section 6.1 above which becomes apparent. If Supplier fails to notify us to this effect, or fails to notify us in due time Supplier shall compensate the damage which could have been prevented had the notification been given in due time. This shall not apply if Supplier is not responsible for his failure to notify us or to notify us in due time
- 6.4. Supplier undertakes to maintain an appropriate emergency concept that enables him to continue his deliveries for a reasonable period during the occurrence of a force majeure event.

7. Quality and Scope of Services

- 7.1. The supplier is aware that we primarily produce for the automotive industry and that the finished parts must therefore correspond to the standards requested by the automotive industry. The supplier must continuously align the quality of products to be supplied with the latest state of the art and notify us of possible improvements and technical modifications.
- 7.2. The supplier must establish and maintain a quality assurance system that is suitable in type and scope, that reflects the state of the art, and that is documented. The supplier shall create records, particularly of his quality checks, and shall make these available on request.
- 7.3. The supplier hereby agrees to quality audits by us or by someone commissioned by us to assess the effectiveness of the supplier's quality assurance system.

8. Agreed Quality

- 8.1. The supplier shall ensure that: (a) the goods are suitable for the intended purpose and are new, are marketable, are of good quality and are free from defects in design, material, construction, manufacture and installation; (b) the goods conform strictly to the specifications, drawings, approved samples and all other requirements arising from the agreement; c) the goods are free from encumbrances and the rights of third parties, in particular free of encumbrances in rem; e) all goods are developed, manufactured and delivered in accordance with applicable statutory provisions and regulations, in particular with the Product Safety Act (ProdSG), with environmental, work safety and general safety provisions and with accident prevention regulations, with labor laws and with the minimum wage act; (f) the goods are furnished with all information

and instructions required for proper and safe storage, use, processing, further sale and disposal.

- 8.2. The supplier shall immediately inform us in the event of discrepancies with the quality described above, particularly in the event of discrepancies between contractual specification and mandatory statutory provisions or the state of the art in science and technology. In this case, we will find an amicable solution with the supplier.
- 8.3. The contractual warranty period for delivered goods is 36 months from any delivery of the goods by us to our customers, but no more than 48 months since delivery by the supplier.
- 8.4. For rectification of defects or replacement delivery within the warranty period, the warranty period for repaired or replaced goods is 24 months, but extends at least until the original warranty period.

9. Inspection, Refusal and Acceptance

- 9.1. Acceptance of, inspection of or payment for the goods shall not be regarded as unconditional acceptance and does not release the supplier from the contractual obligations, commitments and warranties.
- 9.2. We will promptly check delivered goods for obvious damage, identity and quantity ("obvious deficiencies"). Obvious deficiencies shall be promptly reported, generally within 2 weeks of receipt of the goods. Hidden deficiencies shall be promptly reported, generally within 2 weeks of their discovery. The supplier will pick up defective goods from us at the supplier's own without undue delay upon being notified of the defects. If goods are not picked up immediately, we are entitled to send the goods back to the supplier at the supplier's own expense and risk or to store them. Other or additional contractual or legal claims remain unaffected.
- 9.3. If part of a batch or a delivery of similar items is determined from a sample not to conform with the contract, we may refuse acceptance of and return the entire delivery or the entire batch without further examination; alternatively, we may also inspect the entire batch or delivery and refuse acceptance of all or specific non-compliant goods and return these along with a charge for the costs of the inspection to the supplier (or accept them at a reduced price).

10. Warranty Rights

- 10.1. In the case of goods that do not conform with the agreed quality or are otherwise not in compliance with the contract, we are entitled, without prejudice to any other legal or contractual rights and claims a) to demand, according to our choice and at no cost, prompt rectification of defects or replacement delivery ("subsequent performance"); and b) to reduce the price, to withdraw from the contract in part or in full or to demand compensation in lieu of performance if the subsequent performance is unsuccessful after expiry of a reasonable period of time; the right to demand compensation for damages is not restricted by withdrawal; and c) in particularly urgent cases in which the supplier cannot be informed in time to allow a subsequent performance within a grace period, to carry out subsequent performance ourselves at the expense of the supplier.
- 10.2. The supplier shall bear all the costs and expenses for the rectification of defects, the replacement delivery and the transport of the defective goods or performance; the supplier must reimburse us for all resulting costs and expenses accrued (in particular testing, installation, removal, handling and storage costs). We can also request reimbursement of the costs that accrue in connection with inspections if a more-than-average occurrence of defects forces us to conduct incoming goods inspections that exceed the usual sampling. In the case of defects that are noticed by us only when working or processing the goods or that are first noticed during use, we are entitled to the reimbursement of unnecessary costs.
- 10.3. Further or differing contractual or legal rights or claims remain unaffected.

11. Industrial Property Rights

- 11.1. The supplier shall be liable for claims arising during contractual use of the delivered items from the infringement of industrial property rights and patent applications (industrial property rights), of which at least one is a published right originating from the family of industrial property rights of the patent and trade mark office of the supplier's home country, the European Patent Office or the Office for Harmonization for the domestic market or the respective patent and/or trade mark offices of Germany, France, the United Kingdom, Austria or the United States.
- 11.2. The supplier shall indemnify us and our customers from all claims arising from the use of such industrial property rights and shall reimburse us in the case of such infringement of industrial property rights for any costs and damages accrued in connection with this.
- 11.3. The contracting parties undertake to promptly notify each other of any risks of infringement and alleged cases of infringement and to allow opportunity to amicably counter corresponding claims.
- 11.4. The supplier shall notify, if requested, of the use of published and unpublished industrial property rights that are owned or licensed by the supplier and of patent applications of third parties for the object of delivery.

12. Indemnity, Insurance

- 12.1. If the supplier is responsible for damage beyond the delivered goods and statutory product liability claims are made against us, the supplier is obliged to indemnify us upon first request from all claims of third parties provided that the cause of the damage lies within the area of responsibility of the supplier and the supplier is liable in relation to third parties.
- 12.2. In the context of the supplier's liability for damages within the meaning of Section 1, the supplier is also obliged to reimburse any expenses in accordance with Sections 683, 670 of the German Civil Code (BGB) as well as in accordance with Sections 830, 840, 426 of the German Civil Code (BGB) resulting from or in connection with a recall action implemented by us and/or third parties, in particular by our customers. In particular, the supplier indemnifies us from all claims of our customers that are asserted in conjunction with preventive customer measures (including recall). We will inform the supplier regarding the content and scope of the recall measures to be implemented – if possible and reasonable – and give the supplier an opportunity to comment. Other legal claims shall remain unaffected.
- 12.3. Supplier undertakes to purchase and maintain comprehensive general liability insurance with extended product liability with additional cover modules and recall insurance of motor vehicles with an appropriate limit of indemnity, at least EUR 5 million per occurrence. Supplier shall provide us with evidence of such insurance, regarding both the objects of insurance coverage and the limits of indemnity by means of a written confirmation of the insurer. Supplier shall be obliged to inform us promptly about any change of above-mentioned insurance coverage.

13. Subcontractor

- 13.1. Supplier shall be responsible for the manufacture and quality of the goods. Supplier shall also retain the responsibility for the contractually agreed workmanship of the goods if the manufacture or individual processing steps are carried out by a subcontractor or if material is purchased from third parties.
- 13.2. Subcontractors may only be involved after obtaining our prior written consent.
- 13.3. To the extent that any damage is attributable to subcontractor's defective performance, Purchaser shall be entitled, at its option, to demand from Supplier the assignment of the warranty claims against the subcontractor instead of asserting claims for compensation.

14. Drawings, Documents, Tools

- 14.1. Drawings and other documents, devices, models, tools, and other means of production provided to the supplier shall remain our property. Ownership of tools and other production means paid for by us is transferred to us upon payment, provided that no agreements otherwise have been made in the tool contract. They are to be properly stored, carefully handled and appropriately

insured by the supplier. We may demand at any time that tools and means of production that are our property be handed over to us. The items named above may not be scrapped without our written consent.

- 14.2. All drawings, documents, devices, models, tools and other means of production produced according to our information or paid for by us must not be made accessible to third parties. They may not be used for purposes other than those contractually agreed, e.g. for delivery to third parties. They shall be carefully stored by the supplier at the supplier's expense.

15. Observance of laws, statutory minimum wage

- 15.1. Supplier shall observe all relevant laws, regulations, provisions and ordinances (in particular those relating to product safety, packaging, fair working conditions, equal opportunities and environmental protection) at all times to the extent that they are applicable in the country of manufacture or the country of destination of the goods or at the place of performance of the services.
- 15.2. The substance prohibitions and declaration requirements of the "Global Automotive Declarable Substance List" (GADSL) apply.
- 15.3. Supplier shall ensure to operate his business by, at a minimum, meeting the fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. In order to safeguard this Supplier shall adhere to the principles of the UN Global Compact Initiative.
- 15.4. Supplier shall ensure that it and all subcontractors involved by it as well as any hirers commissioned by them pay the employed workers the applicable minimum wage in accordance with the Minimum Wages Act (MiLoG). In addition, Supplier confirms that its company and the subcontractors involved by it are not excluded from awarding public contracts pursuant to Sec. 19 of the Minimum Wages Act.
- 15.5. We shall be entitled to demand random and anonymized pay slips for the workers employed by Supplier and by subcontractors (wage and salary lists).
- 15.6. In the event that a valid claim for compensation pursuant to the Minimum Wages Act is asserted against us by an employee of Supplier and/or the subcontractors, Supplier undertakes to pay to us upon first request a contractual penalty amounting to EUR 2.500,00 per claim. The payable contractual penalty shall be set off against any claims for compensation and shall be limited to 10% of the respective price and to a total of EUR 25.000,00 per calendar year. The obligation to pay the contractual penalty shall not apply if Supplier is not at fault.

16. Import and Export Regulations, Customs

- 16.1. For deliveries from an EU member country outside Germany, the supplier must indicate his/her EU sales tax identification number.
- 16.2. Imported goods must be delivered duty-paid. The supplier is obliged to report at the supplier's expense any declarations and information required under the Regulation (EU) No. 2015/2447, to approve inspections by the customs authority and to provide the required official confirmations.
- 16.3. For goods, the customs tariff number of the country of origin must be indicated; for listed goods, the national list number as well as the list number for the USA must be included if the goods are subject to U.S. export regulations. Preferential proof of origin as well as certifications and marks of conformity from the origin or destination country are to be presented without request; autonomous certificates of origin are to be presented upon request.
- 16.4. Information (in particular confidential information) exchanged between the Parties may be subject to export restrictions or controls pursuant to US export regulations or any other national or international laws and provisions. The supplier shall control the access to any Information provided to him. Further to this the supplier shall be obliged to refrain from any direct or indirect export of any Information before obtaining any necessary approvals and/or licenses pursuant to the applicable law.

17. Confidentiality

- 17.1. Supplier shall keep confidential any and all information disclosed by us or on our behalf in connection with the contract. This shall also apply to information created by Supplier on our behalf. Supplier may use such information exclusively for the purpose of contract performance. Supplier shall treat such information with the same diligence it applies in respect of its own confidential information, but at least with reasonable due diligence. All information shall remain our property. Upon our request, Supplier shall immediately return to us the corresponding documents without retaining any copies, unless prescribed otherwise by mandatory statutory or official regulations or orders.
- 17.2. Supplier shall keep the contract and its content confidential.

18. Data Protection

- 18.1. Supplier shall ensure, that any processing of personal data will be carried out by Supplier and its employees under strict compliance with the General Data Protection Regulation, the German Data Protection Act and any other applicable data protection legislation. Such obligation shall be all-embracing and shall in particular include Supplier's obligation to not process any personal data without our authorization and not provide any personal data to third parties without prior authorization. Further to this Supplier warrants and declares all personnel who have access to and/or process personal Data were instructed in the legal consequences of an unlawful processing of personal data.
- 18.2. The supplier agrees that we may store on computer equipment the required data of the supplier and contracts concluded with the supplier in the context of the business relationship and that we may use said data only for our own purposes within our affiliated companies. Further agreements on data protection shall be stipulated as necessary in separate agreements.

19. Severability Clause

Should individual provisions of these conditions of purchase be entirely or partially invalid, the effectiveness of the remaining conditions shall remain unaffected.

20. Competitiveness

- 20.1. Supplier shall carry out cost-cutting and efficiency-raising measures in order to achieve further price reductions. Upon our request Supplier shall also request its sub-suppliers to carry out such measures. In the event that these measures lead to further cost reductions, Supplier shall pass on a reasonable portion to us by further reducing the product price.
- 20.2. In the event that we receive an offer from a competing supplier to supply the Goods at comparable circumstances at a more favorable price, we shall notify Supplier of the existence and terms of the competing offer. In the event that Supplier is not able or willing to match the competing offer within six months, from the time of our notification to Supplier of the competing offer, we shall be entitled to terminate Parties' agreement by observing a three month period.

21. Final Provisions

- 21.1. Should any provision of these Terms and the other agreements entered into be or become invalid, this shall not affect the validity of the other provisions.
- 21.2. The place of performance for all deliveries is the place of receipt designated by us.
- 21.3. Place of jurisdiction is our headquarters or, according to our choice, the general place of jurisdiction of the supplier.
- 21.4. The laws of Germany shall apply for all legal relationships between us and the supplier. Applicability of the United Nations Convention of April 11, 1980 regarding Contracts for the International Sale of Goods (CISG) is expressly excluded.