

1. Validity

- 1.1. These terms and conditions of purchase (T&Cs) alone shall govern all commissions and purchase orders placed by us and contracts entered into by us – hereinafter known as "order" – for the purchase of goods as well as for work and services carried out – hereinafter known as "deliveries". We hereby expressly reject terms and conditions of our Suppliers which differ from, or are supplementary to, these (T&Cs) and they shall not be binding upon us. Our terms and conditions of purchase alone shall also apply in those cases in which we do not raise an objection to the inclusion of the terms and conditions of our Supplier in a given instance or if we accept his delivery without reservation in the knowledge that his terms and conditions of business are contrary to our own or supplement our own.
- 1.2. These T&Cs shall also apply for all future business transactions with the Supplier, even if they are not expressly agreed again.
- 1.3. The invalidity or unenforceability of individual provisions in these T&Cs shall not affect the validity of the remaining provisions. Invalid and unenforceable provisions shall be replaced with that regulation allowed by law which comes closest to the economic objective of the invalid or unenforceable provision.

2. Conclusion of a contract

- 2.1. All agreements between the Supplier and ETIMEX, as well as all orders shall only be binding on us in those cases in which they have been committed to writing. Every amendment, supplement or side agreement made prior to, or after, the contract was signed shall be subject to our written consent. The requirement for written form may only be waived in writing. Transmission by telephone, e-mail or data transmission shall satisfy the requirement for written form.
- 2.2. If the Supplier does not accept our order within a period of 2 weeks from receipt, we shall be entitled to revoke it. Delivery call-offs shall be binding if the Supplier does not raise an objection to them within three (3) working days from receipt. Amendments, supplements or other discrepancies from our orders shall only become valid if attention has been expressly drawn to them separately and we expressly accept them.

3. Price and Terms and Conditions of Payment

- 3.1. The prices quoted in the order shall be fixed prices. The prices shall include delivery franco domicile as well as all packing, transportation, insurance and other delivery costs, unless an express agreement has been made otherwise in writing. Statutory value added tax is to be shown separately in invoices otherwise it shall be regarded as having been included in the price.
- 3.2. If the Supplier has taken over the assembly, fitting and / or start-up and no agreement has been made otherwise in writing, the Supplier shall consequently bear all the necessary ancillary costs such as travelling expenses, and providing the tools.
- 3.3. We shall only be able to process invoices if they are sent under separate cover. Each order must be invoiced separately. The order number quoted in our order, the order date, the supplier number as well as our item number are to be shown clearly in each invoice.
- 3.4. Invoices are to be made out in EURO. Payments shall only be made in EURO.
- 3.5. Payments will be made by bank transfer after deliveries have been accepted and verifiable invoices have been received and all the documents relating to the scope of delivery have been handed over to us. Unless expressly agreed otherwise in writing, we shall either pay within 14 days to qualify for a prompt payment discount of 3% or within 30 days net.
- 3.6. The Supplier shall not be entitled to assign some or all of his claims against us or to dispose of them otherwise without our prior written consent.
- 3.7. We shall be entitled to offset and withhold payment as provided for by law.

4. Delivery dates and Terms and Conditions of Delivery

- 4.1. The delivery dates stated in the order or otherwise shall be binding and must be observed strictly. The Supplier shall have to inform us straight away in writing if it appears that there will be a delay in delivery or if he will be unable to supply by the agreed delivery dates and periods stating the reasons for and the probable duration of the delay.
- 4.2. Part deliveries and early deliveries shall only be allowed if we have expressly granted our consent hereto. The claim to payment shall however only become due for payment from the date of the delivery date originally agreed onwards.
- 4.3. Unless agreed otherwise, in addition to a delivery note, a test certificate in accordance with EN 10204 valid at that point in time or an equivalent internationally-recognised test certificate showing the key data agreed with the Supplier is to be attached to the delivery note. At least one initial sample test report in accordance with VDA Volume 2 (latest version) attached to all first deliveries.

- 4.4. Deliveries shall only be accepted at the agreed times.
- 4.5. In the event that a delivery is delayed, we shall be entitled to demand a contractual penalty amounting to 1% for each new week of delay, not, however, to exceed a total of 10% of the value of the order. The Supplier shall be entitled to prove to us that we have not suffered any loss or a much smaller loss than the above contractual penalty as a result of the delay in delivery. We shall reserve the right to assert a claim for additional damages. We shall be obliged to state that we reserve the right to demand a contractual penalty no later than when the invoice following the delayed delivery is paid.

- 4.6. Force majeure events making it impossible or much more difficult for our Supplier to deliver, or for us to accept or to use the delivery in our business shall postpone our obligation to accept the delivery accordingly as appropriate for our actual requirement. In cases of force majeure affecting us or our Supplier we shall, as we choose, also be entitled to withdraw from all or parts of the contract.

5. Place of fulfilment, Passing of risk, Acquisition of title

- 5.1. The place of fulfilment is that place in accordance with the order at which the goods are to be supplied or at which the work or service is to be rendered. The place of fulfilment for our payments is our principal place of business.
- 5.2. The consignment is to be delivered to the address stated by us or rendered there at the Supplier's account and risk, properly packed for transit, free to the place of delivery. The risk of accidental loss or accidental deterioration of the consignment shall only pass over to us when we or the haulier contracted by us take delivery of it at the agreed place of fulfilment or final acceptance of the consignment, whichever occurs at the later point in time, even if we have stated that we are prepared to pay for the cost of freight.
- 5.3. We shall acquire the title to the goods without the Supplier being able to reserve any rights when risk passes over to us at the place of fulfilment or when the goods are handed over to a haulier specifically contracted by us.

6. Liability for defects and other Liability

- 6.1. We shall only check the identity and quantity of the goods supplied as well as for externally visible transport damage. We shall notify the Supplier of defects to supplied goods as soon as we are able to identify them in the normal course of our business and within a reasonable period of time of at least 5 working days from discovery. Given this, the Supplier shall waive the objection that a defect has not been notified on time (Section 377 of the German Commercial Code [HGB]).
- 6.2. Unless regulated otherwise in this Number, the Supplier shall be liable as provided for by the statutory regulations, in particular for defects in the goods supplied without his liability being limited or ruled out by reason or amount, and given this he shall exempt us from third party claims.
- 6.3. We shall, as a matter of principle, be entitled to select the type of cure. The Supplier may refuse to carry out the cure as selected by us subject to the preconditions in Section 439 Para 3 of the German Civil Code [BGB].
- 6.4. Should the Supplier not begin to remedy the defect straight away after we have called upon him to do so, we shall consequently be entitled, in urgent cases in particular, to avert acute danger or to avoid more extensive damage, to remedy the identified defects ourselves or have them remedied by a third party at the Supplier's cost, without him having to be set a subsequent period of time in advance to do so.
- 6.5. Unless agreed otherwise or statutory provisions stipulate longer periods, claims based upon quality defects shall be time-barred 24 months after the end product has been sold to the consumer and no longer however, than 30 months from delivery to us at the latest. For contracts for services the period of limitation shall be 30 months from written final acceptance. If the consignment delivered has been used for a structure in accordance with its normal use, and if it has caused it to be defective, the period of limitation shall only apply after 5 years. Our rights under Sections 478 and 479 of the BGB shall not be affected by this regulation.
- 6.6. If there are legal defects, the Supplier shall also exempt us from any third party claims which may possibly be made. There is a period of limitation of 10 years for legal defects.

7. Product liability

- 7.1. The Supplier shall exempt us from all third party claims from, and in connection with, personal injury and property damage if, and provided that, the cause for this is within the Supplier's sphere of control and organisation. In keeping with this, the Supplier shall also be obliged to refund us all our expenses in accordance with Sections 683 and 670 which we incur from, or in connection with, a recall campaign or other measures conducted by us.

7.2 The Supplier shall undertake to maintain an extended product liability and recall costs insurance policy with a lump sum cover of at least EUR 1,000,000 (EUR 1 million) per claim for personal injury / property damage. Our claims shall not, however, be limited to the amount of cover specified above.

8. Compliance with Proprietary rights and Regulations

8.1 The Supplier assures that the goods he supplies and the use of them shall not be in breach of industrial property rights or other third party rights or statutory or official regulations, regardless of whatever type. The Supplier shall also assure that the goods supplied by him do not contain any CFCs, PCB or asbestos. The Supplier shall, at our request, undertake to provide all relevant IMDS data free of charge.

8.2 The Supplier shall be obliged to exempt us from all claims asserted by third parties against us on the occasion of, or in connection with, the goods supplied or the use thereof. Number 6.6 Sentence 2 shall apply.

8.3 The Supplier's obligation to exempt us as above shall cover all expenses incurred from, or in connection with, a claim being asserted against us by a third party.

9. Reservation of title, Tools

9.1 We shall reserve the title to goods supplied by us (e.g. parts, components, semi-manufactured products.)

9.2 The reservation of title shall also cover the products produced as a result of our goods being processed, combined with or joined to other products, at their full value, whereby the work shall be carried out for us so that we shall be regarded as the manufacturer. If the processing, combining or joining with third party goods subject to reservation of title, we shall consequently acquire co-ownership in proportion to the objective value of these goods.

9.3 The tools with which the Supplier is provided and made by the Supplier himself at our request or ordered from third parties to which we have made a contribution in costs, shall remain our property or shall become our property when they are manufactured or acquired by the Supplier and are to be marked clearly as our property.

9.4 The Supplier shall be obliged to keep tools in safekeeping for us, to take out adequate insurance cover for them and upon request, prove to us that he has taken out insurance cover for them. The Supplier shall be obliged to only use the tools for manufacturing parts for ETIMEX, unless an agreement has been made otherwise.

9.5 The Supplier has to maintain and service tools provided by us at his expense. At the end of the contract the Supplier shall have to return the tools to us straight away at our request, without him being entitled to a right of reservation. When handing over the tools they must be in a technical and visual condition compatible with their prior use. Repair costs shall be for the Supplier's expense. Under no circumstances may the Supplier scrap the tool without our written consent.

10. Quality control

10.1 Etimex demands that its suppliers submit proof of a certified QM system in accordance with ISO/TS 16949 (the most recent version) and a system certified to ISO 9001 (the most recent version) as a minimum requirement together with verifiable proof that they have made efforts to comply with the more demanding requirements of ISO/TS 16949. An additional objective must be to

improve internal management systems designed to improve environment protection and safety at work continually. These include the most recent version of the ISO 14001 certificate and OHSAS 18001 or SCC (the most recent version). Services and products to be supplied must satisfy the official and statutory regulations of the Federal Republic of Germany and the European Union such as, for example REACH/ RoHS – as may be published from time to time.

11. Non-disclosure, Documents

11.1 All information, formulae, drawings, models, tool, technical records, procedural methods, software or other technical and commercial expertise as well as work results achieved in connection with this (hereinafter known as confidential information) made accessible by us or by the Supplier through us are to be kept secret from third parties by the Supplier and may only be used in the Supplier's own firm for carrying out deliveries to us and only those persons are to be allowed access who need to know the confidential information as part of the business relationship between us and the Supplier and who have been placed under an obligation in accordance with this regulation to maintain secrecy. This shall also apply for the duration of the business relationship and thereafter for as long as and provided that the Supplier is unable to prove that he was already aware of the confidential information at the point in time at which it was handed over to him and that it was in the public domain or entered the public domain subsequently without him being responsible for this.

11.2 All documents (i.e. drawings, diagrams, test regulations) specimens and models etc. which we make accessible in the course of the business relationship with the Supplier, shall remain our property and are to be returned to us at our request at any time, no later than when the business relationship ends (including, for example, any copies photocopies, excerpts and imitations there may be) or destroyed at the Supplier's expense as we choose. Given this, the Supplier shall not be entitled to a right of retention.

11.3 The disclosure of confidential information and possibly passing over of documents, specimens or models shall not establish any rights at all for the Supplier to industrial proprietary rights, know-how or copyrights and does not constitute publication and rights resulting from prior use within the meaning of the German patent and utility patent act.

12. Choice of law and Place of jurisdiction

12.1 The law of the Federal Republic of Germany alone shall apply with the exception of its international private law, in so far as it should refer to the validity of another legal system. The standard UN law on sales (C.I.S.G.) and other bilateral and multilateral agreements serving to standardise international trade shall not apply.

12.2 The place of jurisdiction for all claims arising from business relationships with suppliers, in particular from contracts or their validity shall be Dietsheim. We are however also entitled as we choose, to take legal action against the Supplier at any other general or special place of jurisdiction.

12.3 If the Supplier is based outside the Federal Republic of Germany, we shall consequently, as we choose, also be entitled to have all claims, disputes, or differences of opinion arising from business relationships with the Supplier decided not by seeking recourse to normal courts but instead by having the arbitration code of the Zürich Chamber of Commerce applied by one or three judges appointed by this arbitration code. The arbitration court is based in Zürich/Switzerland. The arbitration proceedings shall be conducted in English. The arbitration award is final and binding on the parties involved.