



General Conditions of Purchase

1. Applicability of these Provisions

- 1.1 All orders for the delivery of goods or the performance of services and all other legal relations that are made in writing, by facsimile, by e-mail or in the data portal of which the Buyer has notified the supplier ("**Text Form**") as well as modifications thereof (hereinafter referred to in summary as "**Order**"), that are placed by Kiekert AG or any of its subsidiaries (hereinafter "**Buyer**"), are based on these General Conditions of Purchase including the respective applicable national annex. The General Conditions of Purchase are an integral part of all Orders.
- 1.2 An Order by the Buyer represents an offer to the supplier to purchase goods or services unless the Order is expressly called an acceptance. If the Order refers to any terms and conditions proposed by the supplier, the referenced terms and conditions shall only apply insofar as they do not otherwise contradict the Order including the General Conditions of Purchase. The Buyer may revoke the Order at any time prior to acceptance by the supplier without liability.
- 1.3 The Order, including the General Conditions of Purchase, shall be considered accepted by the supplier if the supplier accepts an order in Text Form or by way of electronic data transfer or begins to perform the ordered deliveries or services. Solely these General Conditions of Purchase and no other terms and conditions shall apply to the contract for the delivery of goods or the performance of services entered into in this manner or another manner (hereinafter in summary "**Delivery Contract**"), and only these General Conditions of Purchase are an integral part of the Delivery Contract. Different or additional terms and conditions proposed by seller are expressly rejected unless agreed to in writing by Buyer. When the Buyer accepts goods or other services or makes payments this shall in no way be construed as recognition of different or additional terms and conditions proposed by the supplier. The Buyer objects to any additional or contradictory conditions in offers or acceptances of the supplier and they shall not become integral parts of the Delivery Contract.

2. Releases and Delivery Dates

- 2.1 Based on the Buyer's latest release, the Buyer is obligated to take delivery limited to four weeks of finished goods inventory and to an additional eight weeks of components and materials inventory, each plus the agreed transit time according to the routing order. If no new

release is issued within one month, the finished goods inventory or components and material inventory shall be extended by one month. Quantities that exceed these periods are preview quantities that do not create an obligation to take delivery. The regulations of the Delivery Contract shall apply to delivery releases. A delivery release placed in the data portal of which the Buyer has notified the supplier is binding for the supplier unless the supplier rejects such a delivery release due to unreasonableness of the quantities or deadlines, stating the earliest possible delivery dates in Text Form by the end of the day following the delivery release if the delivery is to take place within the next 15 days, otherwise by the end of the third day after the delivery release is issued.

- 2.2 Time is of the essence as to the performance of the Delivery Contract. The delivery must be made at the time stated in the Order or in the delivery call-off or as was otherwise agreed by the Parties in Text Form (hereinafter “**Delivery Date**”). Receipt or provision of the goods at the place of receipt designated in the Order is determinative for meeting the Delivery Date. If a consignment warehouse contract is entered into, delivery is not made until the Buyer removes the goods from the warehouse. The Buyer need not accept goods delivered too early or in too great a quantity and the supplier shall bear the risk of loss for such goods. The Buyer is entitled to send back such goods. The supplier shall bear all costs incurred as a result. The Buyer may postpone delivery call-offs or order a temporary discontinuation of planned deliveries without the supplier being entitled to change the price of the goods. If it is foreseeable that the supplier will not be able to keep the Delivery Date it shall inform the Buyer thereof in Text Form as soon as possible.
- 2.3 The Buyer reserves the right to make changes at any time to the content of the Delivery Contract or circumstances and agreements associated with it or to demand such changes of the supplier. In such a case the supplier shall appropriately demonstrate the effects of such a change in the price and Delivery Date. If such a change necessitates an adjustment of the Delivery Contract in terms of price or Delivery Date, the Buyer and supplier shall agree on an appropriate modification of the Delivery Contract.
- 2.4 Without the prior consent of the Buyer in Text Form, the supplier may not substitute any materials or change the place of manufacture or the specifications of the goods.

3. Packaging and Shipment

- 3.1 The goods must be packaged and marked observing the version of the Kiekert Packaging Standard applicable to the respective Buyer (available at <http://partner.kiekert.de> and, on request, from the Buyer) including the respective applicable packaging data sheet. If Buyer agrees to pick up the goods from supplier (Incoterm: FCA), the goods shall also be made available in shipping units provided by the Buyer if this was agreed in the packaging data sheet. If the supplier agrees to bear the cost of shipping the goods, (Incoterm: DDP or DDU),



the goods shall be shipped with customary care at the lowest possible transport cost. Each shipment must include a packing slip with the order number, delivery call-off number and part number. The supplier must mark goods, packaging materials, and packaging pursuant to the instructions given by the Buyer and otherwise pursuant to applicable law and the standards of the automobile industry. Unless otherwise agreed in the Delivery Contract, markings shall be in English and represented in bar code as well as in any other form directed by the Buyer or required by law.

- 3.2 At its own expense and risk, the supplier must keep available one work week's inventory of finished goods and components and materials corresponding to the then-current design of the goods.
- 3.3 Without delay, the supplier must procure, in their entirety, all documents and other information required pursuant to the customs provisions or other applicable state regulations, specifically (i) customs reimbursement documents; (ii) all certificates of origin; and (iii) all other information that refers to the commercial law or preference law of the place of origin of the goods and materials.

4. Prices and Payments

- 4.1 Payment shall be made by bank transfer, check, or carried out by way of credit procedure to the extent permitted by law.
- 4.2 Unless otherwise regulated in the Delivery Contract, the following provisions shall apply to prices and payments: Payment is due 90 days after delivery and invoicing. When payment is made within 14 days after delivery and invoicing, a discount in the amount of 3% may be taken. The agreed prices are fixed prices, are subject to the delivery clause pursuant to the applicable Incoterms as agreed in the Delivery Contract and represent the total price for the manufacture and delivery pursuant to the Kiekert Packaging Standard set forth in paragraph 3.1 and applicable to the respective Buyer.
- 4.3 Without the prior express written consent of the Buyer, the supplier is not authorized to adjust the prices or to invoice additional costs. If Defective Goods pursuant to the definition in paragraph 6.1 are delivered the Buyer is entitled to withhold payment prorated by value until proper performance.
- 4.4 Without the prior written consent of the Buyer, which the Buyer may not unreasonably withhold, the supplier is not authorized to assign rights or duties under the Delivery Contract, to enter into a sub-contract pertaining thereto, or to have claims collected by third parties.

4.5 The Buyer is authorized to offset claims of the supplier in connection with a Delivery Contract against its own claims against the supplier, or to deduct such claims. This shall not affect any more extensive statutory rights of the Buyer to offset.

5. Quality

5.1 The supplier recognizes the Kiekert Quality Standard QR 01 (available at <http://partner.kiekert.de> or, on request, from the Buyer) and, with regard to the development, manufacture and delivery of the goods shall comply with the provisions of QR 01, the newest state of technology, as well as the agreed technical data, specifications and drawings, and all quality standards, regulations, and legal requirements applicable to the goods, as well as the customer requirements communicated by the Buyer and the International Material Data System (“IMDS”) conditions.

5.2 The supplier undertakes before accepting the Order to verify the technical data, specifications and drawings of the goods, and to notify the Buyer without delay if they are inadequate or the supplier cannot agree to manufacture the goods on their basis. By accepting the Order, the supplier acknowledges and agrees that the technical data, specifications and drawings are adequate and suitable to manufacture the goods in compliance with the Delivery Contract. The supplier declares that it is willing to participate in quality or development programs of the Buyer or its customers on request.

5.3 The supplier must fulfill all requirements that are necessary to conclude the approval for serial production delivery of the Buyer and its customers on time. The supplier may not begin to deliver until receiving clearance from the Buyer and prior to each delivery it shall carry out and document the inspections that are necessary for a flawless delivery. The supplier shall keep all records of the inspection results and all other documents that pertain to the quality assurance pursuant to the regulations of QR 01.

5.4 The Buyer and its customers are entitled to inspect the manufacturing process and the quality assurance measures of the supplier on location at any reasonable time and to a reasonable extent.

5.5 The supplier shall obligate its sub-suppliers in the same way as described in paragraphs 5.1 to 5.4., whereby if QR 01 does not apply in relation to the sub-supplier, the supplier shall take equivalent quality assurance measures. In particular, the supplier shall insure that the Buyer and its customers are entitled to the right of inspection described in paragraph 5.4 with the supplier’s sub-suppliers as well.

5.6 The Buyer is not obligated to carry out incoming goods inspections and the supplier waives any right to require the Buyer to carry out such inspections.

- 5.7 The supplier shall be liable for any damages caused by any features of the design or the manufacturing process developed by the supplier, notwithstanding the Buyer's approval of the features.

6. Liability for Defects

- 6.1 The supplier guarantees that all goods it delivers: (i) correspond to the technical data, specifications, samples, drawings, and other demands made of them, (ii) are free from defects, particularly with regard to manufacturing and material as well as design if the goods are not based on detailed design plans of the Buyer, (iii) are of merchantable quality, and (iv) are suitable for the special purposes for which they were purchased insofar as these purposes are known or must be known to the supplier. Goods that do not correspond to these guarantees are "**Defective Goods.**"

- 6.2 In the case of Defective Goods, the Buyer may choose (i) to demand from the supplier that it repair the Defective Goods at its risk and at its cost or replace them with defect-free goods, or (ii) if the Defective Goods are already in the production process of the Buyer or its customer, to exchange or repair the Defective Goods at the cost of the supplier or to have them exchanged or repaired by a third party.

If the goods have already been built in and delivered to the Buyer's customer, and insofar as the Defective Goods were not submitted to the Buyer by its customer for inspection, the supplier shall recognize the finding of a defect by the Buyer's customer or a third party commissioned by it (e.g., a workshop) as proof of the defect even without submission of the Defective Goods.

- 6.3 Payment for or inspection of Defective Goods by the Buyer or its customer does not represent a recognition of such Defective Goods or a waiver of proper contract performance and does not release the supplier from liability or warranty.
- 6.4 The supplier shall bear all costs incurred in connection with the delivery of Defective Goods (including transport, handling, sorting, installation, removal, material and labor costs).
- 6.5 The supplier warrants that it shall not provide Defective Goods. The warranty period
- 6.5.1 for goods that flow into a product for a vehicle (hereinafter "**Production Material**") is
- (a) 36 months for vehicles for all markets (except the North American market) and
 - (b) 48 months for vehicles for the North American market (U.S.A., Canada, Mexico, Puerto Rico),

after the vehicle into which the goods or parts thereof were built is registered with the appropriate governmental agency by the vehicle's initial end-user, or after installation of the replacement part. In the event that the Buyer grants its customers a longer or shorter warranty period, however, such warranty period is deemed agreed, the maximum being 60 months after the production date of the vehicle or the installation of the replacement part.

6.5.2 for goods other than Production Material is 36 months after delivery to the Buyer.

6.6 More extensive statutory or contractual rights of the Buyer shall remain unaffected by the provisions in this section.

7. Liability

7.1 The supplier shall reimburse the Buyer for, or indemnify the Buyer against, all directly or indirectly arising claims (including claims due to death, bodily injury or health damage, or property damage), damages (including all indirect damage and consequential damage), costs, expenditures and losses (hereinafter "**Damages**") due to Defective Goods or otherwise due to the violation of the supplier's duties under the Delivery Contract. In the event of fault-based liability, this shall not apply if the supplier is not at fault.

7.2 Insofar as the Buyer has validly agreed on limitations on liability with its customer, they shall apply accordingly in the relationship between the Buyer and the supplier. The supplier shall recognize lump-sum damages that were agreed between the Buyer and its customer, and shall pay them proportionately to its own share of causation.

7.3 If the Buyer, its customer, the manufacturer of vehicles into which the goods were placed, or a governmental authority initiates measures to prevent damage or injury (hereinafter "**Recall**"), the supplier shall be liable to the Buyer for any Damages associated with the Recall insofar as the Recall can be traced back to Defective Goods or another violation of the Delivery Contract by the supplier.

7.4 The supplier undertakes to ensure that there is insurance protection pursuant to the regulations of QR 01 for its obligations under the Delivery Contract, and to obtain appropriate commercial third-party liability insurance. The Buyer may demand proof of such insurance protection at any time.

7.5 The supplier shall be liable for third parties which it utilizes to fulfill its duties under the Delivery Contract to the same extent as for its own conduct.

8. Protected Rights

- 8.1 The supplier shall ensure that the Buyer's use of the goods does not infringe any domestic or foreign patents, utility models, copyrights, or other intellectual property rights (hereinafter "**Protected Rights**") of third parties. The supplier shall indemnify the Buyer and its customers against all claims by third parties resulting from the infringement of such Protected Rights. This does not apply insofar as the supplier has manufactured the goods according to drawings, models, or equivalent other descriptions provided by the Buyer and does not know of any infringement on Protected Rights unless the supplier has reason to know of such infringement. The rights of the Buyer under this paragraph 8.1 shall become time-barred within ten years after conclusion of the contract.
- 8.2 Insofar as Protected Rights of the supplier are required for the Buyer to utilize the goods, the supplier grants the Buyer the worldwide, irrevocable, and fully paid right to use, to repair or to rebuild the delivered goods itself or through third parties.
- 8.3 Insofar as the goods are standard user software, the right of use pursuant to paragraph 8.2 applies and is freely transferable. The supplier is obligated to make the necessary software available to the Buyer. The Buyer is permitted unlimited users without paying additional compensation. The supplier is liable for the sold software being free of viruses or similar defects.
- 8.4 If a Delivery Contract contains development work that is paid for by the Buyer, either with a one-time payment or through parts prices, then all development results shall become the property of the Buyer, and only the Buyer is authorized to register Protected Rights for them. In the event of joint financing of the development work by the supplier and the Buyer, the parties shall become joint owners with equal shares in the development results and any future Protected Rights. Otherwise, the supplier grants the Buyer the irrevocable, nonexclusive, fully paid, worldwide right of use with the right to issue sublicenses for all Protected Rights that arise or have already arisen based on the development work of the supplier and that the Buyer needs for the use, repair, or the reproduction of the goods.

9. Replacement Parts

- 9.1 The supplier shall guarantee the Buyer's replacement part needs for Production Material during series delivery and for a time period of 15 years after its end. During the existence of the Delivery Contract, the price is the current production price fixed in the Delivery Contract and during the 15-year time period the price at the end of the series production plus additional costs for packaging and processing, the amount of which the supplier and Buyer will agree upon as needed. At the Buyer's request, the supplier shall make available service literature or similar

descriptions of the goods without charging additional costs in order to support the sale of the replacement parts by the Buyer.

- 9.2 For goods other than Production Material, the supplier guarantees a problem-free supply with replacement parts at market prices for the duration of at least 15 years from the date of delivery.

10. Competitiveness

- 10.1 The supplier guarantees that the goods correspond to comparable goods of competitors with regard to price, technology and quality (“**Competitiveness**”). Maintaining Competitiveness is an essential duty under the Delivery Contract.
- 10.2 If the Buyer is offered a comparable product at more competitive conditions, the Buyer shall inform the supplier thereof in Text Form and set a reasonable time period for the supplier to reinstate the full competitiveness of the goods. The supplier shall set up a detailed plan to reinstate the competitiveness and shall make it available to the Buyer together with a corrected offer. With the corrected offer, the supplier shall reinstate the competitiveness within the time period that was set.

11. Termination for Cause

- 11.1 In addition to the statutory rights to terminate for cause, the Buyer is entitled to terminate Delivery Contracts in full or in part by written declaration to the supplier without any liability arising, if
- 11.1.1 the supplier breaches a duty under the Delivery Contract, and does not remedy this within a reasonable time period that may not exceed 30 days from notice of the breach of duty;
 - 11.1.2 the supplier becomes unable to make payments, files a petition for the institution of bankruptcy, insolvency or liquidation proceedings, an insolvency receiver or trustee is appointed, a liquidation settlement takes place or comparable proceedings are instituted;
 - 11.1.3 a significant change in the ownership relations takes place within the supplier’s corporation on the basis of which the Buyer cannot reasonably be expected to continue the Delivery Contract.
- 11.2 Unless expressly determined otherwise by the Buyer, the supplier shall continue the execution of the Delivery Contract to the extent that it is not terminated.

12. Tools and Provided Property of the Buyer

- 12.1 All tools, models, matrices, templates, samples, measuring instruments, devices, forms, and other manufacturing means and installations, including any equipment as well as pertinent software, drawings, information, and other documentation (hereinafter collectively “**Tools**”) and material such as transport containers provided to the supplier by the Buyer or its customers and paid for or to be amortized by the Buyer (“**Provided Property**”) are and shall remain the property of the Buyer or its customers unless otherwise agreed in writing, and are furnished to the supplier on loan.
- 12.2. The supplier may use the Provided Property only for the production of goods in the context of a Delivery Contract with the Buyer and may not dispose of it, encumber it with rights of third parties or otherwise use it for other purposes or permit others to engage in such use without the prior written consent of the Buyer. The same applies to the goods manufactured with the help of the Provided Property.
- 12.3 Provided Property shall be clearly marked as the property of the Buyer or its customers and shall be kept safely and separately from the supplier’s property. The supplier shall maintain Provided Property in a good condition and ready for operation at its own cost and shall replace it when necessary. The supplier shall bear the risk for Provided Property as long as it is in the custody of, or under the control of the supplier. At the Buyer’s request, the supplier shall insure the Provided Property at its expense for an amount that corresponds to the replacement costs in the event of loss, which are to be paid to the Buyer or its customer. The supplier hereby assigns to the Buyer all of its claims for payment against the insurer, and the Buyer accepts the assignment. The supplier shall handle the Provided Property carefully and safely, and indemnify the Buyer against claims based on the installation, use, safekeeping or the repair of Provided Property. The Buyer or its customers are authorized to enter the business premises of the supplier during usual business hours and inspect the Provided Property and pertinent records.
- 12.4 The supplier agrees that the Buyer shall have the right to remove the Provided Property at any time and without a reason or payment, or to demand its return. On such a demand by the Buyer, the supplier shall return the Provided Property to the Buyer without delay and prepare it for shipment or deliver it to the Buyer or its customers. The Buyer shall pay the supplier for reasonable delivery costs. The supplier has no right of retention with regard to Provided Property, either for outstanding claims for money or for any other reason.
- 12.5 Further details are regulated in the Tool Framework Contract, the Tool Contract, or the Tool Provision Contract, if applicable.

13. Supplier's Tools

- 13.1 The supplier grants the Buyer the irrevocable option to acquire tools that are the property of the supplier and are necessary to manufacture the goods (“**Necessary Tools**”) in exchange for payment of their current value minus the amounts that the Buyer has already paid the supplier or that are amortized through the price of the goods. This option does not exist if the supplier needs the Necessary Tools to manufacture its other standard products.
- 13.2 The supplier will furnish the Buyer with all technical information that the Buyer needs for the installation, assembly, and other use of the Necessary Tools. Technical information includes design, assembly group and installation drawings, specifications, test records and results, documents, data and other information pertaining to goods and tools. Technical information can be used and published by the Buyer without limitation subject to the Protected Rights of the supplier. The Buyer may use design or product information subject to Protected Rights of the supplier only for its own purposes.

14. Force Majeure

Delays or the failure of the performance in the context of a Delivery Contract as a result of events of force majeure without a mistake or fault on the part of the affected party shall be considered excused for as long as the event continues. This presupposes that the affected party notify the other party as quickly as possible after the event, but no later than three days afterwards, of the type, consequences and anticipated duration of the event. Events of force majeure are natural catastrophes such as fires, floods, earthquakes, tornadoes or other extreme natural events, unrest, wars, sabotage, terror attacks and other similar unforeseeable and unpreventable events. During the delay or the failure of the performance on the part of the supplier and for a reasonable time period thereafter the Buyer is authorized to acquire replacement goods from other available sources, whereby the ordered quantities shall be reduced in the amount of the replaced goods and/or to require the supplier to deliver replacement goods from other available sources in quantities and on dates which the Buyer stipulates and at prices as regulated in the Delivery Contract. If the supplier cannot credibly assure within 10 days after a respective request from the Buyer that a delay will not exceed 30 days or if the delay lasts more than 30 days, the Buyer can terminate the contract without any liability towards the supplier.

15. Secrecy and Advertising Ban

- 15.1 The parties to the contract undertake to keep secret all commercial and technical information that is not publicly available and becomes known to them through the business relationship. Drawings, models, templates, samples, and similar items, including copies thereof, may not be



given to third parties, made otherwise accessible, or reproduced unless the respective other party gives its prior written consent or such an act is necessary to execute the Delivery Contract successfully. The supplier shall return all copies at the Buyer's request if they are no longer of use within the context of a Delivery Contract. The supplier shall obligate its sub-suppliers according to this paragraph 15.1.

15.2 The supplier may publicly divulge the business relations with the Buyer only after prior written consent.

16. Miscellaneous

16.1 Unless expressly agreed otherwise in a Delivery Contract the law of the state (or country) in which the principal place of business of the Buyer is located shall apply to the Delivery Contract, its validity, termination, interpretation, execution, and any related legal dispute. The provisions of the Treaty of the United Nations on Contracts for the International Sale of Goods (U.N. Sale of Goods Law) and the conflict of law regulations of international private law are expressly excluded. The Buyer and supplier agree that the courts of Buyer's principal place of business shall have exclusive jurisdiction over all disputes connected with the Delivery Contract. In addition, the Buyer shall be entitled to sue the supplier in the courts with jurisdiction over the supplier's principal place of business.

16.2 If a provision of these General Conditions of Purchase is invalid or unenforceable due to a law or another statutory regulation, then such provision shall, depending on the case, be deemed modified or canceled to the extent that makes compliance with such laws or other statutory regulations possible, and the remaining provisions of these General Conditions of Purchase shall remain fully in effect and valid.

16.3 A party's failure to demand compliance with a provision of a Delivery Contract from the other party at any time shall not affect the right to demand such compliance at a later time. The waiver of a party to make a claim for violation of a provision of the Delivery Contract also does not represent a waiver of claiming a later violation against the same or another provision.

16.4 The parties agree that the Delivery Contract (including the General Conditions of Purchase) is the complete and exclusive declaration of the contractual terms. The supplier may not rely on earlier contract negotiations between the parties and commercial practice for the purpose of supplementing or interpreting the terms of a Delivery Contract. All changes must be in Text Form unless otherwise agreed in a Delivery Contract.

GERMAN ANNEX:

4.4:

The following sentences 2 and 3 are added to paragraph 4.4:

If the supplier assigns an outstanding claim for money against the Buyer to a third party without the Buyer's consent in contravention of the regulation in the preceding sentence, the assignment is still valid. However, the Buyer may choose to pay the supplier or the third party with full discharge for the Buyer.

5.6:

Paragraph 5.6 is replaced as follows:

The Buyer undertakes to carry out incoming goods inspections merely with regard to identity, quantities, transport damage, and other obvious damage, and the supplier waives any right to require the Buyer to carry out such inspections.

6.2:

Paragraph 6.2 is replaced as follows:

If the goods have already been built in and delivered to the Buyer's customer, and insofar as the Defective Goods were not submitted to the Buyer by its customer for inspection, the supplier shall recognize the finding of a defect by the Buyer's customer or a third party commissioned by it (e.g., a workshop) as proof of the defect even without submission of the Defective Goods.

The statutory regulations apply in all other respects. If the goods are already in the production process with the Buyer or the Buyer's customers, no grace period for supplementary performance need be set.

6.4:

Paragraph 6.4 is replaced as follows:

The supplier shall bear all costs incurred in connection with the repair or replacement of Defective Goods (including transport, handling, sorting, installation, removal, material and labor costs).

7.1:

Paragraph 7.1 is replaced as follows:

Provided that no other measure of liability was agreed, the supplier is liable in accordance with the statutory regulations. If claims are made against the Buyer on the basis of strict liability, the supplier shall be liable to the extent it would be directly liable as well.



16.1:

Paragraph 16.1 is replaced as follows:

Unless expressly agreed otherwise in a Delivery Contract the law of the Federal Republic of Germany shall apply to the Delivery Contract, its validity, termination, interpretation, execution, and any related legal dispute. The provisions of the Treaty of the United Nations on Contracts for the International Sale of Goods (U.N. Sale of Goods Law) and the conflict of law regulations of international private law are expressly excluded. The Buyer and supplier agree that the district court (*Landgericht*) of Wuppertal shall have exclusive jurisdiction over all disputes connected with the Delivery Contract. In addition, the Buyer shall be entitled to sue the supplier in the courts with jurisdiction over the supplier's principal place of business.