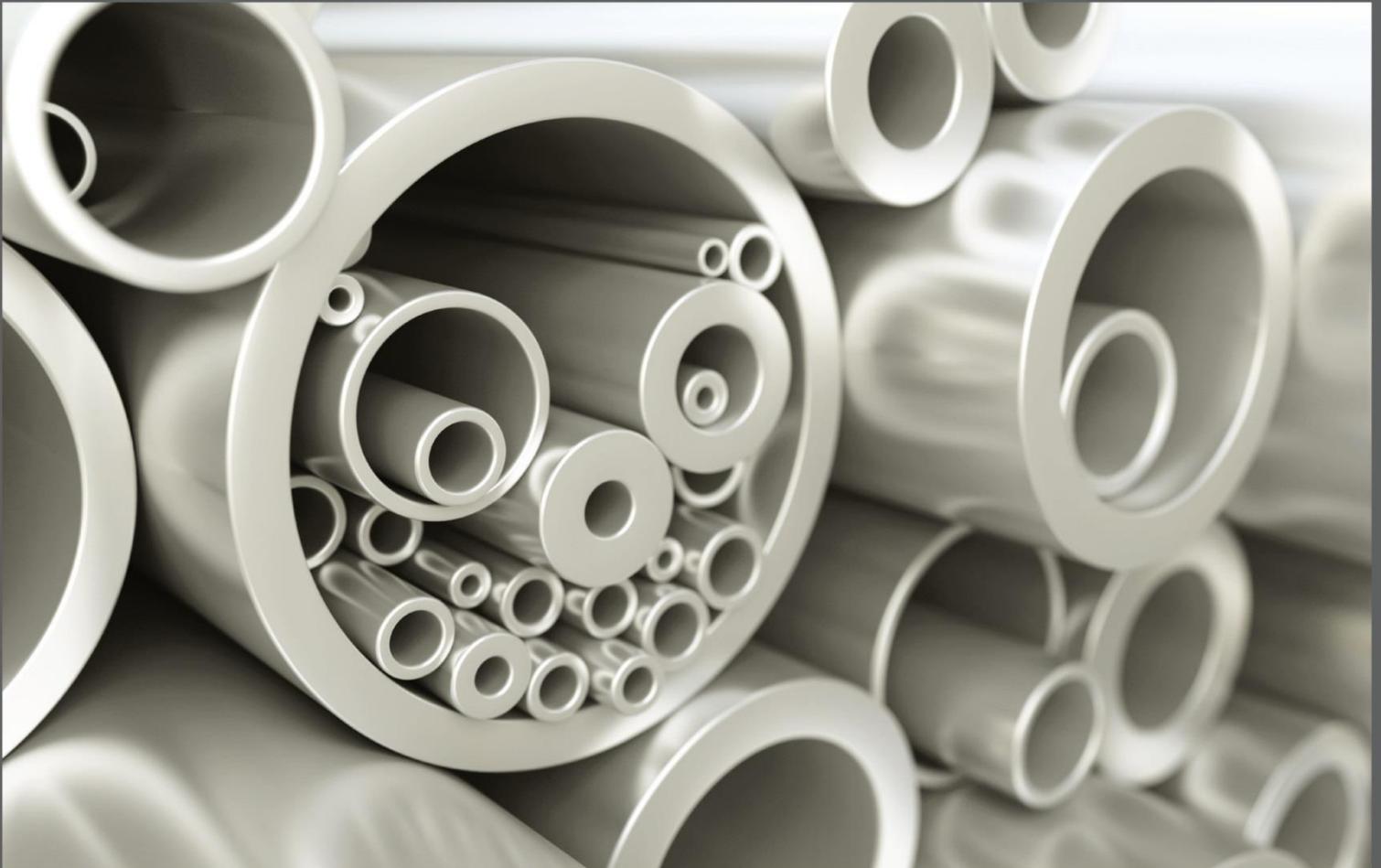


GENERAL STANDARD TERMS AND CONDITIONS OF PURCHASE (VERSION FEBRUAR 2018)



GENERAL STANDARD TERMS AND CONDITIONS OF PURCHASE

1. Scope

These General Standard Terms and Conditions of Purchase (GSToP) govern all our contracts for the purchase of goods. The same are applicable in relation to entrepreneurs, public law entities and separate funds under public law.

Our General Standard Terms and Conditions of Purchase shall be applicable exclusively. To bind us we must have confirmed contradicting or deviating terms in writing before. These GSToP are applicable to all orders we have placed or will be placing. We reserve the right to alter or amend the said terms at any time from now on by way of a notification to this effect addressed to our supplier.

For the case where a framework supply agreement should exist between the supplier and us, these GSToP shall be applicable as a supplement.

2. Quotations

Quotations, cost estimates, visits, consultations and plans, etc. of the supplier shall always be free of charge to us binding us in no way, even when the same have been prepared for and submitted to us upon our request.

3. Order

Orders, which we have placed, are binding. Any failure on part of the supplier to accept such order within one week shall entitle us to revoke the order.

Supply contracts (order and acceptance) as well as calls for delivery plus their updates and amendments need to be prepared in writing. Verbal supplements to an agreement shall be applicable only when we have confirmed them in writing or in a text format.

Calls for delivery may also be effected by remote data transmission. Calls for delivery shall become binding, unless the supplier objects to them within two weeks at the latest.

With his quotation the supplier warrants explicitly that the goods sold to us will comply with the specimen or samples presented by him and approved by us, or, for the case, where the order is placed with reference to one of our orders, with his quotation.

The supplier warrants that the goods he has supplied infringe upon no third party industrial property right at the time of being delivered as well as in their use. The customer shall release us from all third party claims for a possible violation of an industrial property right.

For the case that no price is known at the time we place the order the supplier shall specify the price in the order confirmation at the latest.

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4. Payment

Prices, which have been agreed with us, shall be net prices and fixed. They shall include incidentals like packaging and insurance. Prices are for delivery free domicile. Insurance coverage shall be guaranteed until the goods have reached our receiving area.

Supplements, price amendments and/or volume changes require our approval in writing. Otherwise they are inadmissible. Unless a different agreement has been reached, payments will be made 90 days after receipt of an unobjectionable delivery and invoice by way of money transfer or cheque. Have premature deliveries been accepted the payment due date will be in accordance with the agreed date of delivery.

We are entitled to assert our rights to an offset and retention within the scope of the law. The assignment of accounts receivables on part of the supplier requires our express and prior consent. The supplier has no right to have third parties collect his accounts receivables from us.

5. Delivery times & contractual penalty

Delivery times agreed with us are binding. Critical is the receipt of the goods at our location. Our receiving department is open Monday to Friday from 07.00 a.m. to 07.00 p.m. We avail of the right to refuse premature deliveries returning the same to the supplier at his cost and risk.

When it becomes apparent that a delivery will not be effected in due time the supplier shall notify us in writing or in a text format and without undue delay, in urgent cases by telephone, stating the reasons and specifying the expected time of delivery. Any failure or delay in providing this notification shall make the supplier liable for possible delays and the consequences resulting therefrom.

In the case where a delivery date, which has been agreed with us, will be delayed we have the right to withhold 0.5% of the total order amount per day of the delay, however, no more than a maximum of 10% of the total order amount. This is the so-called contractual penalty. The supplier is free to prove to us that we have suffered no damage at all or one that is significantly lower. Our contractual claim to performance and further compensation of damages remains unaffected thereby.

6. Scope of delivery and packaging

The delivery to us shall come with a delivery document that provides details on all order data. Furthermore a materials test certificate, which may be available in the individual case, the processing log or other evidence, as usual in this sector of industry, shall accompany the delivery document.

The delivery shall comply with the order. Partial deliveries, excess deliveries or short deliveries are inadmissible.

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To be effective they require an expressive agreement with or the prior approval from us.

The supplier shall use commercial and proper packaging for his goods. Upon our request the supplier shall take the packaging back at his own cost.

7. Passage of risk

Up to the time of handing over the goods to us the supplier shall assume the risk of accidental loss and/or deterioration.

8. Quality and documentation

For his deliveries the supplier shall comply with the recognised codes of practise, safety regulations and the agreed technical data.

For the duration of the warranty period the supplier warrants that the goods we have ordered will have the quality, which has been assured expressly or in any other way or is generally presupposed. The supplier also warrants that the goods we have ordered will be fit for the defined use.

The supplier shall maintain a system for the permanent monitoring of the goods' quality. We will mutually inform each other on the available options for an improvement of the quality.

Have kind and scope of the inspections plus inspection, measuring and test equipment as well as methods not definitely been defined between the supplier and the customer, then the supplier shall be prepared, within the frame of his knowledge, experience and capabilities, upon our request, to discuss with us about the tests to be conducted to obtain the state of the test technology required in the specific case. Furthermore we will inform the supplier about the pertinent safety regulations, if so requested.

9. Ancillary requirements for quality and documentation in the case of automotive parts

For all automotive parts, which have been identified e.g. with a "D" in the supply contract or the technical documents or by special agreement, the supplier has to keep in special records when, in what way and by whom the parts have been inspected for the characteristics, which require documentation, along with the results for the required quality tests. The inspection records shall be kept for fifteen years to be presented to us upon our request. The supplier shall obligate his upstream suppliers to a similar extent.

Inasmuch as authorities that request an inspection of our production process and inspection records for a review of requirement compliance with defined vehicle safety regulations, exhaust regulations or similar, the supplier, upon our request, undertakes to allow the authorities the same rights in his operations thus ensuring any and all appropriate support to this extent.

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10. Notification of defects

Promptly after the receipt of the delivery we will check, if the same complies in volume and type with the order and, if transport damage or other defects exist, which are visible from the outside. We are obligated to no further inspection.

We will notify the supplier as soon as we were able to detect defects in the delivery in the course of a proper business process.

The supplier waives his right to the objection on grounds of a delayed notification of defects. Defects, which we have or any one of our customers has found during a treatment or processing and then notified to us, shall be considered as having been complained for in time.

11. Warranty

In the presence of a defect we avail of all legal guarantees. The supplier shall bear all cost that may result from a delivery of defective goods.

The supplier – even when he is not at fault – shall be fully responsible for the procurement of the delivery we have ordered plus the supplies and services required to fulfil the order. That is to say the supplier is to accept the full risk of the procurement.

The right to choose between a rectification of the defects or a new production by the supplier is at our sole discretion. For the case, where we have opted for a rectification, the rectification shall be considered as having failed when the first attempt of rectification has remained unsuccessful. Even in case of a minor deviation from or insignificant impairment of the agreed quality we avail of the right to withdraw from the contract and claim damages instead of performance.

The warranty period is 48 months to be counted from the point in time where the risk passes to us. This period shall also apply to the extent where claims are not related to defects. Inasmuch as we have to consider longer periods of warranty in relation to our customers the warranty period between us and the supplier shall correspond to this prolonged warranty period. With respect to a defect, which has led to a rectification, the warranty period recommences upon completion of the rectification action. The critical point in time is the receipt of the rectification by us. Statutes of limitation of longer duration as well as other provisions about an expiry suspension, suspension of the period and the restart of periods remain unaffected.

12. Supplier's liability

For the case that we are held responsible under the Product Liability Law or another liability without fault the supplier shall be obligated to release us, upon our request, from all claims of such kind, provided he has caused the damage. In the case he has contributed to the damage he will be liable in an appropriate ratio only.

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In such a case the supplier shall assume all expenditures and cost, which we have and our customer has encountered. This shall include the cost of a possible prosecution or recall campaign. Over and above the statutory provisions shall apply.

The supplier is obligated to maintain a product liability insurance that includes the risk of a recall campaign. Proof of insurance coverage shall be presented to us upon request.

Over and above we avail in relation to the supplier of a claim to a compensation of any damage that is asserted against us and where the cause lies with the supplier. The supplier shall release us from all claims for warranty and compensation of damages.

13. Force majeure

In the case of a force majeure we shall be released from the obligation to perform for the duration and extent of the effects. Force majeure is any event, outside of our sphere of influence, which makes it difficult or impossible for us in total or parts to fulfil our obligations. This includes in particular damage caused by fire, flood, interruption of operations, which has not been caused by us, in particular labour disputes and strikes or administrative decisions by authorities as well as supply shortages and other disturbances of performance, which are beyond our sphere of influence.

We will inform the other party without undue delay about the occurrence as well the cessation of the force majeure applying our best efforts to remedy the force majeure and limit its effects to the extent possible for us. Such information will be served in writing, in urgent cases by telephone. Jointly with the other party we will agree on further action.

14. Event of insolvency

The supplier suspending his obligations to deliver or make payments or when the opening of insolvency proceedings over his assets has been applied for or denied for lack of assets or when insolvency proceedings are instituted we are entitled to withdraw from the contract to the extent that has not been fulfilled at such point in time. For the case that the supplier is in possession of our means of production he shall hand the same over to us without undue delay.

15. Data privacy & EDP processing

Der Lieferant stimmt zu, dass zum Zwecke der Abwicklung des Vertragsverhältnisses die notwendigen Daten unter Berücksichtigung der Anforderungen des gesetzlichen Datenschutzes von uns in elektronischen Dateien gespeichert werden.

16. Confidentiality

The supplier undertakes to respect confidentiality in relation to all commercial documents, financial and technical details, in particular samples or models (information), which will be

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disclosed to him during the term of the contract. We undertake to maintain confidentiality in similar scope. The obligation commences with the first notification and continues for 36 months after the end of the business relation. The obligation is no longer applicable when such information has been known to the general public or is generally accessible or for which can be proven that the third party knew it before. Also when one party has been obligated to a disclosure on grounds of statutory provisions or an administrative decision by an authority.

17. Concluding provisions

Verbal supplements to an agreement shall be applicable only when we have confirmed them in writing.

Exclusive jurisdiction for all legal disputes resulting directly or indirectly from the contractual relation shall be Luedenscheid.

Should any one of the provisions contained in these GST be or turn out to be ineffective this shall have no influence on the effectiveness of the other provisions. The supplier undertakes to agree jointly with us on a substitute provision that is effective, enforceable and fit for the purpose of the order and for the protection of the mutual interests. There will be no application of § 139 German Civil Code.